



City of New Haven
Office Of Management and Budget
Justin M. Elicker, Mayor
Michael Gormany, City Budget Director

Monday, August 29, 2022

Alder Tyisha Walker
President, Board of Alders
23rd Ward
Board of Alders
165 Church Street
New Haven, CT 06510

RE: Order for the City of New Haven to execute a lease with Gateway Partners LLC for the Health Department Offices and Public Health Clinic

Dear Honorable President Walker-Myers:

As required by City general code of ordinance section 2-376 (A), requires Board of Alders approval for any city contract that does not go to bid where the costs more than one hundred thousand dollars (\$100,000.00). The Health Department and Public Health clinic are located at 54 Meadow Street, New Haven CT. The health department leases the entire first floor and ninth floor consisting of seventeen thousand three hundred and eighty square feet (17,380 sq. ft.) more or less.

The City of New Haven is seeking to execute a one-year commercial lease with Gateway Partners LLC in an amount of \$440,262 (Base rent + Pro Rata annual). The previous lease was a multi-year lease with options to renew that fully expired on June 30, 2022. The funds for the lease were appropriated by the Board of Alders in the fiscal year 2022-23 budget under the Department of Finance based on the below negotiations with Gateway Partners. As outlined during the budget process (technical amendment), the overall base rent and pro-rata increased by Eight Percent (8.00%).

<u>Category</u>	<u>FY 2021 Amount</u>	<u>FY 2022 Amount</u>	<u>FY2023</u>
Base Rent	\$358,420.08	\$365,588.48	\$394,835.56
Monthly Cost	\$29,868.34	\$30,465.71	\$32,902.96
Square Footage	17,380	17,380	17,380
Per Sq. Foot	\$20.62	\$21.0	\$22.68
Pro rata Soft/Hard	\$3,436.34	\$3,505.07	\$3,785.48
Pro rata Annual	\$41,236.08	\$42,060.84	\$45,425.76

Please feel free to call me with any additional questions that may arise regarding this request.

Michael Gormany
City Budget Director
City Acting Controller