

CAPITAL COMMITTEE

July 10, 2014

MEETING AGENDA

11:00 a.m.

125 Worth Street, Room 532
5th Floor Board Room

CALL TO ORDER

Emily A. Youssouf

- ADOPTION OF MINUTES June 12, 2014 Emily A. Youssouf
- SENIOR ASSISTANT VICE PRESIDENT'S REPORT Roslyn Weinstein

ACTION ITEMS

- **Resolution** Arthur Wagner
Authorizing the expenditure by the New York City Health and Hospitals Corporation (the "Corporation") of \$8,619,510 for the construction and outfitting of a temporary primary medical clinic in a pre-fabricated structure on Block 7061, Lots 16, 39, 40, 41, 42, 43, 44 and 45 in the Coney Island area of Brooklyn (the "Lots") to be licensed from the New York City Department of Housing Preservation and Development ("HPD") for the Corporation's operation of the Ida G. Israel Community Health Center (the "Health Center") under the management of Coney Island Hospital ("CIH").
- **Resolution** Arthur Wagner
Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a three-year revocable license agreement with the New York City Department of Housing Preservation and Development ("HPD") for the Corporation's use and occupancy of Block 7061, Lots 16, 39, 40, 41, 42, 43, 44 and 45 in the Coney Island area of Brooklyn for the Corporation's operation of a temporary primary medical clinic in a pre-fabricated structure at an annual payment to HPD of \$130,000. This resolution amends and supersedes a similar resolution adopted by the Board of Directors July 25, 2013.
- **Resolution** Meryl Weinberg
Authorizing the naming of Conference Room 1B35 at Metropolitan Hospital Center ("Metropolitan Hospital") the "Dr. Richard K. Stone Conference Room" in recognition of the substantial contributions that Dr. Richard K. Stone has made to Metropolitan Hospital over 48 years of distinguished, compassionate and dedicated service.

INFORMATION ITEMS

- **Director of Real Estate's Report** Dion Wilson
Real Estate Transaction Outlook: September – December, 2014
- **Project Status Reports**

South Brooklyn/Staten Island Health Network Daniel Collins
Coney Island Hospital – Boiler Plant Replacement (Delayed)

OLD BUSINESS

NEW BUSINESS

ADJOURNMENT

CAPITAL COMMITTEE MEETING MINUTES

JUNE 12, 2014

MINUTES

Capital Committee

Meeting Date: June 12, 2014

Time: 1:00 P.M.

Location: Board Room

Board of Directors:

Members of the Capital Committee

Emily A. Youssouf, Chair

Mark Page

Josephine Bolus, RN

Antonio Martin, Executive Vice President (Representing Ramanathan Raju, MD, President, in a voting capacity)

HHC Staff:

Jeremy Berman – Deputy General Counsel, Office of Legal Affairs

Deborah Cates – Chief of Staff, Office of the Chairman

Ricardo Corrales – Senior Associate Director, Woodhull Medical and Mental Health Center

Daniel Gadioma – Associate Director, Kings County Hospital Center

Jonathan Goldstein – Senior Consultant, Corporate Planning

Tracy Green – Chief Financial Officer, Metropolitan Hospital Center

Elizabeth Guzman – Chief Operating Officer, Metropolitan Hospital Center

Lisa Lee – Deputy Inspector General, Office of the Inspector General

Liny Liu – Senior Associate Director, Lincoln Medical and Mental Health Center

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

Peter Lynch – Senior Director, Office of Facilities Development

Randall Mark – Chief of Staff, Office of the President

Christopher Mastromano – Deputy Executive Director, Kings County Hospital Center

Dean Mihaltses – Associate Executive Director, Elmhurst Hospital Center

Dean Moskos – Director, Office of Facilities Development

Vincent Mulvihill – Senior Administrator, Woodhull Medical and Mental Health Center

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

Rick Walker – Chief Financial Officer, Central/North Bronx Health Network

Roslyn Weinstein – Senior Assistant Vice President, President's Office

Dion Wilson – Assistant Director, Office of Facilities Development

Elizabeth Youngbar – Assistant Director, Office of Facilities Development

Frank Zanghi – Audit Manager, Office of Internal Audits

Other Attendees:

Kent Cherry – New York City Office of Management and Budget

Michael Dubin – Savitt Partners, LLC

Kristyn Raffaele – New York City Office of Management and Budget

CALL TO ORDER

The meeting was called to order by Emily A. Youssouf, Chair of the Capital Committee, at 1:17 P.M.

Ms. Youssouf advised that Antonio Martin, Executive Vice President, would be representing Ramanathan Raju, President, in a voting capacity.

On motion, the Committee voted to adopt the minutes of the May 8, 2014, Capital Committee meeting.

SENIOR ASSISTANT VICE PRESIDENT'S REPORT

Roslyn Weinstein, Senior Assistant Vice President, Office of the President, advised that the meeting agenda included three (3) lease arrangements, in various networks. She addressed discussion from the Audit Committee meeting, which took place prior to the Capital Committee meeting, regarding inconsistencies found in the audit conducted on Elmhurst Hospital Center, which found a number of inconsistencies regarding small construction projects. She advised that they were found to be a result of the Construction Procedures Manual (CPM), which had not been updated to reflect how to deal with Indefinite Quantity Construction Contracts (IQCCs) and utilization of e-Goridan. She explained that the Office of Facilities Development (OFD) would be proceeding with improvements to that manual, and would report back to the appropriate Committees in December.

That concluded Ms. Weinstein's report.

ACTION ITEMS

- **Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a five year lease extension agreement with Welner Associates (the "Landlord") for 10,900 square feet of space at 279 Graham Avenue, Borough of Brooklyn, to house the Williamsburg Community Health Center (the "Health Center"), operated by Woodhull Medical and Mental Health Center (the "Facility") at an initial rent of approximately \$41 per square foot to increase at a rate of 3.5% per year with the Corporation responsible for the payment of real estate taxes, water and sewer rents, gas, and electricity and with the Corporation holding an option for an additional five years at a rental rate that will continue the pattern of annual 3.5% increases.**

Vincent Mulvihill, Senior Administrator, Woodhull Medical and Mental Health Center, read the resolution into the record on behalf of Mr. George Proctor, Senior Vice President, Central/North Brooklyn Health Network. Mr. Mulvihill was joined by Rick Walker, Chief Financial Officer, Lisa Scott-McKenzie, Senior Associate Executive Director, and Ricardo Corrales, Senior Associate Director, Woodhull Medical and Mental Health Center.

Ms. Youssouf stated that a 3.5% annual increase was a high rate, particularly when all services and taxes are included, and it is not a triple-net-lease. She asked for an explanation of the increase rate, and Mark Page asked for an explanation of the current lease arrangement to be included in that response.

Mr. Walker said the number was a function of what the landlord thought was necessary to maintain a ten (10) year lease. It was similar to the past agreement of ten (10) years, with the exception of dollar amounts, for which the landlord had expressed specific concern regarding annual rent numbers. Mr. Walker explained that negotiations were done primarily by Central Office Department Legal Affairs.

Jeremy Berman, Deputy Counsel, explained that 3.5% is high and the rate was very vigorously negotiated but the main concern was that there were no acceptable alternative sites. Mr. Berman advised that Dion Wilson, Legal Affairs, had done an extensive search for alternate sites, including in public space in New York City Housing Authority (NYCHA) and human Resources Administration (HRA) buildings, and the location, which is on the end of Williamsburg, is a hot area and landlords are aware of that and there is a lot of activity in that neighborhood. He explained that the landlord felt as though he were in a position to push but HHC negotiated very hard on the rent and the escalation.

Dion Wilson, Legal Affairs, and Michael Dubin, Savitt Partners, LLC, joined the discussion.

Mr. Wilson explained that original requests from the landlord were for a four (4) percent per year escalation rate, and \$44 per square foot base rent but HHC managed to get the escalation down to three and a half (3.5) percent and \$41 per square foot. Mr. Wilson explained that rezoning in 2005 increased real estate values and that moving the clinic would have resulted in additional capital costs for construction.

Ms. Youssouf noted that the consultant report reflected the \$41 per square foot rate was at the higher end, and asked whether there was no other space available. Mr. Dubin advised that an extensive search was conducted but square footage was a factor in their decision. Mr. Wilson explained that he had reached out to the Department of Citywide Administrative Services (DCAS) for public space and one Department of Health (DOH) site was eliminated after DOH said they had plans for the site, there was an alternate option in the Williamsburg Houses but that space was too small, and two other proposed sites were outside of the clinics' catchment area.

Antonio Martin, Executive Vice President, asked how many visits were conducted at the site. Mr. Mulvihill said 9,000 visits annually, with potential for growth. He noted that the population serving the clinic is quite different than the population visiting the nearest facilities.

Mark Page asked what the square footage cost was under the current lease. Mr. Wilson said that current rates were \$17 per square foot under the lease that was originally signed and negotiated 20 years ago. Mr. Page said he was startled by not having previous information expressed upfront and was angered by the feeling that he thought the information had to be pulled out of the presenters.

Ms. Youssouf said that she found it distressing that projections showed the site in a \$1.3 million deficit annually, and that is prior to rent and utilities being escalated. Mr. Walker acknowledged that the deficit numbers were not pleasing but added that the presentation was all inclusive, with real estate taxes and fully loaded expenses included. Ms. Youssouf said that is appreciated but does not lower the number. She expressed concern that this not be the way things were going with the Corporation not in a great financial situation. Mr. Walker said that from a financial perspective he agreed and understood, but explained that from an operational perspective community based clinics are needed and are being utilized increasingly. He noted that some operational changes were being reviewed and negotiated to match healthcare delivery and goals of meeting the bottom line. He advised that programmatic factors were being reviewed also, but with the awareness that clinical needs must be met but in a way that takes advantage of

capacity. He said that productivity indicators were being reviewed, and added that HHC has to convert to more of a private practice model. Ms. Youssouf said she was pleased to hear that all those considerations were being made, and those ideas should be reflected in these types of agreements. She asked if all services were necessary, whether they get enough volume, was the extensive square footage really necessary in order to operate. Mr. Mulvihill stated that the population was changing and therefore services will likely be changing. Mr. Walker said that while the main function is that of a primary care clinic, the site also houses a WIC program and a Child Health program. He said that he felt that if community based clinics were managed well then additional referrals would benefit the hospitals. That is a benefit not recognized here. Ms. Youssouf said she understood but asked, as the community changes, which is why the landlord is set on such a significant increase in rent, then HHC needed to be sure that the new population is one that will be visiting public health facilities. Will the population shift help or hurt us, she asked. Mr. Walker said his time at Harlem Hospital proved that there are changes and alterations that would need to be made, and Central/North Brooklyn is currently considering and reviewing those factors. We know we need to be able to compete with private, he said.

Mrs. Bolus asked when the current lease expired. Mr. Mulvihill said it expired at the end of June 2014. Mrs. Bolus asked why the agreement was being presented in the same month, and not six months prior as previously requested by Capital Committee members. Mrs. Bolus remembered a lease agreement for another clinic site run by Woodhull (875 Manhattan Avenue) where work still had not been completed. She reiterated that agreements should be presented months prior to the expiration date so that the Committee was not under the gun to make a decision. She advised that in the other site, at 875 Manhattan Avenue, the elevator was terrible, the stairs were terrible, and the second floor was still incomplete. She stated that other sites on the diagram were close by. Mrs. Bolus asked about roof repairs that needed to be completed and asked why they had not been done. Mrs. Scott-McKenzie advised that the roof had been repaired and the site passed a recent Joint Commission survey. Mrs. Bolus asked whether a new water heater had been installed. Mrs. Scott-McKenzie said she was unsure. She said that as far as she knows the landlord has been responsive. Mrs. Bolus said she did not feel confident that the landlord was providing adequate service and Ms. Youssouf agreed that it seems unacceptable that he apparently did not make repairs in a timely manner, and then had the nerve to increase rent by nearly three times the previous rates.

Mr. Page said he was pleased to hear that HHC had reached out to other City agencies but was not confident that the response from the Department of Citywide Administrative Services (DCAS) regarding Department of Health (DOH) plans to utilize space took into consideration HHC's needs. He asked whether something could be done prospectively to re-approach that idea. Ms. McKenzie stated that one of the sites was previously an HHC clinic but the facility was displaced due to needed abatement work, and then HHC was never allowed to return to the site. Mr. Page said he understood that was the response, but wondered if the voices of HHC were really being heard, and the significance of the need.

Mr. Martin requested that the facility review staffing numbers for the site.

Ms. Youssouf said she felt that the committee was in a place where they did not have much of a choice and that she was unaware of the fact that the Manhattan Avenue clinic mentioned by Mrs. Bolus had not been completed. She expressed concern that the agreement being proposed was not a sensible deal and suggested strongly that services be reviewed and be reported back to the committee. What the population is, who is utilizing each service, etc. She asked whether 9,000 square feet of space was needed. She said that while the community undoubtedly needed to be served, that the next time the

committee was presented with an expiring agreement they would not allow the pressure of timing to become a factor.

Mr. Page asked whether it would make sense to exercise the renewal option or, if the lease were approved for the 5 year initial term, whether that time shouldn't then be spent reviewing the needed services, staffing, volume of use, etc. He said he was familiar with the increase in residential rents, which he noted were astronomical. He asked if the resolution being presented provided the ability to exercise the five (5) year renewal option without Board authorization. Mr. Wilson said yes.

Mr. Page recommended that an amendment be made to the resolution stating that the facility would come back to the Board of Directors in four (4) years, a year ahead of the renewal option term, and seek authorization for the renewal term, adding that the option cannot be exercised without Board approval. To put a marker in the resolution indicating that HHC really needs to optimize the money spent on the space, for the business we get.

Mr. Walker said he believed that was a fair and prudent decision.

Mrs. Bolus asked why this was coming before the Committee at the last minute. Mr. Walker said that negotiations had begun a year ago and an enormous effort, at the facility level and at Central Office, was made to find alternate sites and to negotiate the rates. There was a genuine effort on this agreement.

Mrs. Bolus asked what capacity the other sites on the provided map could take over. Mr. Walker explained that not all those sites were operational HHC sites, the map showed the facility, the proposed site, and the alternate sites that were viewed.

Ms. Youssouf noted that the square footage sounded excessive and asked that the need for that amount of space also be considered moving forward. She urged that the realistic space be reviewed, the changing population be looked into, and requested that the group report back to the Committee as these factors were being discovered. She said that the 3.5% annual increase was highway robbery for HHC. Mrs. Bolus asked that revenue be presented as well. Mr. Walker said it was approximately \$1.4 million but the mix of services would be reviewed and determinations would be made. He noted that this would be a good opportunity to create new relationships within the community.

Ms. Youssouf asked that, in the future, agreements with such a high rate of increase be brought to the Committee beforehand, for earlier discussion and advisement.

It was determined that the resolution would be revised to read, the Corporation has an option for an additional five years at a rental rate that will continue the pattern of annual increase which may be exercised only with Board approval at least one year prior to the beginning of that option period.

Committee members agreed to the wording for the amendment.

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 amended resolution for the full Board's consideration.

- **Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute five successive one year revocable license agreements with the New York City Human Resources Administration ("HRA") for the use and occupancy of approximately 2,738 square feet of space at 413 East 120th Street, Borough of Manhattan to house for La Clinica del Barrio operated by Metropolitan Hospital Center (the "Facility") at an occupancy fee of \$23 per square foot, a \$2 per square foot utility surcharge, a \$1 per square foot seasonal cooling charge, and a Saturday occupancy charge not to exceed \$25,000 per year.**

Elizabeth Guzman, Chief Operating Officer, Metropolitan Hospital Center, read the resolution into the record on behalf of Meryl Weinberg, Executive Director, Metropolitan Hospital Center. Ms. Guzman was joined by Tracy Green, Chief Financial Officer, Metropolitan Hospital Center.

Ms. Guzman explained that La Clinica del Barrio was a community clinic that provided primary care services with a family practice model. She said the site had two family practice physicians on a full time basis and an allergist and Obstetric, Gynecologist (OB/GYN) on a part time basis. She noted that hours of operation were 8:00 AM – 6:00 PM during weekdays, and 8:00 AM – 1:00 PM on Saturdays. Ms. Youssouf asked how many annual visits the site received. Ms. Guzman said approximately 9,200 per year. Ms. Youssouf noted that this site operated in 2,748 square feet with a 9,200 annual visit volume.

Ms. Youssouf said she remembered previous discussion, in 2011, regarding the additional \$25,000 charge for operation on Saturdays. Ms. Guzman said the site was open every Saturday, to service community residents that could not visit during the week and advised that additional charges were the result of building management needing to open the building and provide security.

Mr. Page asked if the building were city owned. Mr. Wilson said the building was under the jurisdiction of the Human Resources Administration (HRA), but HRA periodically issued RFP for non-profits to manage the building. Mr. Page asked who the rates were negotiated with. Mr. Wilson said that, as he understood it, the rates were set by HRA. Mr. Berman added that all Multi-Service Center sites had the same rate.

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.

- **Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a revocable five-year license agreement with Eyes and Optics (the "Licensee") for the use and occupancy of approximately 140 square feet of space on the 8th floor of the "E Building" to operate an optical dispensary at Kings County Hospital Center (the "Facility") at an occupancy fee of \$30 per square foot for a total annual occupancy fee of \$4,200 to be escalated by 3% per year.**

Christopher Mastromano, Deputy Executive Director, Kings County Hospital Center, read the resolution into the record on behalf of Ernest Baptiste, Executive Director, Kings County Hospital Center.

Mr. Page asked what an optical dispensary was. Mr. Mastromano explained that the service center

would dispense eye glasses, within the ophthalmology clinic at the facility. He said there was an alcove within the department where they would be located, and it would allow one stop shopping for patients.

Ms. Youssouf asked about rent. Mr. Mastromano advised the licensee would pay the facility an annual rent of \$4,200 for the first year, and 3.5% escalation annually.

Ms. Weinstein noted that the licensee operated shops in a number of other HHC facilities, with good result.

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

- **Project Status Reports**

Central/North Brooklyn Health Network

- **Kings County Hospital: Elevator Upgrade "ABC" Buildings**

Daniel Gadioma, Associate Director, Kings County Hospital Center, advised that there were a total of ten (10) elevators within the project; three (3) in building "A", four (4) in building "B", and three (3) in building "C". He explained that all three elevators in building "A" were operational. In the "B" building, two (2) of the four (4) were operational, the third was a freight elevator with inspection expected June 24, 2014, and the fourth was a passenger elevator with completion also expected at the end of the month. The "C" building had two elevators operational and one scheduled for inspection by the Department of Buildings (DOB) on June 25, 2014.

Mr. Page asked why the project had taken so long to complete. Mr. Lynch explained that there were six (6) to seven (7) month delays at the beginning of the project because it was an older building, that never had an approved fire alarm system, and there were lengthy discussions between the Department of Buildings and the Fire Department of the City of New York (FDNY).

Ms. Bolus asked the age of the elevators. Mr. Lynch said they were original to the building.

- **Woodhull Medical Center: Obstetric Unit Expansion**

Lisa Scott-McKenzie, Senior Associate Executive Director, and Ricardo Corrales, Senior Associate Director, Woodhull Medical Center, provided the report. Mrs. Scott-McKenzie advised that demolition had commenced and was roughly 85% complete. Framing was 65% complete and plumbing and electrical roughing were 25% complete. She noted that all heating, ventilation and air conditioning (HVAC) equipment had been received and would be installed post demolition. She advised that the facility had obtained the services of TDX to review estimates and project scope, and to provide construction management (CM) services to ensure the project came in within budget and on time. The revised project schedule had completion expected in February, 2015. Ms. Scott-McKenzie said the project team had also been realigned to allow for better communication and management. She explained that discussion at the March 13, 2014 meeting was the result of confusion between spent dollars and encumbered monies, and that was a reporting error within the package. The money had not previously been spent, as reported, it had only been encumbered. She advised that the project had only paid the design fees at that point, but monies would start to be drawn down now that

demolition was in process and construction would begin.

Queens Health Network

- Elmhurst Hospital: Women's Health Center

Dean Mihaltses, Associate Executive Director, Elmhurst Hospital Center, reminded Committee members that this project had previously reported delays as the result of a General Contractor with insufficient financing, and a Construction Manager who had eventually been fired. He noted that the facility had continued to build from the inside-out and had made much progress along the way. He advised that there were no new delays to report and the project was still within budget. The elevators were in, the grounds were being finalized and Department of Health (DOH) and Department of Building (DOB) inspections were anticipated for late July. He said it was a rocky start but the project was in a good place at present.

There being no further business, the meeting was adjourned at 2:15 P.M.

CONSTRUCTION AUTHORIZATION

IDA G. ISRAEL CLINIC

CONEY ISLAND HOSPITAL

RESOLUTION

Authorizing the expenditure by the New York City Health and Hospitals Corporation (the "Corporation") of \$8,619,510 for the construction and outfitting of a temporary primary medical clinic in a pre-fabricated structure on Block 7061, Lots 16, 39, 40, 41, 42, 43, 44 and 45 in the Coney Island area of Brooklyn (the "Lots") to be licensed from the New York City Department of Housing Preservation and Development ("HPD") for the Corporation's operation of the Ida G. Israel Community Health Center (the "Health Center") under the management of Coney Island Hospital ("CIH").

WHEREAS, CIH had operated the Health Center at 2201-2202 Neptune Avenue in the Coney Island area of Brooklyn until the Health Center was destroyed by Hurricane Sandy; and

WHEREAS, the Coney Island neighborhood's need for primary health services is not being adequately met without the Health Center; and

WHEREAS, by resolution adopted in July 2013, the Corporation's Board of Directors authorized its license of the Lots from HPD on which to locate the Health Center; and

WHEREAS, in conjunction with the presentation of this Resolution, the Corporation's Board of Directors is being asked for authority to modify the prior resolution authorizing the license of the Lots to permit payment of an occupancy fee to HRA and to establish a five-year term for the license; and

WHEREAS, the Executive Summary accompanying the prior resolution authorizing the license of the Lots had indicated that a further resolution would be presented to authorize the expenditure of the funds necessary to construct the Health Center; and

WHEREAS, bids for the construction of the Health Center have been received and a budget for the costs for construction and outfitting has been developed; and

WHEREAS, it appears that the Federal Emergency Management Agency will reimburse substantially all of the costs of the Health Center's construction and outfitting.

NOW THEREFORE, be it

RESOLVED, that the New York City Health and Hospitals Corporation shall be authorized to spend \$8,619,510 the construction and outfitting of a temporary primary medical clinic in a pre-fabricated structure on Block 7061, Lots 16, 39, 40, 41, 42, 43, 44 and 45 in the Coney Island area of Brooklyn to be licensed from the New York City Department of Housing Preservation and Development for the Corporation's operation of the Ida G. Israel Community Health Center under the management of Coney Island Hospital.

**New York State Department of Health
 Certificate of Need Application
 Schedule 8A Summarized Project Cost and Construction Dates**

This schedule is required for all Establishment Applications and Full or Administrative Review Construction Applications.

1.) Project Cost Summary data:

	Total	Source
Project Description:		
Project Cost	\$8,591,735	Schedule 8b, column C, line 8
Total Basic Cost of Construction	\$8,591,735	Schedule 8b, column C, line 6
Total Cost of Moveable Equipment	\$100,000	Schedule 8b, column C, line 5.1
Cost/Per Square Foot for New Construction (calculated on Table 10)	\$643	Schedule 10
Cost/Per Square Foot for Renovation Construction	NA	Schedule 10
Total Incremental Operating Cost (From Schedule 13C, 17C, or 19D)		Schedule 13c, 17c or 19d
Amount Financed (as \$)	\$0	Schedule 9
Percentage Financed as % of Total Cost (From Schedule 9)	0.00%	Schedule 9
Depreciation Life (in years)	temporary space	

2) Construction Dates

Anticipated Start Date	9/1/2014	
Anticipated Completion Date	2/28/2015	Schedule 8b

New York State Department of Health

Certificate of Need Application

Schedule 8B - Total Project Cost - For Projects without Subprojects.

For Article 28, 36, and 40 Establishment & Construction Requiring Full, Administrative or Limited Review
 For Limited Review, escalation amounts may be entered as "0".

Constants:	Value	Comments:
Design Contingency - New Construction	0.00%	Normally 10%
Construction Contingency - New Construction	7.00%	Normally 5%
Design Contingency - Renovation Work	0.00%	Normally 10%
Construction Contingency - Renovation Work	0.00%	Normally 10%
Anticipated Construction Start Date:	9/1/2014	as mm/dd/yyyy
Anticipated Midpoint of Construction Date	12/1/2014	as mm/dd/yyyy
Anticipated Completion of Construction Date	2/28/2015	as mm/dd/yyyy
Year used to compute Current Dollars:	2014	

Subject of attachment:	Attachment Number	Filename of attachment - PDF
For new construction and addition, at the schematic stage the design contingency will normally be 10% and the construction contingency will be 5%. If your percentages are otherwise, please explain in an attachment.		
For renovation, the design contingency will normally be 10% and the construction contingency will be 10%. If your percentages are otherwise, please explain in an attachment.		

**New York State Department of Health
 Certificate of Need Application
 Schedule 8B - Total Project Cost - For Projects without Subprojects.**

	A	B	C
Item	Project Cost in Current Dollars	Escalation amount to Mid-point of Construction	Estimated Project Costs
Source:	Schedule 10 Col. 7	Computed by applicant	(A + B)
1.1 Land Acquisition	\$0		\$0
1.2 Building Acquisition	\$0		\$0
2.1 New Construction	\$6,522,608	\$0	\$6,522,608
2.2 Renovation & Demolition	\$0	\$0	\$0
2.3 Site Development	\$1,039,762	\$0	\$1,039,762
2.4 Temporary Utilities	\$0	\$0	\$0
2.5 Asbestos Abatement or Removal	\$0	\$0	\$0
3.1 Design Contingency	\$0	\$0	\$0
3.2 Construction Contingency	\$529,365	\$0	\$529,365
4.1 Fixed Equipment (NIC)	\$400,000	\$0	\$400,000
4.2 Planning Consultant Fees	\$0	\$0	\$0
4.3 Architect/Engineering Fees	\$0	\$0	\$0
4.4 Construction Manager Fees	\$0	\$0	\$0
4.5 Other Fees (Consultant, etc.)	\$0	\$0	\$0
Subtotal (Total 1.1 thru 4.5)	\$8,491,735	\$0	\$8,491,735
5.1 Movable Equipment (from Sched 11)	\$100,000	\$0	\$100,000
5.2 Telecommunications	\$0	\$0	\$0
6. Total Basic Cost of Construction (total 1.1 thru 5.2)	\$8,591,735	\$0	\$8,591,735
7.1 Financing Costs (Points etc)	\$0		\$0
7.2 Interim Interest Expense:: \$ <input type="text"/> At <input type="text"/> % for <input type="text"/> months	\$0		\$0
8. Total Project Cost: w/o CON fees Total 6 thru 7.2	\$8,591,735	\$0	\$8,591,735
Application fees:			
9.1 Application Fee. Articles 28, 36 and 40. See Web Site.	\$2,000		\$2,000
9.2 Additional Fee for projects with capital costs. Not applicable to "Establishment Only" projects. See Web Site for applicable fees. (Line 8, multiplied by the appropriate percentage.)			
Enter Multiplier ie: .25% = .0025 --> <input type="text"/> 0.003	\$25,775	\$0	\$25,775
10 Total Project Cost with fees	\$8,619,510	\$0	\$8,619,510

LICENSE AGREEMENT

**NEW YORK CITY DEPARTMENT OF
HOUSING PRESERVATION AND DEVELOPMENT**

CONEY ISLAND HOSPITAL

RESOLUTION

Authorizing the President of the New York City Health and Hospitals Corporation (the "Corporation") to execute a three-year revocable license agreement with the New York City Department of Housing Preservation and Development ("HPD") for the Corporation's use and occupancy of Block 7061, Lots 16, 39, 40, 41, 42, 43, 44 and 45 in the Coney Island area of Brooklyn for the Corporation's operation of a temporary primary medical clinic in a pre-fabricated structure at an annual payment to HPD of \$130,000. This resolution amends and supersedes a similar resolution adopted by the Board of Directors July 25, 2013.

WHEREAS, Coney Island Hospital ("CIH") had operated the Ida G. Israel Community Health Center at 2201-2202 Neptune Avenue in the Coney Island area of Brooklyn (the "Center") until such clinic was destroyed by Hurricane Sandy; and

WHEREAS, the Coney Island neighborhood's need for primary health services is not being adequately met without the Center; and

WHEREAS, CIH will require more than a year to complete the selection of a new site for the Center and to complete the necessary construction once a site is selected; and

WHEREAS, HPD controls a number of vacant lots in the area and is willing to license them to the Corporation for the Corporation's use to site a pre-fabricated modular structure from which to operate a temporary version of the Center; and

WHEREAS, the Corporation is able to quickly erect a pre-fabricated modular structure from which to operate a temporary version of the Center; and

WHEREAS, on July 25, 2013 the Corporation's Board of Directors adopted a resolution that had authorized the execution of similar license for a shorter term and no occupancy fee; and

WHEREAS, HPD determined that in view of the longer term of the proposed license and other considerations, an occupancy fee should be assessed.

NOW THEREFORE, be it

RESOLVED, that the President of the New York City Health and Hospitals Corporation (the "Corporation") is authorized to execute a three-year revocable license agreement with New York City Department of Housing Preservation and Development ("HPD") for the Corporation's use and occupancy of Block 7061, Lots 16, 39, 40, 41, 42, 43, 44 and 45 in the Coney Island area of Brooklyn for the Corporation's operation of a temporary primary medical clinic in a pre-fabricated, modular structure at an annual payment to HPD of \$130,000. This resolution amends and supersedes a similar resolution adopted by the Board of Directors July 25, 2013.

EXECUTIVE SUMMARY

The President of the New York City Health and Hospitals Corporation (the "Corporation") seeks authorization to execute a three-year revocable license agreement with the New York City Department of Housing Preservation and Development ("HPD") for the Corporation's use and occupancy of Block 7061, Lots 16, 39, 40, 41, 42, 43, 44 and 45 in the Coney Island area of Brooklyn for the Corporation's operation of a temporary primary medical clinic in a pre-fabricated structure. These are all vacant lots that are currently unused by HPD. Under the proposed license agreement, HPD will charge the Corporation \$130,000 for the use and occupancy of the licensed property.

Hurricane Sandy destroyed the Ida G. Israel Community Health Center at 2201-2202 Neptune Avenue in the Coney Island area of Brooklyn (the "Center"). Since then, Coney Island Hospital ("CIH") has been working with the community, local elected officials and various agencies of the City of New York to find a suitable replacement site for the Center. Even once a location is found, it is likely that it will take from 6 to 18 months to complete all of the work at such location to enable the Center to begin its operations there. In the meantime, the Coney Island neighborhood's need for primary health services is not being adequately met. Thus, it is appropriate to implement a temporary solution that can serve the community until a new home for the Center is found and renovated to meet the Center's needs.

CIH has identified a reputable manufacturer of modular, prefabricated structures, through public bid process. CIH, working with an architect, has developed plans for a structure of approximately 13,000 square feet that can be erected on the property to be licensed.

The Board of Directors of the Corporation had adopted a resolution on July 25, 2013 authorizing the execution of an earlier version of the proposed license. In that previous version, the license was only for one year (renewable by HPD for successive one-year periods) and there was to be no occupancy fee. Subsequently, HPD was persuaded to revise the term of the license agreement to make it be for three years (though revocable). In connection with that negotiation, HPD and the New York City Office of Management and Budget determined that the Corporation should pay the fair market value of the lots in the amount of \$130,000 per year. The proposed resolution amends and supersedes the prior one.

CIH will present a separate resolution to the Capital Committee of the Board for authorization for the expense funding required for this project based on a detailed budget.

When the structure is erected, outfitted and fully operational, CIH anticipates providing dental, pediatric, general primary medical care and chemical dependency services.

NAMING

DR. RICHARD K. STONE CONFERENCE ROOM

METROPOLITAN HOSPITAL CENTER

RESOLUTION

Authorizing the naming of Conference Room 1B35 at Metropolitan Hospital Center ("Metropolitan Hospital") the "Dr. Richard K. Stone Conference Room" in recognition of the substantial contributions that Dr. Richard K. Stone has made to Metropolitan Hospital over 48 years of distinguished, compassionate and dedicated service.

WHEREAS, Operating Procedure 100-8 permits facilities of the New York City Health and Hospitals Corporation (the "Corporation") to be named for individuals to recognize the significant contribution of the individual to be so honored; and

WHEREAS, Dr. Richard K. Stone first came to Metropolitan Hospital in 1966 as a third year New York Medical College medical student; and

WHEREAS, since 1966 Dr. Stone has been a pediatric resident, Chief Resident in Pediatrics, Pediatric Residency Director, Director of Ambulatory Pediatric Services, Chief of Pediatrics, President of the Metropolitan Hospital Medical Staff and Medical Director of Metropolitan Hospital; and

WHEREAS, in addition to his positions at Metropolitan Hospital, Dr. Stone has also served at the U.S. Naval Hospital, as a Professor of Clinical Pediatrics in the School of Medicine, as a Professor of Health Sciences and Practice at New York Medical College and as Senior Associate Dean at that school; and

WHEREAS, in all of his roles, Dr. Stone has been respected and admired as for his leadership, commitment and knowledge; and

WHEREAS, Metropolitan Hospital's administration, its Medical Board and its Community Advisory Board have each petitioned for Dr. Stone to be recognized for his service and contributions.

NOW THEREFORE, be it

RESOLVED, that Conference Room 1B35 at Metropolitan Hospital Center be named the "Dr. Richard K. Stone Conference Room" in recognition of the substantial contributions that Dr. Richard K. Stone has made to Metropolitan Hospital over 48 years of distinguished, compassionate and dedicated service.

Executive Summary

Metropolitan Hospital Center is a 331-bed hospital, which provides primary care to patients from each of the five boroughs while utilizing the latest advances in medical science.

We are requesting approval to name Room 1B35 after the dedicated pediatrician who served the Metropolitan Community for over forty years, Dr. Richard K. Stone. The formal name for the Room will be the "The Dr. Richard K. Stone Conference Room."

Dr. Stone first came to Metropolitan forty-eight years ago in 1966 as a third year New York Medical College medical student. Following his graduation from New York Medical College in 1968, he was a resident and then Chief Resident in Pediatrics at Metropolitan. After active duty at the National Naval Medical Center in Bethesda in 1973, Dr. Stone returned to Metropolitan where he served first as Pediatric Residency Director and Director of Ambulatory Pediatric Services, and then in 1981 became Chief of Pediatrics. Dr. Stone served as President of the Medical Staff from 1987 to 1989. He was appointed Metropolitan's first Medical Director in 1989.

Dr. Stone is currently a Professor of Clinical Pediatrics in the School of Medicine, and Professor of Clinical Public Health in the School of Health Sciences and Practice at New York Medical College, where he is also a Senior Associate Dean. He is a Board Certified Pediatrician, Fellow of the American Academy of Pediatrics, the New York Academy of Medicine and a member of numerous professional organizations. Dr. Stone has published books and articles in the medical literature and is the recipient of many awards including a 2008 Tow Award for Humanism in Medicine from the Arnold Gold Foundation.

This action to honor Dr. Richard K. Stone's significant contribution of the pediatric profession is supported by Metropolitan Hospital Center's Medical Board, the Community Advisory Board, as well as, the Executive Director (see attached letters.)

Ram Raju, MD, MBA, FACS, FACHE
President and CEO

July 8, 2014

Jo Ivey Boufford, M.D.
Acting Chairperson of the Board of Directors
New York City Health and Hospitals Corporation
125 Worth Street,
Suite 519
New York, NY 10013

Dear Acting Chairperson Boufford:

I am honored to ask the Board to consider the resolution to rename Room 1B35 after the former Medical Director who served the Metropolitan Community for over forty years, Dr. Richard K. Stone.

Dr. Stone has devoted his entire professional life in support of HHC's mission, especially caring for its patients and residents at Metropolitan Hospital Center. Dr. Stone is a beloved physician, educator and humanitarian of high integrity who has earned the respect and admiration of countless physicians, staff, patients and Community Advisory Board members. His leadership, commitment and knowledge have been instrumental to the success of many regulatory and accreditation surveys.

Throughout HHC, our patients, residents, staff, and friends know and appreciate Dr. Stone for his extensive years of service and relentless contributions. We support the resolution to rename Room 1B35, "The Dr. Richard K. Stone Conference Room."

Sincerely,



Dr. Ram Raju
President and CEO

cc: HHC Board of Directors



METROPOLITAN HOSPITAL CENTER

1901 FIRST AVENUE, NEW YORK, NY 10029

TEL.: 212-423-8993 • FAX: 212-423-8535 • Email: meryl.weinberg@nychhc.org

Meryl Weinberg, BSN, MA
Executive Director

June 25, 2014

Ramanathan Raju, M.D.
President
New York City Health and Hospitals Corporation
125 Worth Street
New York, NY 10001

Dear Dr. Raju, *Ram*

In accordance with Operating Procedure No. 100-8, we are respectfully requesting to name Room 1B35, The Dr. Richard K. Stone Conference Room, in recognition of Dr. Stone's contributions to Metropolitan Hospital Center and HHC.

Richard K. Stone, M.D., Metropolitan's Medical Director, is retiring this summer after a long, dedicated and successful tenure. Dr. Stone first came to Metropolitan forty-eighty years ago in 1966 as a third year New York Medical College medical student. Following his graduation from New York Medical College in 1968, he was a resident and then Chief Resident in Pediatrics at Metropolitan. After active duty at the National Naval Medical Center in Bethesda in 1973, Dr. Stone returned to Metropolitan where he served first as Pediatric Residency Director and Director of Ambulatory Pediatric Services, and then in 1981 became Chief of Pediatrics. Dr. Stone served as President of the Medical Staff from 1987 to 1989. He was appointed Metropolitan's first Medical Director in 1989.

Dr. Stone is a beloved physician, educator and humanitarian of high integrity who has earned the respect and admiration of countless physicians, staff, patients and Community Advisory Board members. His leadership, commitment and knowledge have been instrumental to the success of many regulatory and accreditation surveys.

Dr. Stone is currently a Professor of Clinical Pediatrics in the School of Medicine, and Professor of Clinical Public Health in the School of Health Sciences and Practice at New York Medical College, where he is also a Senior Associate Dean. He is a Board Certified Pediatrician, Fellow of the American Academy of Pediatrics, the New York Academy of Medicine and a member of numerous professional organizations. Dr. Stone has published books and articles in the medical literature and is the recipient of many awards including a 2008 Tow Award for Humanism in Medicine from the Arnold Gold Foundation.

In recognition of Dr. Stone's exceptional contributions, we request to name Room 1B35, a 939 square feet conference room located on the first floor of the Main Building, The Dr. Richard K. Stone Conference Room.

Sincerely,

Meryl Weinberg



METROPOLITAN HOSPITAL CENTER

1901 FIRST AVENUE, NEW YORK, NY 10029

TEL: 212-423-6262

June 25, 2014

Ramanathan Raju, M.D.
President
New York City Health and Hospitals Corporation
125 Worth Street
New York, NY 10013

Dear Dr. Raju,

As the President of the Metropolitan Hospital Center Medical Board, I submit this letter on behalf of the entire medical staff in full support to name Room 1B35, The Dr. Richard K. Stone Conference Room.

Richard K. Stone, M.D., has dedicated his professional life to the mission and vision of Metropolitan Hospital Center, its patients, staff and the communities we serve. Dr. Stone is an esteemed physician with a genuine concern for the welfare and health of our patients. As a mentor and inspirational educator, he has helped develop the careers of countless number of physicians. Dr. Stone has served the last twenty-five years of his tenure at Metropolitan as its Medical Director and left an indelible mark in the strategic path of the hospital.

The Metropolitan Hospital Center Medical Board is grateful to Dr. Stone for his strong leadership and extraordinary contributions. We fully support the request to name Room 1B35, The Dr. Richard K. Stone Conference Room.

Sincerely,

Ronnie Gorman Swift, M.D.
Medical Board President

MHC CAB

Metropolitan Hospital Center Community Advisory Board

1901 First Avenue, Room 1B30-1, New York, NY 10029
Telephone 212-423-6128 Fax 212-423-8636

OFFICE OF THE COMMUNITY ADVISORY BOARD

EXECUTIVE COMMITTEE

Jewel Jones
Chairperson

J. Edward Shaw
First Vice Chair

Carmen Vasquez
2nd Vice Chair

Stacey Brecher
Secretary

Jacqueline Ludorf
Treasurer

MEMBERS

Judith Aponte

John Breceovich

Eric Canales

Carlos Diaz

James Garcia

Daniel Gardner

David Giordano

Ayo Haynes

Antonio Rivera, Jr.

Delphine Jones

Robin Strashun

Margaret Stephens

Jaritzza Taveras

Steven Watkins

Maria Zafra

Emeritus

Hon. Olga Mendez

NON-MANAGERIAL EMPLOYEE REP.

Charles Mighty, RN

EX-OFFICIO MEMBERS

Meryl Weinberg, BSN, MA
Executive Director

Richard K. Stone, MD
Medical Director

Lillian Diaz, BSN, MBA, MS
Deputy Executive Director,
Nursing

June 25, 2014

Ramanathan Raju, M.D.
President
New York City Health and Hospitals Corporation
125 Worth Street
New York, NY 10013

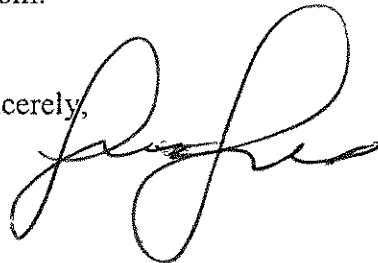
Dear Dr. Raju,

The Metropolitan Hospital Community Advisory Board submits this letter of support for naming Room 1B35, The Dr. Richard K. Stone Conference Room.

As the Medical Director of Metropolitan Hospital Center, Dr. Stone has been an ex-officio member of the Community Advisory Board (CAB) for many years. It has been a pleasure for the CAB members to collaborate with Dr. Stone, an outstanding physician and public health advocate. The Community Advisory Board presented Dr. Stone at its Annual Public Meeting in June 2014 with a Recognition Award for his dedicated service to Metropolitan, its patients and the communities we proudly serve.

The full board meetings of the CAB are held in Room 1B35 and we truly hope that the room will be named, The Dr. Richard K. Stone Conference Room.

Sincerely,



Jewel Jones
Chairperson

DIRECTOR OF REAL ESTATE'S REPORT

RE TRANSACTION OUTLOOK
SEPTEMBER, 2014 – DECEMBER, 2014

Projected Capital Committee Schedule Junly 2014 to February 2015

Ref #	Renewal or New	Facility	Agreement	Prior Term End for Renewals	Capital Meeting Date
88-13-0324	Renewal	Coler	License - MetroPCS Antenna	July 31, 2014	July 10, 2014
TBD	New (amendment of pr pror resolution)	Coney Island	License - HPD Lots	n/a	July 10, 2014
88-13-0341	Renewal	Bellevue	License - DOE, PS 35	September 30, 2014	July 10, 2014
TBD	New	Metropolitan	License - iSleep	n/a	September 11, 2014
88-13-0359	Renewal	North Central Bronx	License - NYPD Antenna	October 31, 2014	September 11, 2014
TBD	New	Metropolitan	Lease - Draper Hall	n/a	September 11, 2014
TBD	New	Elmhurst	License - AT&T Antenna (Neponsit)	n/a	September 11, 2014
	Renewal	Elmurst	License for HHC use of Space	October 30, 2014	September 11, 2014
88-13-0358	Renewal	Jacobi	License - FDNY Help Team	November 30, 2014	October 2, 2014
88-13-0349	Renewal	Jacobi	License - DOE, McSweeney	December 31, 2014	October 2, 2014
88-13-0361	Renewal	Jacobi	License - NYPD Parking	January 31, 2015	November 6, 2014
88-13-0393	Renewal	Lincoln	License - MRI Enterprises	February 28, 2015	December 11, 2014

PROJECT STATUS REPORTS

South Brooklyn/Staten Island Health Network

Network: SOUTHERN BROOKLYN / STATEN ISLAND HEALTH NETWORK

Facility: CONEY ISALND 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
26201102	Boiler Plant Replacement	10,223	2,256	32.00%	Jun-12	Feb-13	Jun-14	(16)	Pipining, Controls, and insulation complete. DOB inspections and approvals in process. Start up and commisioning to follow.

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