



Roosevelt Island Operating Corporation

ANDREW M. CUOMO
Governor

SUSAN G. ROSENTHAL
President & CEO

BOARD OF DIRECTORS

RuthAnne Visnauskas, Chair, Commissioner of NYSHCR
Robert F. Mujica Jr., Director of BUDGET
Conway S. Ekpo
Jeffrey R. Escobar
David Kapell
David Kraut
Howard Polivy
Michael Shinozaki

Agenda Item V. 5, March 5, 2020

PROPOSED RESOLUTION

AUTHORIZATION TO ENTER INTO A JOINT AMENDMENT OF THE GROUND LEASES FOR THE ISLAND HOUSE AND WESTVIEW PROPERTIES TO ESTABLISH A NEW COMMON BOUNDARY LINE BETWEEN THE PARCELS AND TO EXCHANGE SMALL PORTIONS OF THE ISLAND HOUSE PROPERTY TO INCORPORATE WITHIN ISLAND HOUSE'S PREMISES AN AREA CURRENTLY BEING USED BY ISLAND HOUSE AS A PLAYGROUND AND TO RETURN TO RIOC A LANDSCAPED AREA CURRENTLY BEING USED BY RIOC AS A COMMON AREA

RESOLVED. by the Board of Directors of the Roosevelt Island Operating Corporation of the State of New York (the "Corporation"), as follows:

Section 1. The Corporation is hereby authorized to enter into a Joint Amendment to Ground Leases with North Town Phase III Houses, Inc, and WV Preservation Partners, LLC, The Board of Managers of the Island House Condominium, as Agent for the Unit Owners and IH Preservation Partners, LLC to effectuate the changes set forth in the Memorandum from Susan G. Rosenthal to the Board of Directors dated February 26, 2020 attached hereto (the "Memorandum");

Section 2. The President/Chief Executive Officer or her designee is hereby authorized to take such actions and execute such agreements as deemed necessary to effectuate the foregoing; and

Section 3. This resolution shall take effect immediately.



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MEMORANDUM

To: Board of Directors
From: Susan G. Rosenthal
Re: Joint Amendment to Island House and Westview Leases
Date: February 26, 2020

Background

WV Preservation Partners, LLC has requested that Roosevelt Island Operating Corporation enter into a Joint Amendment to Ground Leases among WV Preservation Partners, LLC, North Town Phase III Houses, Inc., The Board of Managers of the Island House Condominium as Agent for the Unit Owners, and IH Preservation Partners, LLC to (i) establish a common boundary line between the Island House and Westview properties, and (ii) with respect to the Island House Property, to amend the Island House Leased Premises to remove a small parcel of land that has been used and maintained as a landscaped area by RIOC, and to include a small parcel of land that has been used as a playground by Island House for many years.

Revision of Boundary Line Between Island House and Westview Parcels

The October 30, 1972 lease to North Town Phase II Houses, Inc. (“Island House”) included a description of the “Leased Premises” as Schedule A to the Island House Lease (the “Island House Leased Premises”). The description of the Island House Leased Premises included a small and land-locked portion of a driveway to be constructed in the future. When the New York State Urban Development Corporation subsequently entered into a lease dated April 25, 1973 with North Town Phase III Houses, Inc. (“Westview”), it included within the “Leased Premises” as Schedule A of the Westview Lease (the “Westview Leased Premises”) that same portion of the driveway that has previously been included in the Island House Leased Premises. The area of overlap is shown on Exhibit A attached to this memo.

In order to amicably resolve this situation, Island House and Westview have agreed to establish a common boundary line along the northern boundary of the Island House Leased Premises and the southern boundary line of the Westview Leased Premises that runs along the centerline of the existing driveway between Island House and Westview.

The Joint Amendment will also substitute a revised Schedule A in the Westview lease, so as to provide a metes and bounds description of the perimeter of the entire Westview parcel, including the new common boundary with Island House (the description of the Westview Leased Premises is currently broken down in to separate parcel descriptions.) A copy of the updated Westview survey, with this updated perimeter description is attached as Exhibit B.

The Joint Amendment will correct an error in the original property descriptions contained in the Island House and Westview leases, and, as such constitutes a technical correction, and will not result in RIOC leasing any additional premises to either of these parties.

Amendment of Island House Lease

Notwithstanding the description of the Island House Leased Premises in the Island House lease, a small parcel of land within the Island House Leased Premises, labeled as “Plinth New RIOC Space” on the attached Exhibit C (the “Landscaped Parcel”), has been used and maintained by Roosevelt Island Operating Corporation together with contiguous common areas for many years, and is physically incorporated into contiguous common areas on Roosevelt Island. The Landscaped Parcel has been re-landscaped by RIOC as part of an overall common area landscaping project. At the same time, a small parcel of land of approximately the same size as the Landscaped Parcel, which is denoted as “Formerly RIOC Space” on the attached Exhibit C (the “Playground Parcel”), was not included within the Island House Leased Premises under the Island House Lease. The Playground Parcel has been used and maintained for playground purposes by Island House for many years and is incorporated into an existing playground used by Island House. In light of the historic usage of the parcels, and the difficulty for each of the parties to maintain property which has been integrated into areas under the usage and control of the other, the parties believe that it is best to (i) remove the Landscaped Parcel from the Island House Leased Premises, so that RIOC can continue to use it as part of the common area, and (ii) add the Playground Parcel to the Island House Leased Premises, so that Island House can continue to use the property in conjunction with the rest of the Island House Leased Premises. In order to effectuate this change, the Joint Amendment will substitute a

revised Schedule A to the Island House lease incorporating this “swap”. Given that the parties have been using the properties in the manner described above for many years, the Joint Amendment constitutes a technical change to reflect the intent of the parties and will not change the manner in which either of these parcels has been used or maintained for many years.

Recommendation

I hereby recommend that the RIOC Board of Directors consent to the Joint Amendment to Ground Leases so as to (i) establish a new common boundary along the northern perimeter of the Island House Leased Premises and the southern perimeter of the Westview Leased Premises, and (ii) amend the description of the Island House Leased Premises to include the Playground Parcel in Island House’s Leased Premises, and to release the Landscaped Parcel back to RIOC.

