

CAPITAL COMMITTEE

May 14, 2012

MEETING AGENDA

10:00 a.m.

125 Worth Street,
Room 532
5th Floor Board Room

CALL TO ORDER

Emily A. Youssouf

- ADOPTION OF MINUTES March 1, 2012 Emily A. Youssouf
- ASSISTANT VICE PRESIDENT'S REPORT Alfonso C. Pistone

ACTION ITEMS

- **Resolution** **LaRay Brown**
Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a license agreement with MetroHealth Homes Housing Development Fund Corporation (the "HDFC") for the early stages of construction of housing for low income elderly and/or disabled persons on the campus of Metropolitan Hospital Center (the "Facility") using funds advanced by the Corporation subject to reimbursement upon execution of a long term lease with the HDFC.
- **Resolution** **LaRay Brown**
Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a sublease with MetroHealth Homes Housing Development Fund Corporation (the "HDFC") as nominee for Metro East 99 Street LLC (the "LLC" in such capacities being referred to together with the HDFC, as the "Tenant") for the development of housing for low income elderly and/or disabled persons on the campus of Metropolitan Hospital Center (the "Facility").
- **Resolution** **Ann Sullivan, MD**
Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation" or "Licensor") to execute a revocable license agreement with the New York City Police Department ("NYPD" or "Licensee") for use and occupancy of space to operate radio communications equipment at Elmhurst Hospital Center (the "Facility").
- **Work Order – New York Power Authority** **Arthur Wagner**
Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a contract with the New York Power Authority ("NYPA") for an amount not-to-exceed \$7,000,000 for the planning, pre-construction, design services, construction, procurement, construction management and project management services necessary to replace the existing boiler plant at Coney Island Hospital (the "Facility").

INFORMATION ITEMS

- **Project Status Reports**
North Bronx Health Network
South Manhattan Health Network
Southern Brooklyn/Staten Island Health Network
* Network contains project(s) that require a delay report
- **Annual Air Conditioning Readiness Report**

Alfonso Pistone

OLD BUSINESS

NEW BUSINESS

ADJOURNMENT

CAPITAL COMMITTEE MEETING MINUTES

MARCH 1, 2012

MINUTES

Capital Committee

Meeting Date: March 1, 2012

Time: 2:30 P.M.

Location: Board Room

Board of Directors:

Members of the Capital Committee

Michael A. Stocker, MD, Chairman of the Board

Josephine Bolus, RN

Antonio Martin (representing Alan D. Aviles, President, in a voting capacity)

HHC Staff:

Jawwad Ahmad – Director, Office of Facilities Development

Kein Anderson – Associate Executive Director, Woodhull Medical and Mental Health Center

Jeremy Berman – Deputy Counsel, Legal Affairs

Michael Buchholz – Senior Associate Executive Director, Coler-Goldwater Specialty Hospital and Nursing Facility

Deborah Cates – Chief of Staff, Office of the Chairman

Manding Darboe – Assistant Director, Office of Facilities Development

Martin Everette – Director, Affirmative Action/Equal Opportunity Employment

Rebecca Fischer – Associate Executive Director, Bellevue Hospital Center

Jonathan Goldstein – Senior Consultant, Corporate Planning

Anthony Gounaris – Senior Project Manager, Office of Facilities Development

Trevor Henry – Assistant Executive Director, Harlem Hospital Center

Robert Hughes – Executive Director, Coler-Goldwater Specialty Hospital and Nursing Facility

Patricia Lockhart – Secretary to the Corporation, Office of the Chairman

Tamiru Mammo – Deputy Chief of Staff

Dean Moskos – Director, Office of Facilities Development

Seth Narine – Coordinating Manager, Bellevue Hospital Center

Anita O'Brien – Associate Executive Director, Harlem Hospital Center

Dean Pearce – Senior Director, Office of Facilities Development

Alfonso Pistone – Assistant Vice President, Office of Facilities Development

Marsha Powell – Director, Facilities Development

Michael Rawlings – Associate Executive Director, Bellevue Hospital Center

Joe Schick – Chief Of Staff

Lisa Scott-McKenzie – Senior Associate Executive Director, Woodhull Medical and Mental Health Center

Denise Soares – Executive Director, Harlem Hospital Center

Cyril Toussaint – Director, Office of Facilities Development

Manasses Williams – Director, Affirmative Action/Equal Opportunity Employment

Dion Wilson – Assistant Director, Office of Facilities Development

Elizabeth Youngbar – Assistant Director, Office of Facilities Development

Other Attendees:

Michael Clay – Dormitory Authority of the State of New York
Steven Curro – Dormitory Authority of the State of New York
Melissa Dubowski – New York City Office of Management and Budget
Ron Geccedi – Dormitory Authority of the State of New York
Michael Jordon – Consolidated Edison
Dmitri Konon – New York City Economic Development Corporation
Emil Martone – New York City Economic Development Corporation
Zac Smith – New York City Economic Development Corporation

CALL TO ORDER

The meeting was called to order by Michael A. Stocker, MD, Chairman of the Board, at 2:31 P.M.

On a motion by Dr. Stocker, which was duly seconded, the Capital Committee adopted the minutes of February 9, 2012.

ASSISTANT VICE PRESIDENT'S REPORT

Alfonso Pistone, Assistant Vice President, Office of Facilities Development, advised that there were two action items scheduled for consideration. The first, a request for work order funding to permit the Dormitory Authority to begin investigation, reporting and design phase engineering services to address Local Law 11 conditions at Woodhull Medical and Mental Health Center, and the second, seeking approval for the renewal of an existing license agreement with Consolidated Edison (Con Ed) to continue operation of a radio communications system at Harlem Hospital Center.

Mr. Pistone noted that there were four information items on the agenda; a status update on the major modernization project at Harlem Hospital Center, a brief update on the efforts to secure additional parking for the Goldwater North facility, a report on Minority, and Women Business Enterprise (MWBE) statistics relating to the Harlem Hospital Center major modernization project, and, as a follow up to a request at the February 9, 2012, Capital Committee meeting, a reconciliation of the costs associated with the Goldwater North project. Mr. Pistone explained that a supporting document (Attachment A), outlining the Goldwater North reconciliation, represents a collaboration between HHC and the Economic Development Corporation (EDC) to memorialize the significant changes in cost and scope from the initial Certificate of Need (CON) application to the most recent CON application and budget for the project.

Lastly, Mr. Pistone advised that there were two projects included in the Project Status Reports (PSRs) that were reported as in delay by six (6) months or more. He explained that updated information had been added to the PSRs to reflect any changes or progress on those projects.

This concluded the Assistant Vice President's Report.

Dr. Stocker advised those in attendance that Antonio Martin, Executive Vice President, would be representing Alan Aviles, President, as a voting member of the Committee.

Josephine Bolus, RN, requested that at the next Capital Committee meeting a brief update be provided on the Woodhull Clinic project that she had previously been concerned with. Mr. Pistone said that would be provided at the April 5, 2012, meeting.

Prior to addressing the action items Dr. Stocker requested that the Goldwater North project update by the Economic Development Corporation (EDC), an information item, be discussed. Dr. Stocker advised that after meetings with EDC discussing the original Certificate of Need (CON) and its estimated cost for the project and the current CON, parties have come to an agreement on

where the discrepancies are seen, as evidenced in a handout provided to members of the Committee (Attachment A). Dmitri Konon, Emil Martone and Zac Smith, EDC, agreed.

ACTION ITEMS

- **Authorizing a work order in the amount of two hundred ninety five thousand dollars (\$295,000) to the Dormitory Authority of the State of New York (DASNY) to provide funding for investigation, reporting, and design phase engineering services required to address Local Law 11 conditions at Woodhull Medical and Mental Health Center.**

Lisa Scott-McKenzie, Senior Associate Executive Director, Woodhull Medical and Mental Health Center, read the resolution into the record on behalf of George Proctor, Senior Vice President, Central/North Brooklyn Health Network. Ms. Scott-McKenzie was joined by Kein Anderson, Associate Executive Director, Woodhull Medical and Mental Health Center.

Mrs. Bolus asked how many inspections had been performed at the facility since its construction in 1972. Mrs. Scott-McKenzie said the facility had been checked according to schedule and although some minor issues had been identified over the years the continued deterioration is presently allowing water to seep inside the building and therefore must be fixed. Mrs. Bolus asked whether it would be sealed appropriately this time to prevent water seepage. Mrs. Scott-McKenzie said yes.

Mrs. Bolus asked for confirmation that this \$295,000 work order would fund preliminary investigatory and design work and the actual construction work would be approximately \$2 million. Mrs. Scott-McKenzie said yes and advised that the Committee would have to approve any additional project funding. Mr. Pistone noted that the \$2 million project budget was an estimate and could change after preliminary research is complete.

Mrs. Bolus asked whether the building issues had come strictly from water damage or had been caused by shaking from the nearby subway. Mrs. Scott-McKenzie stated that there are no vibration issues that are known and the necessary work is a result of caulk breaking down and water seeping into the building.

There being no questions or comments, the Committee Chair offered the matter for a Committee vote.

On motion by the Chair, the Committee approved the work order.

- **Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation" or "Landlord") to execute a revocable license agreement with Con Edison Company of New York, Inc. (the "Licensor"), for use and occupancy of space for the operation of a radio communication system at Harlem Hospital Center (the "Facility") for five years without further authorization by the Board of Directors of the Corporation. Current agreement expires April 30, 2012.**

Dion Wilson, Assistant Director, Office of Facilities Development, read the resolution into the record on behalf of Lynda Curtis, Senior Vice President, South Manhattan Health Network. Mr. Wilson was joined by Michael Jordan, Consolidated Edison.

Mr. Wilson provided a summary of the agreement noting that the Consolidated Edison (Con Ed) had been operating a radio communications system on the roof of the Martin Luther King (MLK) Pavilion since 2002. He advised that the system involves installation of an equipment cabinet and omni-directional antennae that operate at either 800 or 900 megahertz frequencies. The system facilitates data monitoring enabling local power usage demands to be communicated to Con Ed's central operations and its digital channel capability allows for effective radio communication. The annual occupancy fee \$27,007 represents a three (3) % increase over the current rate. He noted that the equipment complies with all FCC requirements and does not interfere with hospital communications.

Mrs. Bolus asked what data monitoring entails. Mr. Jordan advised that it is a distributed automation system resulting from above ground control systems in Queens or the Bronx. It monitors various stations to see what levels the power flow is operating at. He added that it also supports when equipment goes out by allowing alternate feeders to handle possible issues.

Mrs. Bolus asked where the system is monitored from. Mr. Jordan said there are two sites, one in Westchester County, and one at Irving Place.

Mrs. Bolus asked how many people are located in the monitoring stations. Mr. Jordan said typically three people but if there are shortages or outages then additional staff is brought in for support. There are approximately 23 other Con Edison sites similar to the one at Harlem Hospital Center.

Mrs. Bolus asked whether all the equipment signals to the same two sites. Mr. Jordan said yes.

There being no further questions or comments, the Committee Chair offered the matter for a Committee vote.

On motion by the Chair, the Committee approved the resolution for the full Board's consideration.

INFORMATION ITEMS

- **Harlem Hospital Center – Major Modernization – Status Report**

Denise Soares, Executive Director, Harlem Hospital Center, provided the status report. Ms. Soares was joined by Anita O'Brien, Associate Executive Director, Harlem Hospital Center, and Trevor Henry, Assistant Executive Director, Harlem Hospital Center.

Ms. Soares stated that Phase I of the project, the New Patient Pavilion (NPP), is nearing substantial completion. Phase I includes the sixth (6th) floor, adult medical surgical and intensive care units, the fourth (4th) floor, which houses central sterile supply and outpatient dialysis, the third (3rd) floor, where peri-operative services are located, the second (2nd) floor, which is where

women's health imaging and surgery and bariatric clinics are located, and the first (1st) floor, which includes the atrium and mural gallery and will eventually house adult and pediatric emergency units.

Ms. Soares advised that the facility is conducting breakthrough vertical value streams in order to complete move-in and relocations appropriately. The process is including all parties that will be moving into the NPP. The mural gallery build-out is nearing completion, reinstallation will take another four (4) to six (6) months and the illuminated mural façade is complete. She stated that the facility is preparing to bid and award for the build-out of the remaining Emergency Department space and are in process of reviewing medical equipment purchasing. The facility is waiting for the Fire Department of the City of New York (FDNY) to complete inspection of the fire alarm system. The Department of Buildings (DOB) inspections for the Certificate of Occupancy should take place in March and by May hopefully the Department of Health (DOH) pre-occupancy survey will take place.

Mrs. Bolus asked where the Emergency Medical Service (EMS) station will be located. Ms. Soares and Ms. O'Brien advised that the old facility was not completely demolished but the station has already been relocated.

Ms. Soares provided a brief slideshow of progress photos.

Ms. Bolus asked which murals were located in the auditorium. Ms. Soares advised that the images are depictions of the actual murals that will be reinstalled at the facility.

- **DASNY Report on MWBE Statistics**

Michael Clay, Director, Office of Opportunity Programs, Dormitory Authority of the State of New York (DASNY), reported on the Minority and Women Business Enterprise (MWBE) statistics related to the Major Modernization project at Harlem Hospital Center.

Mr. Clay explained that the employment program started at the assistance of HHC/Harlem Hospital Center and that while DASNY does have their own MWBE requirements it was HHC and the facility that went beyond the norm. He noted that through construction of this project approximately 217 residents had been employed and thousands more had been referred to other programs, been provided OSCHA training and/or had been referred to other programs. He acknowledged that partnering with various organizations helped to not just build a building but really support the community.

Mr. Clay stated that project report details display that through the project DASNY has been able to afford contracts or sub-contracts to New York State certified MWBEs, in total, 35% of those working on the project or what will amount to approximately \$52 million worth of business. He advised that this is an ongoing process and final numbers are based on completed work and payments not on estimates. He noted that the modernization project could possibly have the highest MWBE participation in a Harlem based project and maybe even in the City of New York, to date.

Mrs. Bolus asked whether the businesses listed had all been paid to date. Mr. Clay said no, \$18 million had been paid to date and that by the end of the project, when all payments are

completed, it is estimated that payments to MWBE firms will amount to approximately \$52 million.

Mrs. Bolus asked about the issues that subcontractors face regarding receiving payments. Mr. Clay advised that DASNY has the right to refuse payment so if they are aware of an issue where a subcontractor is not being paid they will be proactive, review the situation and can decide not to pay a contractor if they are not paying a sub-contractor that has in fact completed work.

Mr. Clay then referenced the workforce participation chart that had been distributed, explaining that it shows participation rates and noting that where goals are typically 40%, on this project they are running 59% on minority participation relative to work force. He advised that the outline also included a community hiring piece and that number is 15% for individuals that live in the area and work on the project. He referenced a pie chart that detailed who has been working on the project; over 50% of the workforce is made up of minorities, females and those of diverse backgrounds. A testament, he said, to efforts made by the Harlem administration and HHC. Mr. Clay noted that without such support and participation this kind of success would not be possible.

Mrs. Bolus asked what some of the subcontractors do. Mr. Clay advised that they have been responsible for painting, performing drywall, excavating, any and all aspects of the project. Each contract is required to have an MWBE component he explained.

Mrs. Bolus asked if the workers would be able to take this experience on to another job. Mr. Clay said yes, this is a project of such great magnitude that it will definitely be beneficial to have worked on it. Mr. Clay said that there have been eight (8) OSCHA training classes, so workers are going through that, but while non-union members can have difficulty affording that training DASNY has sponsored seven (7) trainings to date in the Harlem community and there is a waiting list of 300 men and women even though there have already been 350 that have completed training.

Mrs. Bolus stated that she was very pleased to hear this information and would like to have Mr. Clay come to the Equal Employment Opportunity (EEO) Committee to share the information. Mr. Clay said he would be happy to do that.

- **Goldwater North – Parking Update**

Dion Wilson, Assistant Director, Office of Facilities Development, provided the update on parking. Mr. Wilson was joined by Robert Hughes, Executive Director, Coler-Goldwater Specialty Hospital and Nursing Facility and Michael Buchholz, Senior Associate Executive Director, Coler-Goldwater Specialty Hospital and Nursing Facility.

Mr. Wilson advised that it is anticipated that parking for the Goldwater North site will need to be available by October 2013. He explained that the two lots already secured under the viaduct on 121st and 122nd streets will accommodate approximately 70 cars, combined with reserved curbside parking for doctors, the total number currently available is 85, but the facility will require approximately 125 parking spaces during peak demand hours. A consultant is working on identifying additional space and HHC is working on issuing a Request for Proposals (RFP) for a parking vendor, which should happen in late 2012 or early 2013.

Dr. Stocker asked is there was additional space in the neighborhood. Mr. Wilson advised

that there are some spaces that are managed by a private concern that may provide the 40 spaces needed.

Mrs. Bolus asked whether the MD parking is really strictly reserved for doctors or is it in fact all providers in general. Mr. Wilson advised that the Department of Transportation (DOT) had distinguished the spots as MD parking but he said would follow-up with the DOT to determine if that will cover other providers as well.

Mrs. Bolus asked whether stackers would be used to increase the available spaces. Mr. Wilson said the spaces under the viaduct will not allow for stackers but it is possible that they may be used in another area, if and when one is identified.

Mr. Wilson added that there has also been discussion about adding chargers for electric vehicles, so that issue has not been forgotten. Mrs. Bolus was pleased to hear that.

Mrs. Bolus asked if the parking are will be paved. Mr. Wilson said yes.

- **EDC Update on Goldwater North Project**
As noted, the Goldwater North project update was provided earlier in the meeting.
- **Project Status Reports**
Central/North Brooklyn Health Network
Generations+/Northern Manhattan Health Network*
Queens Health Network*
* Network contains project(s) that require a delay report

Mr. Pistone provided a brief overview of the Project Status Reports in his Assistant Vice President's Report.

There being no further business, the meeting was adjourned at 3:04 P.M.

LICENSE AGREEMENT

**METRO 99 HOUSING DEVELOPMENT FUND
CORPORATION (HDFC)**

METROPOLITAN HOSPITAL CENTER

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a license agreement with MetroHealth Homes Housing Development Fund Corporation (the "HDFC") for the early stages of construction of housing for low income elderly and/or disabled persons on the campus of Metropolitan Hospital Center (the "Facility") using funds advanced by the Corporation subject to reimbursement upon execution of a long term lease with the HDFC.

WHEREAS, the subject license agreement is proposed to permit construction of the building on the property to be licensed to begin before the licensed property can be subleased to the HDFC as nominee for Metro East 99 Street LLC (the "LLC" and in such capacities jointly the "Tenant") in the fall of 2012; and

WHEREAS, it is a priority of both the New York State Department of Health and of the Corporation to facilitate the discharge of residents in the Corporation's skilled nursing facilities to suitable housing if their medical needs can be best met in community based non-institutional settings; and

WHEREAS, there is an acute shortage of housing for low income elderly and/or disabled patients currently being treated in the Corporation's long term care facilities who no longer require skilled nursing care and could be discharged if suitable housing were available; and

WHEREAS, the Corporation leases its real estate properties from the City of New York under the 1970 Operating Agreement between the Corporation and the City of New York thereby making any further lease of such properties by the Corporation to a third party effectively a sublease; and

WHEREAS, under authority granted by separate resolution adopted in conjunction with this one, in or after September 2012 the Corporation will enter into a long term sublease with the Tenant for its development and operation of a building to house low income elderly and/or disabled residents of the Corporation's long term care facilities and whose medical needs can best be met in a community based and non-institutional setting; and

WHEREAS, the building to be constructed will initially receive its tenants from Coler-Goldwater Specialty Hospital and Nursing Facility ("C-G"); and

WHEREAS, to meet the Corporation's scheduled transfer of a portion of the operations of C-G to the North General Campus by the end of 2013, construction of the planned building must begin immediately to enable the discharge of the C-G patients appropriate for community based housing and long term care before such transfer and such construction cannot wait until the long term sublease goes into effect; and

**Page Two – Resolution
License Agreement – 99th Street Development**

WHEREAS, the construction of the proposed building will be financed through 4% tax credits, a mortgage loan made by the New York City Housing Development Corporation and a MRT mortgage loan of \$7.3 million made possible by an appropriation from the State of New York through the Department of Health; and

WHEREAS, the HDFC is willing and able to begin construction of the planned building immediately using funds advanced by the Corporation prior to Tenant having access to financing that will be available only after execution of the long term sublease; and

WHEREAS, it is expected that the preliminary stages of construction of the planned building that will take place between the beginning of June 2012 and the execution of the long term sublease in or after September 2012 will require funding of approximately \$2.8 million.

NOW, THEREFORE, be it

RESOLVED, that the President of the New York City Health and Hospitals Corporation (the "Corporation") be and hereby is authorized to execute a license agreement with MetroHealth Homes Housing Development Fund Corporation (the "HDFC") for the early stages of the construction of a building on the campus of Metropolitan Hospital Center (the "Facility") to house low income elderly and/or disabled individuals who are residents of the Corporation's skilled nursing facilities and who are appropriate for community based housing and long term care support.

The HDFC shall have use and occupancy of an approximately 20,000 square-foot parcel of land which currently is used as a parking lot on the northern side of 99th Street east of Second Avenue on the campus of Metropolitan Hospital Center. The HDFC shall initiate the first stages to construction of a ten story building having approximately 150,000 square feet containing approximately 176 units of housing. The units will be a mix of one bedroom and studio apartments with an apartment for a live-in superintendent. The building will house low income elderly and/or disabled individuals who had been residents of the Corporation's skilled nursing facilities whose needs are more appropriately addressed in home and community based settings.

The Corporation shall enter into a license with the HDFC for a term of not more than six months terminable by either party without cause on 27 days' notice and, in any event, upon the execution of a long term sublease by the Corporation and the Tenant for the sublease of the property. In recognition of the substantial benefit the project will bring to the Corporation and its patients, the HDFC shall not pay any occupancy fee to the Corporation. The license will commence immediately upon its execution which is projected for late early June 2012.

The Corporation will advance to the HDFC not more than \$2.8 million to pay for the early stages of the construction of the planned building. The budget for such early stages of construction is set forth as part of the Summary of Economic Terms attached to this Resolution. The early stages of construction shall consist of preparing the construction site by clearing it,

**Page Three – Resolution
License Agreement – 99th Street Development**

erecting fencing, performing indicated remediation of hazardous substances, driving piles to support the building and other early construction tasks.

The Corporation shall advance funding for the construction to the HDFC upon the Corporation's approval of invoices (which approval shall not be unreasonably withheld) describing in detail the work completed and the cost of such work by trade and professional. Such invoices shall be approved in a manner agreed upon by all of the Tenant's lenders, investors and regulators such that all such parties agree that upon execution of the long term sublease all advances by the Corporation shall be reimbursed. Such approvals shall not impose any liability on such parties but will indicate only that such work has been completed and would have been appropriate for funding in the normal course had the subleases and its financing already closed.

Upon the execution of the sublease, all amounts advanced by the Corporation to fund the construction shall be reimbursed to the Corporation by the HDFC, its investor or the bank extending construction financing to the project.

The HDFC shall indemnify the Corporation and the City of New York and shall provide adequate insurance against all liability arising from its use and occupancy of the property, naming the Corporation and the City of New York as additional insured parties.

EXECUTIVE SUMMARY

LICENSE AGREEMENT METROPOLITAN HOSPITAL CENTER METROHEALTH HOMES HOUSING DEVELOPMENT CORPORATION

OVERVIEW: The President seeks authorization from the Board of Directors to execute a license with MetroHealth Homes Housing Development Corporation (the "HDFC") to permit the HDFC to perform the early stages of construction of a building on the campus of Metropolitan Hospital Center to house low income elderly and/or disabled individuals who are patients of the Corporation's long term care facilities and who are medically eligible for discharge that will ultimately be built by the HDFC as nominee for Metro East 99 Street LLC (the "LLC" and in such capacities jointly the "Tenant") pursuant to a long term sublease that will be authorized by separate resolution.

**NEED/
PROGRAM:** It is a priority of both the New York State Department of Health and of the Corporation to facilitate the discharge of long term care residents to suitable housing if their medical needs can be met in community based non-institutional settings. However, there is an acute shortage of affordable and accessible housing appropriate for disabled and elderly individuals. This need is particularly urgent with regard to the portions of Coler-Goldwater Specialty Hospital and Nursing Facility ("C-G") whose operations are scheduled to be transferred to North General Hospital by the end of 2013. To meet the Corporation's scheduled transfer of such C-G operations, construction of the planned building must begin immediately to enable the discharge of the C-G residents appropriate who are appropriate for community based, non-institutional settings and construction cannot wait until the long term sublease goes into effect. The proposed license agreement will permit the construction of the building to begin three or four months before the sublease will be signed.

LICENSEE: The HDFC is a New York corporation formed under the New York State Housing Finance Law and the Not-for-Profit Corporation Law. The officers and directors of the HDFC will be principals of SKA Marin. SKA Marin will form a separate entity to be the developer of the new building. SKA Marin is an experienced developer of low income housing for seniors and disabled tenants. SKA Marin was the principal in the successful development of the Kings County Senior Housing development on the Kings County Hospital Center campus pursuant to a lease with the Corporation approximately seven years ago.

TERMS: The Corporation will enter into a license agreement with the HDFC for a term of not more than six months terminable by either party without cause

Page Two – Executive Summary
License Agreement – 99th Street Development

on 27 days' notice and, in any event, upon the execution of a long term sublease by the Corporation and the HDFC and others for the sublease of the property. In recognition of the substantial benefit the project will bring to the Corporation and its patients, the HDFC shall not pay any occupancy fee to the Corporation. The license will commence immediately upon its execution which is projected for late early June 2012.

The Corporation will advance to the HDFC not more than \$2.8 million to pay for the early stages of the construction of the planned building. The budget for such early stages of construction is set forth as part of the Summary of Economic Terms portion of this Resolution. The early stages of construction shall consist of preparing the construction site by clearing it, erecting fencing, performing indicated remediation of hazardous substances, driving piles for to support the building and other early construction tasks. All plans and specifications of the project shall be subject to the prior approval of the Corporation which approval shall not be unreasonably withheld.

The Corporation shall advance funding for the construction to the HDFC upon the Corporation's approval of invoices describing in detail the work completed and the cost of such work by trade and professional. All such invoices shall have been consistent with a construction monitoring agreement among the HDFC, Licensor, Boston Financial, Citibank, and any other party who will have to approve advances of funds for the construction of the planned building upon execution of the sublease. Such approvals shall not impose any liability on such parties but will indicate only that such work has been completed would have been appropriate for funding in the normal course had the subleases and its financing already closed.

Upon the execution of the sublease, all amounts advanced by the Corporation to fund the construction shall be reimbursed to the Corporation by the Tenant, its investor or the bank extending construction financing to the project.

The HDFC shall indemnify the Corporation and the City of New York and shall provide adequate insurance against all liability arising from its use and occupancy of the property, naming the Corporation and the City of New York as additional insured parties.

Upon execution of the sublease, the Tenant will indemnify the Corporation and the City of New York and will provide adequate insurance against all liability arising from its use and occupancy of the property, naming the Corporation and the City of New York as additional insured parties.

SUMMARY OF ECONOMIC TERMS

EARLY CONSTRUCTION BUDGET

Construction Cost:	
	\$2,000,000.00
Contractor Price	
Owner's Cost	\$100,000.00
Contingency	\$100,000.00
<i>Subtotal</i>	<u>\$2,200,000.00</u>
Soft Cost:	
Borrower's Legal	\$110,000.00
Borrower's Engineer/Architect Fees	\$66,600.00
Bank's Engineer	\$6,500.00
Green Consultant	\$20,000.00
Owner's Rep (Construction Rep)	\$88,800.00
MTA Engineering Consultant ¹	\$64,000.00
RAP/remediation soft cost ²	\$96,000.00
Prevailing wage/MWBE Consultant ³	\$10,000.00
<i>Subtotal</i>	<u>\$461,900.00</u>
Carrying Costs:	
Insurance ⁴	\$150,000.00
Water and temporary power	\$3,500.00
<i>Subtotal</i>	<u>\$153,500.00</u>
<i>Total Cost</i>	<u>\$2,815,400.00</u>

¹ The project is within 100 feet of the 2nd Avenue Subway. Accordingly, the MTA requires that work be supervised by an MTA employee and the cost be billed to the developer on a daily basis.

² An environmental engineer must test material excavated when piles are driven and he/she approves the disposal of such material and supervises installation of a vapor barrier that will likely be required. The consultant reports to NYC Department of Housing Preservation and Development, NYC Department of Environmental Preservation and NYC Department of Environmental Conservation on these activities.

³ HPD HOME funds and the project-based Housing Assistance Program require certification of payment of prevailing wages of all construction trades and MWBE compliance. All payrolls must be certified.

⁴ General Commercial Liability Insurance and Builders' Risk insurance will be provided.

SUBLEASE AGREEMENT

**METRO 99 HOUSING DEVELOPMENT FUND
CORPORATION (HDFC)**

METROPOLITAN HOSPITAL CENTER

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a sublease with MetroHealth Homes Housing Development Fund Corporation (the "HDFC") as nominee for Metro East 99 Street LLC (the "LLC" in such capacities being referred to together with the HDFC, as the "Tenant") for the development of housing for low income elderly and/or disabled persons on the campus of Metropolitan Hospital Center (the "Facility").

WHEREAS, it is a priority of both the New York State Department of Health and of the Corporation to facilitate the discharge of residents in the Corporation's skilled nursing facilities to suitable housing if their medical needs can be met in community based non-institutional settings; and

WHEREAS, there is an acute shortage of housing for low income elderly and/or disabled residents in the Corporation's skilled nursing facilities whose medical needs can best be met in community based, non-institutional settings and could be discharged if suitable housing were available; and

WHEREAS, the Tenant will develop and operate on the Facility's campus a building containing housing for low income elderly and/or disabled individuals who are residents in the Corporation's skilled nursing facilities and whose medical needs can best be met in community based, non-institutional settings, such development and operation to be subject to review and approval by the New York City Department of Housing Preservation and Development ("NYCHPD") and such other lenders, investors, or government agencies as may be required by the financing and structure of the project; and

WHEREAS, the Corporation leases its real estate properties from the City of New York under the 1970 Operating Agreement between the Corporation and the City of New York thereby making any further lease of such properties by the Corporation to a third party effectively a sublease; and

WHEREAS, a Public Hearing was held on May 9, 2012, in accordance with the requirements of the Corporation's Enabling Act, and prior to execution, the sublease will be subject to approval of the City Council and the Office of the Mayor.

NOW, THEREFORE, be it

RESOLVED, that the President of the New York City Health and Hospitals Corporation (the "Corporation") be and hereby is authorized to execute a sublease with MetroHealth Homes Housing Development Fund Corporation (the "HDFC") as nominee for Metro East 99 Street LLC (the "LLC" in such capacities being referred to together with the HDFC, as the "Tenant") for the development of housing on the campus of Metropolitan Hospital Center (the "Facility") for low

**Page Two – Resolution
Sublease Agreement – 99th Street Development**

income elderly and/or disabled individuals who are residents of the Corporation's skilled nursing facilities and whose medical needs can best be met in community based, non-institutional settings.

The Tenant shall have use and occupancy of an approximately 20,000 square-foot parcel of land which currently is used as a parking lot on the northern side of 99th Street east of Second Avenue on the campus of Metropolitan Hospital Center. The Tenant shall develop a ten story building having approximately 150,000 square feet containing approximately 176 units of housing. The units will be a mix of one bedroom and studio apartments with an apartment for a live-in superintendent. The building will house low income elderly and/or disabled individuals who had been residents of the Corporation's skilled nursing facilities and whose medical needs can best be met in community based, non-institutional settings.

The Corporation shall enter into a sublease with the Tenant for a term of ninety-nine (99) years. In recognition of the substantial benefit the project will bring to the Corporation and its patients, the Tenant shall prepay only a nominal rent to the Corporation. The sublease will commence immediately upon sublease execution which is projected for late September 2012.

The Tenant shall be responsible for all costs associated with the development and operation of its housing program. Pursuant to a license agreement between the HDFC and the Corporation to be authorized by separate resolution adopted in conjunction with this one, preliminary site preparation and foundation work will begin during June 2012 prior to sublease execution. Upon sublease execution such license shall terminate and the Tenant shall continue its construction under the sublease. All work will be in accordance with plans and specifications prepared by the Tenant, subject to approval by the Corporation, such approval not to be unreasonably withheld. Construction is anticipated to be concluded and the building ready for occupancy in December 2013.

The cost for all utilities provided to the building the Tenant will construct shall be the Tenant's responsibility provided that Tenant may pass the cost of utilities to the residents of the building. The Tenant shall also be responsible for all structural and nonstructural, interior and exterior maintenance of, and repairs to, the property.

The Tenant shall indemnify the Corporation and the City of New York and shall provide adequate insurance against all liability arising from its use and occupancy of the Demised Premises, naming the Corporation and the City of New York as additional insured parties.

EXECUTIVE SUMMARY

SUBLEASE AGREEMENT METROPOLITAN HOSPITAL CENTER

METROHEALTH HOMES HOUSING DEVELOPMENT CORPORATION FOR THE BENEFIT OF METRO EAST 99 STREET LLC

OVERVIEW: The President seeks authorization from the Board of Directors to execute a sublease with MetroHealth Homes Housing Development Corporation (the "HDFC") for the benefit of Metro East 99 Street LLC (the "LLC" in such capacities being referred to together with the HDFC, as the "Tenant") for the development on the campus of Metropolitan Hospital Center of housing for low income elderly and/or disabled individuals who are residents of the Corporation's skilled nursing facilities and whose care can best be provided in community based, non-institutional settings.

**NEED/
PROGRAM:** It is a priority of both the New York State Department of Health and of the Corporation to facilitate the discharge of residents of skilled nursing facilities if their care can best be provided in community based and non-institutional settings. Many patients can be treated better in a residential setting where they can take charge of more aspects of their own lives and where they can be more fully integrated into the community. Medical, social work and behavioral health services can be brought to a resident, as appropriate, such that the resident continues to receive the services he or she requires despite having been discharged from a skilled nursing facility. Such care can be provided at substantially reduced cost compared with the cost of treatment in a skilled nursing facility. However, there is an acute shortage of housing for low income elderly and/or disabled residents. The construction of the project will directly address the need for such housing. The location of the project directly across from Metropolitan Hospital Center will facilitate the provision of appropriate services for the residents by Metropolitan Hospital staff.

TENANT: The principals of the managing member of the LLC are principals of SKA Marin. SKA Marin is an experienced developer of low income housing for seniors and disabled tenants. SKA Marin was the principal in the successful development of the Kings County Senior Housing development on the Kings County Hospital Center campus pursuant to a sublease with the Corporation approximately seven years ago.

The project will be financed with 4% low income tax credits, a loan made by the Housing Development Corporation in conjunction with the New York City Department of Housing Preservation and Development ("NYCHPD"), MRT financing and other private financing. Ongoing rents will be paid through project-based Section 8 vouchers issued by the New York City Housing Authority.

Page Two – Executive Summary
Sublease Agreement – 99th Street Development

Because of the HPD loan requirements, the lease will be made in the name of the HDFC but the LLC will have all of the rights of the Tenant to enforce the lease terms, to perform the Tenant's obligations and to be recognized as the "beneficial tenant." The LLC will be responsible for the performance of the Tenant's obligations.

TERMS:

The Corporation will enter into a sublease with the Tenant with a term of ninety-nine (99) years. The term of the sublease shall commence upon sublease execution. In recognition of the substantial benefit the project will bring to the Corporation and its patients, the Tenant shall prepay only a nominal rent to the Corporation.

The Tenant will be responsible for all costs associated with the development and operation of its housing program. The HDFC will begin construction pursuant to a license agreement to be issued in June 2012 pursuant to separate resolution adopted in conjunction with this one and that will terminate upon commencement of the sublease. Upon sublease execution construction shall continue on the project under the sublease. All plans and specifications of the project shall be subject to the prior approval of the Corporation which approval shall not be unreasonably withheld.

The cost for all utilities provided to the Demised Premises will be the responsibility of the Tenant provided Tenant may pass the cost of utilities to the building residents. The Tenant will also be responsible for all structural and nonstructural interior and exterior, maintenance of, and repairs to, the property.

The Tenant will indemnify the Corporation and the City of New York and will provide adequate insurance against all liability arising from its use and occupancy of the property, naming the Corporation and the City of New York as additional insured parties.

SUMMARY OF ECONOMIC TERMS

East 99th Street Apartments
NY, NY

3/26/2012

176

Units

SOURCES AND USES

SOURCES

Construction	Total	Per Unit
Construction Bond Amount ¹	\$29,200,000	\$165,909 ²
NYS MRT Second Mortgage	\$7,300,000	\$41,477
HPD Third Mortgage	\$7,000,000	\$39,773
4% Tax Credit Equity	\$1,759,812	\$9,999
NYSERDA	\$0	\$0
Developer Fee ³	\$6,549,664	\$37,214
TOTAL SOURCES⁴	\$51,809,476	\$294,372
Permanent	Total	Per Unit
HDC First Mortgage	\$15,157,306	\$86,121
NYS MRT Second Mortgage	\$7,300,000	\$41,477
HPD Third Mortgage	\$7,000,000	\$39,773
4% Tax Credit Equity	\$20,537,861	\$116,692
NYSERDA	\$0	\$0
Deferred Developer's Fee	\$1,814,309	\$10,309
Gap	\$0	\$0
TOTAL SOURCES	\$51,809,476	\$294,372

USES

Total	Per Unit
Acquisition Cost	\$0
Construction Cost	\$195,757
Soft Cost ⁵	\$61,401
Developer's Fee	\$37,214
TOTAL USES⁶	\$294,372

¹ Costs during construction reflect actual project needs as well as IRS requirements that bond proceeds be at least 50% of the total project development costs. At construction, short term and long term bonds are issued. Once construction is completed, permanent financing is put in place with the amount of initial debt being reduced by the equity raised by the sale of the 4% low income housing tax credits.

² The cost per unit compares favorably to new construction undertaken under prevailing wage requirements. There is some additional cost due to the use of piles to support the project. Piles are used to avoid the need to construct a foundation and this choice is made to avoid complications of possible ground water and additional costly remediation and disposal of hazardous material. The exact additional cost attributable to the use of piles is not yet established as geotechnical testing is not yet completed.

³ Of the full fee of \$6.5 million only about \$900K is paid on sublease signature. Of the rest, some is paid when the building fully occupied and some is deferred over 12 years with the exact amounts paid and deferred depending on the finances of the project. The above illustrates how this might work out with about \$900K paid on sublease signature, about \$3.8 million when tenants move in and about \$1.8 million deferred for 18 yrs.

⁴ Credit enhancement is provided by Citibank during construction. The State of New York Mortgage Agency (SONY-MA) provides permanent mortgage insurance when construction is completed.

⁵ Soft costs include \$500K to furnish all apartments as the residents lack funds to do so; \$300K to satisfy DOB engineering requirements; construction interest; negative arbitrage; fees to HDC; insurance, legal services; capitalized operating and replacement reserve requirements; etc.

⁶ Note that it is not yet settled which funder will be the source of the reimbursement of the \$2.8 million advanced by HHC. This will be negotiated and reflected in an appropriate agreement. Because the HHC funds will be used for construction, reimbursement could be made by HPD or HDC funds.

LICENSE AGREEMENT

NEW YORK CITY POLICE DEPARTMENT

ELMHURST HOSPITAL CENTER

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation" or "Licensor") to execute a revocable license agreement with the New York City Police Department ("NYPD" or "Licensee") for use and occupancy of space to operate radio communications equipment at Elmhurst Hospital Center (the "Facility").

WHEREAS, the NYPD desires to install radio communications equipment at the Facility to enhance the performance of its city-wide radio operations network, and the Facility has the space to accommodate the NYPD communications system; and

WHEREAS, the Licensee's radio communications system shall not compromise Facility operations, and it complies with applicable federal statutes governing the emission of radio frequency signals and, therefore, poses no health risk.

NOW, THEREFORE, be it

RESOLVED, that the President of the New York City Health and Hospitals Corporation (the "Corporation" or "Licensor") be and hereby is authorized to execute a revocable license agreement with the New York City Police Department ("NYPD" or "Licensee") for use and occupancy of space to operate radio communications equipment at Elmhurst Hospital Center (the "Facility").

The Licensee shall be granted use and occupancy of approximately fifty (50) square feet of space on the roof of the Main Building on the Facility's campus (the "Licensed Space"). The space shall be used by the Licensee for radio communications equipment. Public safety is enhanced by the system's operation, therefore the occupancy fee shall be waived. The Facility shall provide electricity to the Licensed Space. The operation and maintenance of the system shall be the responsibility of the Licensee.

The Licensee shall be required to indemnify and hold harmless the Corporation and the City of New York from any and all claims arising out of its use of the Licensed Space.

The license agreement shall not exceed five (5) years without further authorization by the Board of Directors of the Corporation and shall be revocable by either party upon ninety (90) days written notice.

EXECUTIVE SUMMARY

LICENSE AGREEMENT NEW YORK CITY POLICE DEPARTMENT ELMHURST HOSPITAL CENTER

The President of the New York City Health and Hospitals Corporation seeks authorization to execute a revocable license agreement with the New York City Police Department ("NYPD") for use and occupancy of space to operate radio communications equipment at Elmhurst Hospital Center ("EHC").

The New York City Police Department desires to install radio communications equipment at the Facility to enhance the performance of its city-wide radio operations network. The Licensee's radio communications system will not compromise Facility operations, and it complies with applicable federal statutes governing the emission of radio frequency signals and, therefore, poses no health risk.

The NYPD will have use and occupancy of approximately fifty (50) square feet of space on the roof of the Main Building. Public safety is enhanced by the system's operation, therefore the occupancy fee will be waived. Elmhurst Hospital Center will provide electricity to the licensed space. The operation and maintenance of the system will be the responsibility of the NYPD.

The Licensee shall be required to indemnify and hold harmless the Corporation and the City of New York from any and all claims arising out of its use of the Licensed Space.

The license agreement shall not exceed five (5) years without further authorization by the Board of Directors of the Corporation and shall be revocable by either party upon ninety (90) days written notice.

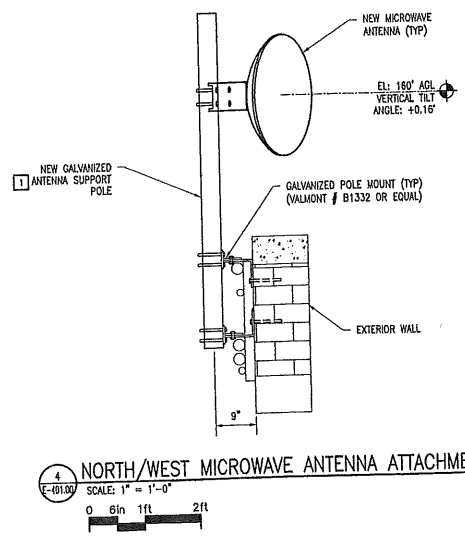
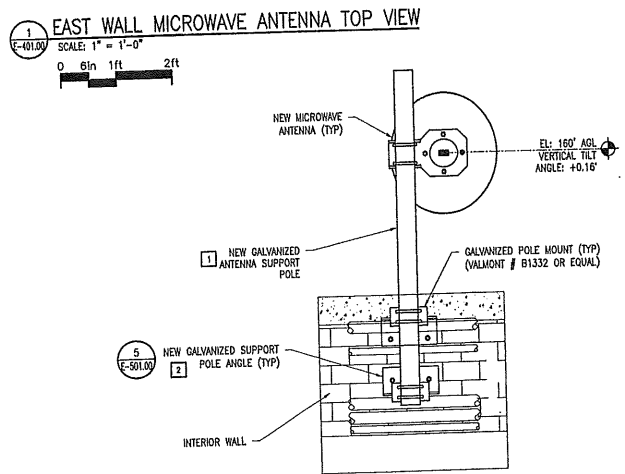
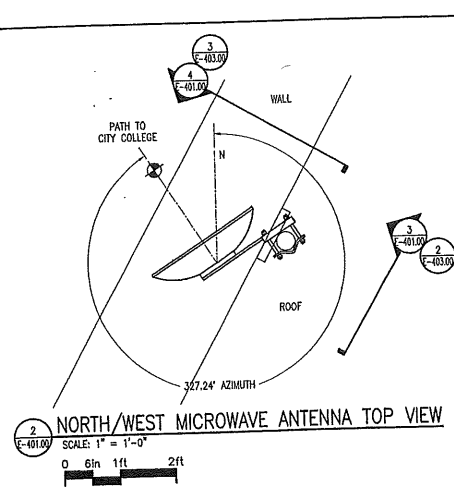
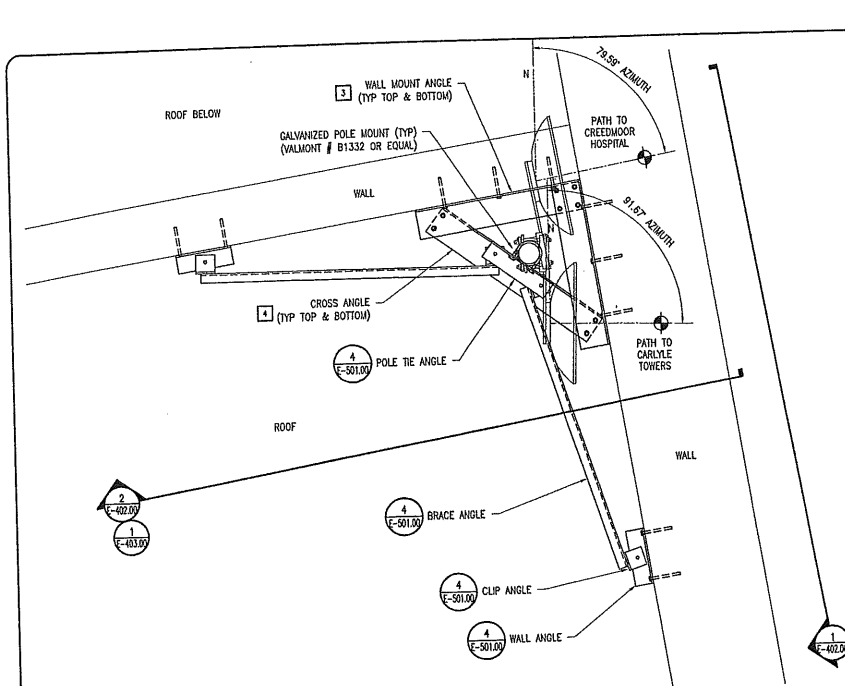
ANTENNA AGREEMENTS

Facility	Licensee	Occupancy Fee (\$)	Price/Square Foot (\$)	Board Approval
Elmhurst	NYPD	waived	n/a	TBD
Harlem	Con Edison	27,007	540	TBD
Coler	T-Mobile	52,840	264	2/2012
Goldwater	T-Mobile	50,087	254	2/2012
Goldwater	Sprint-Nextel	54,170	339	TBD
Lincoln	Sprint-Spectrum	80,812	269	9/2011
Coler	Sprint-Nextel	31,200	125	6/2011
Sea View	U.S. Government	7,939	52	7/2010
NCB	NYPD	waived	n/a	10/2009
Coler-Goldwater	Metro PCS	90,360	226	6/2009
Harlem	Con Edison	23,996	480	3/2007
Coney Island	U.S. Government	6,919	46	7/2007

Explanation of Charges:

Government entities typically pay lower occupancy fees for the space their antenna equipment occupies. The fees paid by private firms are heavily influenced by the degree to which the equipment will enhance system coverage in the area. Carriers are willing to pay a higher rate for those antenna sites where the installation significantly improves signal coverage.

NOV 05, 2011, LAST REV SUBMITTED
 C:\DESIGN\ELMHURST\ELMHURST HOSPITAL\ELM SHEET E-401.DWG



GENERAL NOTES:

1. REFER DWG. E-403.00 FOR TRANSMISSION LINE SUPPORT & GROUNDING SECTIONS.

KEYED NOTES

- 1 4-1/2" DIAMETER, 6' LONG SCHEDULE 40 GALVANIZED PIPE.
- 2 (1) 6"x6"x5/8" - 18" LONG GALVANIZED ANGLE
- 3 (2) 6"x6"x5/8" - 36" LONG, GALVANIZED ANGLES
- 4 (1) 6"x6"x5/8" - 42" LONG, GALVANIZED CROSS ANGLES.



90% ISSUE

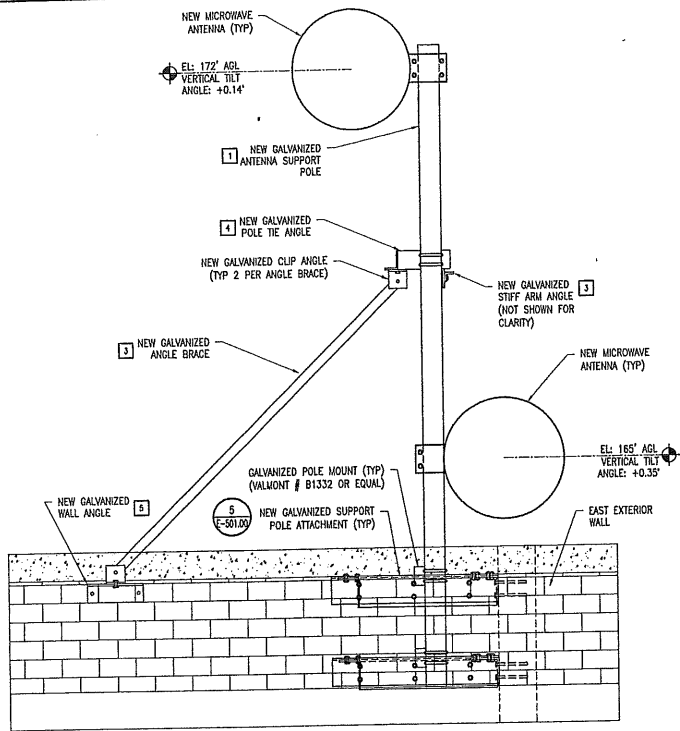
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Hanson Project No.	110007-100Z
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LAYOUT	RF/JP
DRAWN	CS
REVIEWED	JRC
DATE	11/02/11
DATE	11/02/11

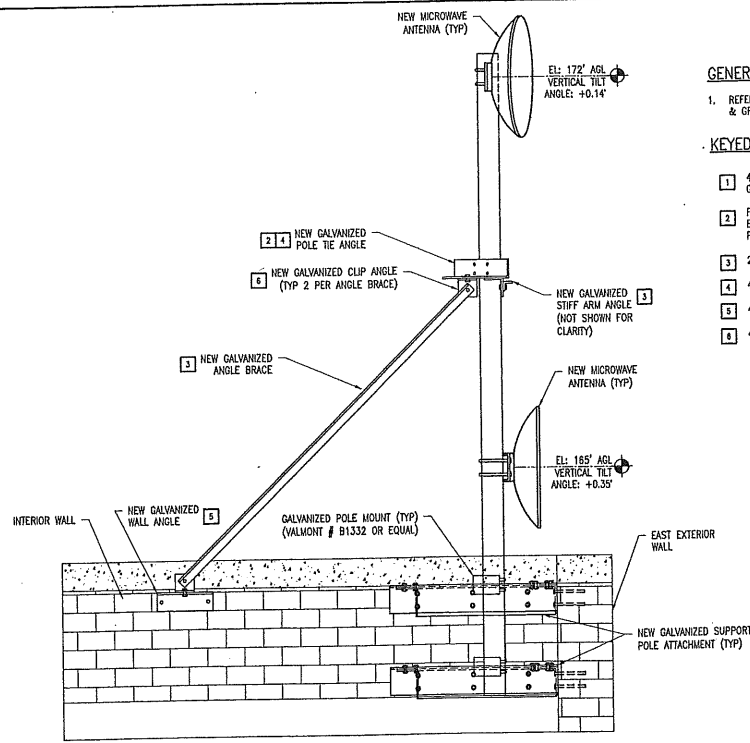
Hanson Architecture & Engineering, Inc.
 Hanson Architecture & Engineering, Inc.
 1000 West 17th Street
 Wayne, NJ 07090
 © Hanson Architecture & Engineering, Inc.

ELMHURST HOSPITAL ANTENNA ATTACHMENT SECTIONS SHEET 1 OF 2 E-401.00 5 OF 8
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1 EAST MICROWAVE ANTENNA ATTACHMENT ELEVATION
 SCALE: 1" = 1'-0"
 0 6in 1ft 2ft



2 EAST MICROWAVE ANTENNA ATTACHMENT SECTION
 SCALE: 1" = 1'-0"
 0 6in 1ft 2ft

GENERAL NOTES:

1. REFER DWG. E-403.00 FOR TRANSMISSION LINE SUPPORT & GROUNDING SECTIONS.

KEYED NOTES

- 1 4-1/2" DIAMETER, 11'-6" LONG SCHEDULE 40 GALVANIZED PIPE.
- 2 FIELD ADJUST HEIGHT OF POLE TIE ANGLE TO ENSURE THAT THE SUPPORT ANTENNA SUPPORT POLE IS PERPENDICULAR TO ROOF SURFACE.
- 3 2"x2"x5/8" - 7'-5" LONG, GALVANIZED ANGLE.
- 4 4"x4"x5/8" - 16" LONG, GALVANIZED ANGLE.
- 5 4"x4"x5/8" - 12" LONG, GALVANIZED ANGLE.
- 6 4"x4"x5/8" - 4" LONG, GALVANIZED ANGLE.

REVISION									
DATE	REV.	DATE	REV.	DATE	REV.	DATE	REV.	DATE	REV.
Hansen Detail No. 11100017-1007 Drawn: E-402.00/303 Date: 11/02/11 Scale: 1" = 1'-0" LAYOUT: 11/02/11 DRAWN: C/S REVIEWED: TRC DATE: 11/02/11									
HANSON Consulting, Inspection, Analysis & Design P.C. 1000 Old Bridge Road, Suite 1002 Wallingford, NJ 07740 Contact Information									
ELMHURST HOSPITAL ANTENNA ATTACHMENT SECTIONS SHEET 2 OF 2									
E-402.00									

90% ISSUE

WORK ORDER

NEW YORK POWER AUTHORITY (NYPA)

CONEY ISLAND HOSPITAL CENTER

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a contract with the New York Power Authority ("NYPA") for an amount not-to-exceed \$7,000,000 for the planning, pre-construction, design services, construction, procurement, construction management and project management services necessary to replace the existing boiler plant at Coney Island Hospital (the "Facility").

WHEREAS, in March 2005, the Corporation, the City University of New York (CUNY), the New York City Board of Education, and the City of New York, through the Department of Citywide Administrative Services (DCAS), executed an agreement with NYPA (the "Encore Agreement"), pursuant to which NYPA would enter into separate and specific sub-contracts with each Customer to implement comprehensive energy efficiency programs whose primary purpose would advance the cost-effective retrofitting or replacement of said Customer's existing heating and cooling technology through energy efficient measures relating to their usage of electricity and non-electric energy consumption; and

WHEREAS, the existing boiler plant has been in service since 1936, and consists of two (2) 256 Boiler Horse Power ("BHP") high-pressure, water-tube steam boilers, and one (1) 510 BHP high-pressure, water-tube steam boiler manufactured in 1954 and are increasingly difficult to maintain and operate effectively; and

WHEREAS, said boilers burn No. 6 grade fuel oil that will no longer be permitted for combustion on or before 2015 due to state and local legislation banning its continued use; and

WHEREAS, adoption of the Mayor's "PlaNYC" initiative to the boilers must be significantly renovated or replace by 2015; and

WHEREAS, NYPA conservatively estimates that said boiler replacements will produce total annual energy cost savings of over \$1,200,000 and will reduce carbon emissions by approximately 11,100 tons, effectively eliminating the carbon equivalent emission of about 1,830 cars from operation; and

WHEREAS, the need to replace the existing boiler plant is funded through the Corporation's debt capacity and is recognized as requiring replacement as part of its Capital Plan.

NOW THEREFORE, be it

RESOLVED, that the President of the New York City Health and Hospitals Corporation (the "Corporation") be and is hereby authorized to execute an agreement with the New York Power Authority ("NYPA") in an amount not-to-exceed \$7,000,000 to include all phases of work, inclusive of the planning, pre-construction, design services, construction, procurement, construction management and project management services necessary to replace the two (2) existing boiler units at Coney Island Hospital (the "Facility").

EXECUTIVE SUMMARY

CONEY ISLAND HOSPITAL NEW YORK POWER AUTHORITY (NYPA) BOILER PLANT REPLACEMENT

OVERVIEW: Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a contract with the New York Power Authority ("NYPA") for an amount not-to-exceed \$7,000,000. It includes the comprehensive planning, pre-construction, design services, construction, procurement, construction management and project management services necessary to replace the existing boiler plant at Coney Island Hospital (the "Facility"). This is a comprehensive, 'turnkey' project.

NEED: The existing boiler units currently provide service by burning heavier grade, number 6 fuel oil. The units have been in service for an extended period, and are operating inefficiently. Recent changes in environmental regulations will ban their combustion of No. 6 grade fuel oil by 2014/2015. Although recent changes to the environmental law permits a significant conversion extension from No. 6 to No. 2 grade fuel oil and/or natural gas to 2030, through retrofitting units to accept No. 4 fuel oil, the age and condition of the units make such an option impractical.

One unit has been in operation since 1936, and consists of two (2) 256 Boiler Horse Power (BHP) high-pressure, water-tube steam boilers, and one (1) 510 BHP high-pressure, water-tube steam boiler, manufactured in 1954. In addition to complying with recently enacted legislation regarding the combustion of No. 6 fuel oil, these replacements will increase efficiency and reliability, and will reduce energy costs and pollutants. The new units will permit, for the first time, the flexibility to operate on natural gas and No. 2 fuel oil. The facility will operate on a Firm Natural gas rate, which will optimize savings, and No. 2 fuel oil tanks will serve as service backups incase of emergency or service interruption. Together with two (2) other boiler replacement projects currently nearing design completion, this project was reviewed in a Value Engineering study conducted with the Mayor's Office of Management and Budget (OMB).

Finally, completion of this project satisfies recommendations advanced by OMB through its Assets Information Management System (AIMS) report.

SCOPE: Replacement of three (3) existing high pressure boilers with three (3) high pressure boilers, including but not limited to

- Replacement of existing de-aerator;
- Installation of new natural gas service;
- Conversion of existing No. 6 fuel oil tanks to No. 2 fuel oil tanks;
- Tie-in boiler controls to existing Building Management System (BMS) server; and,
- Replacement of existing steam traps in poor condition and a significant source of heat energy loss.

COSTS: Not-to-exceed \$7,000,000

FINANCING: HHC 2010 Series Bonds.

SCHEDULE: HHC expects NYPA to complete this project by February 2013.

PROJECT STATUS REPORTS

North Bronx Health Network

South Manhattan Health Network

Southern Brooklyn/Staten Island Health Network

Network: NORTH BRONX HEALTHCARE NETWORK

Facility: JACOBI MEDICAL CENTER

Project Number	PROJECT TITLE	Project Budget (\$000s)	Paid to Date (\$ 000s)	% Paid to Date	Construction Start	Projected Completion	Forecast/ Actual Completion	Delay (if any)	Comments
21200707	Campus Site Improvements	4,646	1,712	36.85%	Jun-11	May-13	May-13		Project is approximately 50% complete and slightly ahead of schedule due to favorable weather conditions. Additional work will be done in the lobby area to take advantage of the closed main entrance.
21201101	Corrective Work for Local Law 11 Compliance	610	409	67.05%	Jun-11	Dec-12	Dec-12		Project is approximately 60% complete and slightly ahead of schedule due to favorable weather conditions.

Facility: NORTH CENTRAL BRONX HOSPITAL

Project Number	PROJECT TITLE	Project Budget (\$000s)	Paid to Date (\$ 000s)	% Paid to Date	Construction Start	Projected Completion	Forecast/ Actual Completion	Delay (if any)	Comments
24201202	Air Handling Unit (AHU) Installation	1,015	483	47.00%	Dec-11	May-12	May-12		Project is approximately 50% complete and now waiting on AHU delivery.

Facility: BELLEVUE HOSPITAL CENTER

Project Number	PROJECT TITLE	Project Budget (\$000s)	Paid to Date (\$ 000s)	% Paid to Date	Construction Start	Projected Completion	Forecast/ Actual Completion	Delay (if any)	Comments
11201103	Expansion of Inpatient Psychiatric Unit	2,208	571	26.00%	May-12	Sep-12	Oct-12	(1)	Vendex review process under way for third low bidder.

Facility: COLER-GOLDWATER SPECIALTY HOSPITAL AND NURSING FACILITY

Project Number	PROJECT TITLE	Project Budget (\$000s)	Paid to Date (\$ 000s)	% Paid to Date	Construction Start	Projected Completion	Forecast/ Actual Completion	Delay (if any)	Comments

Facility: GOUVERNEUR HEALTHCARE SERVICES

Project Number	PROJECT TITLE	Project Budget (\$000s)	Paid to Date (\$ 000s)	% Paid to Date	Construction Start	Projected Completion	Forecast/ Actual Completion	Delay (if any)	Comments

Facility: METROPOLITAN HOSPITAL CENTER

Project Number	PROJECT TITLE	Project Budget (\$000s)	Paid to Date (\$ 000s)	% Paid to Date	Construction Start	Projected Completion	Forecast/ Actual Completion	Delay (if any)	Comments

Network: SOUTHERN BROOKLYN / STATEN ISLAND HEALTH NETWORK

Facility: CONEY ISLAND HOSPITAL

Project Number	PROJECT TITLE	Project Budget (\$000s)	Paid to Date (\$ 000s)	% Paid to Date	Construction Start	Projected Completion	Forecast/ Actual Completion	Delay (if any)	Comments
26200901	Emergency Department Expansion and Renovation	10,000	4,404	44.04%	Dec-10	Dec-12	Dec-12		New ED expansion unit enclosed. Interior framing, ductwork, plumbing and electrical work in progress. Project is approximately 60% complete.
26201001	Window Replacement	10,995	2,033	18.00%	Oct-11	Dec-12	Dec-12		Project is approximately 40% complete. 808 windows and 190 air conditioning units have been installed. Asbestos abatement is complete.

Facility: SEA VIEW HOSPITAL REHABILITATION CENTER & HOME

Project Number	PROJECT TITLE	Project Budget (\$000s)	Paid to Date (\$ 000s)	% Paid to Date	Construction Start	Projected Completion	Forecast/ Actual Completion	Delay (if any)	Comments
75201203	Installation of Fire/Smoke Dampers - Robitzek Building	102	5	5.00%	Jan-12	Mar-12	Jun-12	(3)	Electrical work in project. Dampers are on-site, installation is in process.

ANNUAL REPORT

AIR CONDITIONING READINESS

CORPORATE-WIDE

2012 FACILITIES AIR CONDITIONING READINESS REPORT
(Status as of March, 2012)

GOOD



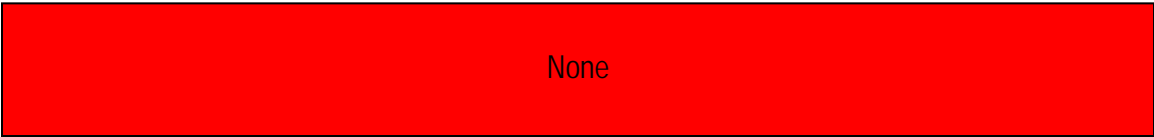
Coney Island
Cumberland
Dr. SS McKinney
Goldwater
Gouverneur
Harlem
Kings County
Metropolitan (Main Hospital Building)
Morrisania
Jacobi
North Central Bronx
Queens
Segundo Ruiz Belvis

CONDITIONAL



Bellevue
Coler
East New York
Elmhurst
Lincoln
Metropolitan (Draper Hall)
Metropolitan (Mental Health Building)
Sea View
Woodhull

POOR



None

GREEN (Good)

YELLOW (Conditional)

RED (Poor)

2012 NETWORK FACILITIES AIR CONDITIONING READINESS
(Status as of March 31, 2012)

The Corporation has concluded its annual survey of acute care, long term care and diagnostic and treatment facilities to ascertain their state of preparedness to deliver adequate air conditioning and ventilation throughout the 2012 cooling season. The survey focused on facility's ability to maintain required temperature and humidity levels throughout patient care areas, particularly critical care areas required by the State Health Code.

Thirteen facilities were rated to be in a "good" state of preparedness to provide air conditioning throughout the 2012 cooling season. These are **Coney Island, Cumberland, Dr. S.S. McKinney, Goldwater, Gouverneur, Harlem, Kings County, Metropolitan (Main Hospital Building), Morrisania, Jacobi, North Central Bronx, Queens, and Segundo Ruiz Belvis**. Last year's 2011 report also listed thirteen facilities with a rating of "good."

Nine facilities were rated "conditional" because of air conditioning system deficiencies that are either now being corrected or that will continue during the 2012 cooling season. These are **Bellevue, Coler, East New York, Elmhurst, Lincoln, Metropolitan (Draper Hall), Metropolitan (Mental Health Building), Sea View and Woodhull**. Last year's 2011 report listed eight facilities as "conditional." Since then, **the New Chiller Plant at Harlem Hospital was completed and the 225 ton chiller serving the Ronald H. Brown Building at Harlem was repaired, and the new chiller and cooling tower at Gouverneur were put into operation.**

Each facility with a conditional rating has a contingency plan in place to respond to system failures which threaten to disrupt air conditioning services.

The Office of Facilities Development will continue to work closely with each facility and provide technical assistance, as needed, to minimize disruption of air conditioning services.

NETWORK: GENERATIONS+ / NORTHERN MANHATTAN HEALTH NETWORK

FACILITY	READINESS RATING	SYSTEM PROBLEMS DESCRIPTION	AREAS AFFECTED	PLANNED OR ONGOING CORRECTIVE ACTION	REMARKS
LINCOLN	Conditional	Five cells of cooling tower are aged and require repair.	Entire Building	The cells are to be upgraded in two stages (of two cells and three cells), which requires \$1.65 in funding. Work to be completed prior to 2013 if possible.	Fan motor of cell #4 was replaced last summer due to 20% loss of cooling capacity from motor malfunction.
BELVIS	Good	n/a	n/a	n/a	
MORRISANIA	Good	n/a	n/a	n/a	
HARLEM	Good	New Chiller Plant project was completed. Two new electric centrifugal chillers (1800 tons each) and one 1600 ton steam chiller are ready for operation.	MLK Pavilion	n/a	n/a
		One 225 ton carrier chiller was repaired and is ready to be on-line.	Ronald H. Brown Pavilion	n/a	n/a

NETWORK: NORTH BRONX HEALTH NETWORK

FACILITY	READINESS RATING	SYSTEMS PROBLEMS DESCRIPTION	AREAS AFFECTED	PLANNED OR ONGOING CORRECTIVE ACTION	REMARKS
JACOBI	Good	n/a	n/a	n/a	
NORTH CENTRAL BRONX	Good	n/a	n/a	n/a	

Rating of "good" denotes no system problems are expected.

Rating of "conditional" denotes deficiencies that are now being corrected or will continue during the 2012 cooling season.

NETWORK: NORTH BROOKLYN HEALTH NETWORK

FACILITY	READINESS RATING	SYSTEM PROBLEMS DESCRIPTION	AREAS AFFECTED	PLANNED OR ONGOING CORRECTIVE ACTION	REMARKS
CUMBERLAND	Good	n/a	n/a	n/a	
WOODHULL	Conditional	52 central HVAC fans are in poor working condition. Leakage, stratification and air balance are the primary problems.	Entire hospital	3 air handlers have been replaced on 7 th floor (Phase I). Design has been completed for upgrade of 3 units on 2 nd floor serving the E.R. (Phase II). Replacement of additional 49 units continues based upon funding availability.	The hospital engineering department will continue to make necessary repairs of HVAC units as needed.

NETWORK: CENTRAL BROOKLYN FAMILY HEALTH NETWORK

FACILITY	READINESS RATING	SYSTEM PROBLEMS DESCRIPTION	AREAS AFFECTED	PLANNED OR ONGOING CORRECTIVE ACTION	REMARKS
KINGS COUNTY	Good	n/a	n/a	n/a	
McKINNEY	Good	n/a	n/a	n/a	
EAST NEW YORK	Conditional	AHU-1, located in basement, and AHU, located on roof are in poor condition and need coil/blower retrofit and replacement, respectively.	Main Building and Behavioral Health	Project is being scoped out and a specification is being prepared for bid. Project in design. Replacement to begin after cooling season. System functional.	Portable units used in essential areas in event of unlikely failure.

NETWORK: SOUTH BROOKLYN / STATEN ISLAND HEALTH NETWORK

FACILITY	READINESS RATING	SYSTEM PROBLEMS DESCRIPTION	AREAS AFFECTED	PLANNED OR ONGOING CORRECTIVE ACTION	REMARKS
SEA VIEW	Conditional	Replacement of air conditioning mixing boxes will be required, and control of air handlers is not automated.	Robitzek (Patient) Building	One mixing box replaced in-house, with more to be done as needed. The air handler automation project is currently on hold.	No issues anticipated.

NETWORK: SOUTH MANHATTAN HEALTH NETWORK

FACILITY	READINESS RATING	SYSTEM PROBLEMS DESCRIPTION	AREAS AFFECTED	PLANNED OR ONGOING CORRECTIVE ACTION	REMARKS
BELLEVUE	Conditional	<p>A secondary chiller is required to provide cooling and maintain humidity levels during the non-peak season. Air handlers serving the 11th floor operating rooms are in need of replacement upgrade.</p> <p>Cooling Towers require upgrade or replacement.</p>	<p>Main Building and 11th Floor O.R.s</p> <p>Main Building, E.R. Department, and Ambulatory Care Building</p>	<p>Consultant has completed construction documents to install the secondary chiller.</p> <p>Engineering consultant has been engaged.</p>	<p>Replacement anticipated to begin in Fall 2012, with completion before the beginning of the 2014 cooling season.</p> <p>Once study is completed, facility will request capital funding for Cooling Tower upgrade and modernization.</p>
METROPOLITAN	<p>Good</p> <p>Conditional</p> <p>Conditional</p>	<p>Chiller plant: Two 1,150 ton chillers are near maximum capacity with additional load added by Mental Health chillers being out of service.</p> <p>Existing absorption chillers are 45 years old and not available for use, putting additional load on main building chiller. The Mental Health building chiller will be air-conditioned via the main hospital chillers.</p> <p>Air conditioning system is 50 years old. One of two cooling towers is beyond repair, and the 100 ton A/C unit is past its useful life.</p>	<p>Main Hospital</p> <p>Mental Health Building</p> <p>Draper Hall</p>	<p>The need for an additional 3rd centrifugal chiller to serve the Main Hospital and Mental Health Building has been established.</p> <p>Repairs will be performed in-house as required.</p>	<p>Evaluation of replacement options will be analyzed prior to next cooling season.</p> <p>Draper Hall is a non-patient care building and the future of Draper Hall is not yet finalized.</p>
GOUVERNEUR	Good	n/a	n/a	n/a	n/a

COLER	Conditional	A21 / 22 chiller replacement is required.	A21 / 22	Window A/C units have been installed.	Purchase order issued for chiller replacement.
GOLDWATER	Good	n/a	n/a	n/a	

NETWORK: QUEENS HEALTH NETWORK

FACILITY	READINESS RATING	SYSTEM PROBLEMS DESCRIPTION	AREAS AFFECTED	PLANNED OR ONGOING CORRECTIVE ACTION	REMARKS
ELMHURST	Conditional	Air handler is in poor condition. Housing is corroded, coils were replaced.	Labor/Delivery D-5	Unit functioning and being monitored.	Repairs to be done as needed in the interim. Evaluation of replacement options to be analyzed prior to next cooling season.
QUEENS	Good	n/a	n/a	n/a	