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COUNTY OF ERIE

MARK C. POLONCARZ

COUNTY EXECUTIVE

July 10, 2017

Erie County Legislature
92 Franklin Street – 4th Floor
Buffalo, New York 14202

**Re: Department of Social Services
Lease Agreements
10-12 Fountain Plaza and 460 Main Street**

Dear Honorable Members:

The Department of Social Services is requesting authorization to enter into a lease with Buffalo Success LLC at the Bank of America Building, 10-12 Fountain Plaza, Buffalo, New York 14202, for the purpose of housing Social Services Division of Family Wellness programs, and a lease with 4858 Group, LP at 460 Main Street, Buffalo, NY 14202, for the purpose of housing the Home Energy Assistance Program.

Should your Honorable Body require further information, I encourage you to contact Social Services Commissioner Al Dirschberger and Erie County Attorney Michael A. Siragusa. Thank you for your consideration on this matter.

Sincerely,

Mark C. Poloncarz, Esq.
Erie County Executive

MCP/bb
Enclosure

MEMORANDUM

To: Honorable Members of the Erie County Legislature
From: Department of Social Services
Re: Lease Agreements - 10-12 Fountain Plaza and 460 Main Street
Date: July 10, 2017

SUMMARY

The Department of Social Services is requesting authorization to enter into a lease at the Bank of America Building, 10-12 Fountain Plaza, Buffalo, New York 14202, with Buffalo Success LLC for the purpose of housing Social Services Division of Family Wellness programs, and at 460 Main Street, Buffalo, NY 14202, with 4858 Group, LP for the purpose of housing the Home Energy Assistance Program (HEAP).

FISCAL IMPLICATIONS

Both leases are for five years and the cost breakdown annually are as follows:

	460 Main Street (20,520 sq. feet)	10-12 Fountain Plaza (81,106 sq. feet)
Year 1	\$405,888	\$1,541,014
Year 2	\$405,888	\$1,581,567
Year 3	\$405,888	\$1,581,567
Year 4	\$405,888	\$1,601,844
Year 5	\$405,888	\$1,601,844

The local share for the space used by the Division of Family Wellness (10-12 Fountain Plaza) is 47.42%. There is no local share for the space used by HEAP (460 Main Street).

Funds for these contracts are available from the Department of Social Service's operating budget.

REASONS FOR RECOMMENDATION

The existing lease with 4858 Group, LP for 478 Main Street has expired and the landlord can evict the Department with 30-days' notice. This resolution is required to enter into leases with Buffalo Success LLC for space at 10-12 Fountain Plaza and 4858 Group, LP for space at 460 Main Street to house the work units currently stationed at 478 Main Street.

BACKGROUND INFORMATION

The Erie County Department of Social Services is required to lease space due to lack of space in other County-owned properties. The lease for the space used by the Division of Family Wellness and HEAP has expired. The Department wishes to move to upgraded space.

A Request-for-Proposal was issued by CBRE Buffalo in Spring 2016 for new space for the Division of Family Wellness Programs and HEAP. The Department considered several options.

The Department concluded the best location for its Family Wellness programs was the Bank of America Building, 10-12 Fountain Plaza, Buffalo, New York 14202. A resolution was submitted to the Legislature, but was not approved.

The Request-for-Proposal for the HEAP portion was reissued in Spring 2017 by the County Attorney. The Department concluded the best location for its HEAP was 460 Main Street, Buffalo, New York 14202.

The Department is currently recommending the Division of Family Wellness enter into the leased space at 10-12 Fountain Plaza, and HEAP enter into leased space at 460 Main Street.

CONSEQUENCES OF NEGATIVE ACTION

The County will not be able to proceed with entering into a lease.

STEPS FOLLOWING APPROVAL

The County will enter into lease agreements with Buffalo Success LLC and 4858 Group, LP.

A RESOLUTION SUBMITTED BY
DEPARTMENT OF SOCIAL SERVICES

Re: Lease Agreements - 10-12 Fountain Plaza and 460 Main Street

WHEREAS, the lease for the space used by Family Wellness Division and the Home Energy Assistance Program (HEAP) has expired and the Department would like to move to new space; and

WHEREAS, after a request-for-proposal process, the Department concluded the best location for the Division of Family Wellness programs was the Bank of America Building, 10-12 Fountain Plaza, Buffalo, New York 14202, and the best location for HEAP was 460 Main Street, Buffalo, NY 14202; and

WHEREAS, the Department of Social Services is requesting authorization to enter into a lease at 10-12 Fountain Plaza with Buffalo Success LLC for 81,106 sq. feet; and

WHEREAS, the base rent cost for 10-12 Fountain Plaza is \$19.00 per square foot for the first year, \$19.50 per square foot for the second and third years, and \$19.75 per square foot for the fourth and fifth years; and

WHEREAS, the local share for the space used by the Division of Family Wellness (10-12 Fountain Plaza) is 47.42%; and

WHEREAS, the Department of Social Services is requesting authorization to enter into a lease at 460 Main Street with 4858 Group, LP for 20,520 sq. feet; and

WHEREAS, the base rent cost for 460 Main Street is \$19.78 for all five years; and

WHEREAS, there is no local share for the space used by HEAP (460 Main Street); and

WHEREAS, funds for these contracts are available from the Department of Social Service's operating budget.

NOW, THEREFORE, BE IT

RESOLVED, the County Executive is authorized to enter into a five-year lease with Buffalo Success LLC for 81,106 sq. feet at 10-12 Fountain Plaza for a base rent cost of \$19.00 per square foot for the first year, \$19.50 per square foot for the second and third years, and \$19.75 per square foot for the fourth and fifth years; and be it further

RESOLVED, the County Executive is authorized to enter into a five-year lease with 4858 Group, LP for 20,520 sq. feet at 460 Main Street for a base rent cost of \$19.78 for all five years; and be it further

RESOLVED, that certified copies of this resolution shall be forwarded to the Erie County Executive, Commissioner of Social Services, Erie County Attorney, and the Director of the Division of Budget and Management.