CITY UNIVERSITY OF NEW YORK - LEASE RENEWAL AT 70 MURRAY STREET, NEW YORK, N.Y., ON BEHALF OF BOROUGH OF MANHATTAN COMMUNITY COLLEGE

RESOLVED: That the Board of Trustees of The City University of New York authorize the General Counsel to execute a 20 year lease renewal, for approximately 166,206 rentable square feet of space, at 70 Murray Street, New York, New York, on behalf of the Borough of Manhattan Community College. The lease shall be subject to approval as to form by the University Office of General Counsel.

EXPLANATION: The Borough of Manhattan Community college has occupied 186,551 rentable square feet of office and classroom space at this location on the Ground, Part of the 2nd Floor, Part of the 5th Floor and the entire 10th, 11th, 12th and 14th Floors since June 2004 pursuant to a lease that will expire in May 2015. Under the existing lease the current annual base rent is $8,415,351 ($45.11/RSF). To insure the college’s long term occupancy at these premises under favorable rental terms, the University has come to an early agreement with the landlord to extend and modify the current lease. Under the lease renewal and modification agreement the University will reduce its leased area from 186,551/RSF to 166,206 rentable square feet.

The main terms of the proposed lease renewal are as follows:
  Term: Twenty years to start on June 1, 2015.
  Area: 166,206/RSF
  Annual Base Rent:
    First Five Year Period: $6,648,240 ($40.00/RSF) per annum.
    Second Five Year Period: $7,313,064 ($44.00/RSF) per annum.
    Third Five Year Period: $7,977,888 ($48.00/RSF) per annum.
    Fourth Five Year Period: $8,642,712 ($52.00/RSF) per annum.

The Landlord at Landlord cost shall perform certain improvements to the space specified by the University. The Landlord will continue to be responsible for exterior, structural and roof repairs. The University will be responsible for increases in real estate taxes and operating expense escalations over base year 2014/15.

June, 2013