RESOLVED: That the Board of Trustees of The City University of New York authorizes the General Counsel to execute a new fifteen-year lease, for approximately 70,000 rentable square feet of space, at 119 West 31st Street, New York, New York, on behalf of the CUNY School of Professional Studies. The lease shall be subject to approval as to form by the University Office of General Counsel.

EXPLANATION: The proposed new leased site at 119 West 31st Street will house the CUNY School of Professional Studies (SPS). SPS currently operates out of scattered facilities in Manhattan. The new site will allow SPS to operate out of one centrally located facility that will provide adequate space for its academic and administrative needs.

The main terms of the proposed lease are as follows:

Term: Fifteen years to start upon completion of landlord’s work.
Area: Up to 70,000/RSF of space on three contiguous floors

Annual Base Rent:
First Five Year Period: Not to exceed: $2,660,000 ($38.00/RSF) per annum.
Second Five Year Period: Not to exceed: $2,800,000 ($40.00/RSF) per annum.
Third Five Year Period: Not to exceed: $2,940,000 ($42.00/RSF) per annum.

In lieu of operating escalations, the base rent will escalate at 2.5% per annum. The Landlord will construct the space to the University’s specifications. The Landlord will provide certain services to the space including base cleaning and maintenance of the building’s mechanical, electrical and plumbing systems. The University will pay its own electric costs and reimburse the landlord for proportional increases in applicable real estate taxes.

November 2011