

ORDINANCE 2020-01-16-0004

**AUTHORIZING AMENDMENT OF A LEASE AGREEMENT WITH THE
STATE OF TEXAS RELATED TO THE 1,224 SQUARE FOOT
EXPANSION OF TUBERCULOSIS CLINIC AT THE TEXAS CENTER
FOR INFECTIOUS DISEASES CAMPUS IN COUNCIL DISTRICT 3.**

* * * * *

WHEREAS, since 1997, the City of the San Antonio ("City") has provided clinical and health prevention services to the community through the Metro Health Tuberculosis Control Program ("TB Program"), and in April 2014 the City relocated these programs into a leased facility at 2303 SE Military Drive, in Building 528, on the campus of the Texas Center for Infectious Diseases which was subsequently expanded to a total of 7,489 square feet with Council approval pursuant to Ordinance 2014-12-11-1017; and

WHEREAS, the TB Program, funded primarily through grants from the Texas Department of State Health Services, provides clinical facilities for the diagnosis, treatment and prevention of Tuberculosis, and has an active therapy staff that delivers daily doses of prescribed Tuberculosis medications to patients along with staff that manage and monitor Tuberculosis occurrences throughout the City with the aim of identifying and avoiding a public health emergency before it occurs; and

WHEREAS, the State of Texas has agreed to provide 1,224 additional square feet in Building 520 for a total of 8,713 square feet in support of the TB Program at a cost equal to the expense incurred by the State to operate the buildings including janitorial services, utility use, and maintenance and repair of the buildings being used for this purpose; and

WHEREAS, approval of a lease amendment will allow Metro Health to use the additional space for records storage in support of the TB Program along with staff that manage the record keeping process; and **NOW THEREFORE:**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City Council authorizes the City Manager or designee to execute an amendment of the lease agreement substantially in the form as shown in **Attachment I** with State of Texas Department of State Health Services for use of office, clinic space and record storage space located at 2303 SE Military Drive, Buildings 528 and 520 for a term ending March 31, 2034 at the monthly rental rate of \$3,129.42 commencing January 1, 2020 increasing to \$3,854.68 per month in the final year of the term.


SECTION 2. Funding in the amount of \$28,446.42 for this Ordinance is available in Fund 11001000, Cost Center 3617010003, and General Ledger 5204050 as part of the Fiscal Year 2020 budget.

SECTION 3. Payment not to exceed the budgeted amount is authorized to State of Texas for use of buildings located at Texas Center for Infectious Diseases for the Metropolitan Health District.


SECTION 4. The financial allocations in this Ordinance are subject to approval by the Deputy Chief Financial Officer, City of San Antonio. The Deputy Chief Financial Officer may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific Cost Centers, WBS Elements, Internal Orders, General Ledger Accounts, and Fund Numbers as necessary to carry out the purpose of this Ordinance.

SECTION 5: This Ordinance becomes effective immediately upon its passage by eight (8) votes or more and 10 days after passage upon its approval by less than eight (8) votes.

PASSED AND APPROVED this 16th day of January, 2020.



M A Y O R
Ron Nirenberg

ATTEST:



Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:



Andrew Segovia, City Attorney

ATTACHMENT I

ATTACHMENT I

TEXAS DEPARTMENT OF STATE HEALTH SERVICES
CITY OF SAN ANTONIO, TEXAS

Amendment No. 1

The Department of State Health Services ("**Lessor**"), for and on behalf of its facility the Texas Center for Infectious Disease ("**Facility**"), and City of San Antonio, Texas ("**Lessee**"), who are collectively referred to herein as the "**Parties**," to that certain Lease Agreement for a Public Benefit that was effective March 6, 2014 (the "**Lease**"), now desire to amend the Lease.

WHEREAS, the Parties previously entered into the Lease dated March 6, 2014 for a portion of Building 528 comprising 4,879 square feet (the "**Premises**") on the grounds of Facility located at 2303 Southeast Military Drive in San Antonio, Texas with a Commencement Date of April 1, 2014; and

WHEREAS, on December 11, 2014, through Ordinance 2014-12-11-1017, City of San Antonio Council approved the negotiation and execution of an amendment to the Lease to allow the Lessee to occupy additional space in Building 528 as depicted on Exhibit A-1 (the "Expansion Space") and Lessee commenced paying rent for the expanded premises on March 1, 2015; and

WHEREAS, Lessee began occupying the Expansion Space and paying rent without any written amendment to the Lease;

WHEREAS, in 2014, Lessee also began occupying an additional 1,224 square feet of space in Building 520 (the "520 Space"); and

WHEREAS, the Parties now desire to enter into this Amendment No. 1 to memorialize the Parties' agreement and incorporating additional terms including, but not limited to increasing the utility reimbursement amount and adding in the Expansion Space and 520 Space to the Premises due to the occupancy expansion at the Facility for this Lease.

NOW, THEREFORE, the Parties agree to amend the Lease as follows:

1. **Section 2, Property Leased**, of the Lease is deleted in its entirety and replaced with the following:

"2. Property Leased ("Premises")

Lessor, as successor in function to the Texas Department of Mental Health and Mental Retardation, is authorized to lease real property under its control under the provisions of the Texas Health and Safety Code, Section 533.087, and agrees to lease Buildings 528 and 520 (collectively, the "Premises") on the grounds of Facility to Lessee, who has agreed to lease Premises from Lessor as generally depicted on Exhibit A-1 consisting of 7,489 square feet in Building 528 and 1,224 square feet in Building 520 for a total leased Premises to comprise 8,713 square feet under this Lease."

ATTACHMENT I

2. **Section 3, Consideration**, of the Lease is hereby deleted in its entirety and replaced with the following:

“3. Consideration

- 1) Consideration shall be comprised of two separate components, Base Rent and Utility Reimbursement, which is due and payable by the Lessee on or prior to the 10th day of each month. Both components may be forwarded as one monthly payment to Lessor at the following address:

Texas Center for Infectious Diseases
Attn: Accounting Department
2303 S.E. Military Drive
San Antonio, Texas 78223

- 2) Base Rent shall be set at a rate of \$0.80 per square foot annually, or \$580.87 monthly, fixed through the term of the Lease, as set forth within Exhibit B-1, Revised Base Rent and Utility Reimbursement Schedule.
- 3) Utility Reimbursement shall follow an escalating schedule that will increase annually, in accordance with amounts set forth in Exhibit B-1, Revised Base Rent and Utility Reimbursement Schedule.”
3. **Exhibit A, Floor Plan**, of the Lease is deleted in its entirety and replaced with **Exhibit A-1, Revised Floor Plan**.
4. **Exhibit B, Rent Schedule**, is amended and replaced with **Exhibit B-1, Revised Monthly Rent and Utility Reimbursement Schedule**. Exhibit B-1 is applicable to the period begin on the effective date of this Amendment.
5. All references to “Operating Expense Rent” within the Lease are replaced with “**Monthly Consideration**”.
6. This Amendment shall be effective as of the date last signed below.
7. Except as amended and modified herein, the terms and conditions of the Lease remain in full force and effect.

Signature Page Follows

ATTACHMENT I

**Signature Page for Amendment No. 1
to Lease Agreement dated March 6, 2014**

LESSOR:
Department of State Health Services

LESSEE:
City of San Antonio, Texas

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date of Execution: _____

Date of Execution: _____

Concurrence by HHSC:

Approved as to Form by City Attorney:

By: _____
Authorized Representative

By: _____
City Attorney

Date: _____

Date: _____

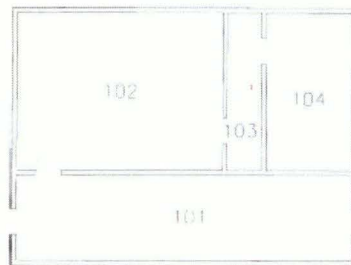
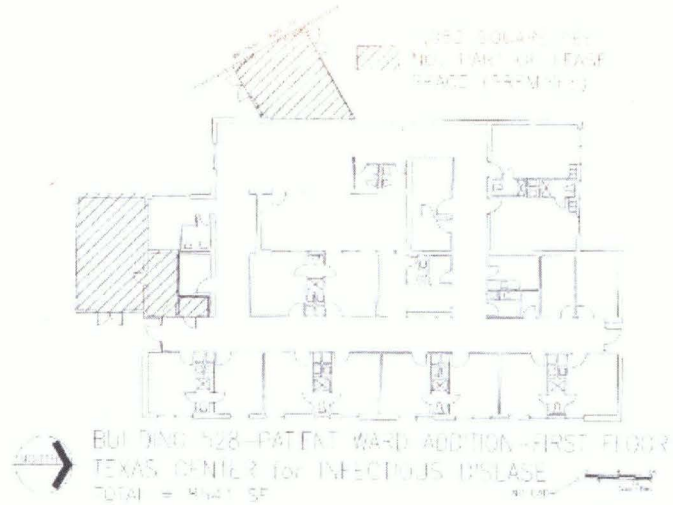
The following Attachments are attached and incorporated as part of the Lease:

Attachment A-1	Revised Floor Plan
Attachment B-1	Revised Base Rent and Utility Reimbursement Schedule

ATTACHMENT I

Attachment A-1 Revised Floor Plan

Building 528



BUILDING 520 - VOLUNTEER SERVICES - FIRST FLOOR TEXAS
CENTER FOR INFECTIOUS DISEASE

TOTAL = 1,224 SF

ATTACHMENT I

Exhibit B-1

Revised Base Rent and Utility Reimbursement Schedule

Lease Term	Monthly Rent	Utility Reimbursement Monthly	Total Consideration Monthly
Jan 1, 2020 - March 31, 2020	\$580.87	\$2,548.55	\$3,129.42
April 1, 2020 - March 31, 2021	\$580.87	\$2,595.49	\$3,176.36
April 1, 2021 - March 31, 2022	\$580.87	\$2,643.14	\$3,224.01
April 1, 2022 - March 31, 2023	\$580.87	\$2,691.50	\$3,272.37
April 1, 2023 - March 31, 2024	\$580.87	\$2,740.58	\$3,321.45
April 1, 2024 - March 31, 2025	\$580.87	\$2,790.40	\$3,371.27
April 1, 2025 - March 31, 2026	\$580.87	\$2,840.97	\$3,421.84
April 1, 2026 - March 31, 2027	\$580.87	\$2,892.30	\$3,473.17
April 1, 2027 - March 31, 2028	\$580.87	\$2,944.40	\$3,525.27
April 1, 2028 - March 31, 2029	\$580.87	\$2,997.28	\$3,578.15
April 1, 2029 - March 31, 2030	\$580.87	\$3,050.95	\$3,631.82
April 1, 2030 - March 31, 2031	\$580.87	\$3,105.43	\$3,686.30
April 1, 2031 - March 31, 2032	\$580.87	\$3,160.72	\$3,741.59
April 1, 2032 - March 31, 2033	\$580.87	\$3,216.84	\$3,797.71
April 1, 2033 - March 31, 2034	\$580.87	\$3,273.81	\$3,854.68

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