City of San Antonio

Agenda Memorandum

File Number: 18-4874

Agenda Item Number: 18.

Agenda Date: 12/13/2018

In Control: City Council A Session

DEPARTMENT: Center City Development & Operations

DEPARTMENT HEAD: John Jacks

COUNCIL DISTRICTS IMPACTED: 3

SUBJECT: Metro Health Lease Amendment with Brooks Development Authority

SUMMARY:

This ordinance authorizes an amendment to an existing lease with the Brooks Development Authority (BDA) for the expanded use of 23,489 square feet of office and lab space located at 2509 Kennedy Circle, in Council District 3, to support Metropolitan Health's Public Health Emergency Preparedness (PHEP), the Public Center for Environmental Health Divisions (PCEH), and related laboratory services, commencing December 1, 2018.

BACKGROUND INFORMATION:

In September 2010, City Council approved a lease of 19,382 square feet for office and laboratory space on the Brooks City-Base campus at 2509 Kennedy Circle which was utilized by Metropolitan Health's PHEP, PCEH, and Laboratory Services.

These functions are responsible for all associated activities regarding public health all-hazards preparedness for the City of San Antonio, Bexar County, and all municipal jurisdictions within Bexar County.

The programs develops local capacity to prevent, prepare for and respond to a broad range of emergency scenarios, including biological, chemical, radiological, natural disasters, and emerging infectious diseases that may affect Bexar County. These activities require Metro Health to acquire and maintain stockpiles of supplies that can be immediately dispensed in the event of emergency.

ISSUE:

The PHEP division previously maintained a 2,990 square foot leased warehouse at 711 Davy Crockett Street for the purpose of storing supplies related to its mandate. Terminating that lease and relocating the supplies housed therein to an expanded facility at City-Base allowed Metro Health to efficiently manage its inventory and assist in the rapid deployment of materials in the event of emergency.

Providing additional 4,107 square feet of space for warehouse purposes at the building at Brooks City-Base that already houses PHEP staff will allow Metro Health to efficiently manage its expanding inventory and assist in the rapid deployment of supplies in the event of emergency.

ALTERNATIVES:

The City could continue to lease a warehouse similar to that at 711 Davy Crockett Street to meet its needs for storing inventory, but failing to take advantage of this opportunity to utilize a storage space located within the existing Metro Health facility at City Base would be a missed opportunity to more efficiently manage inventory on hand and rapidly dispense this inventory in the event of an emergency.

FISCAL IMPACT:

The changes to the existing lease are outlined in the chart below.

Item	Presently	Proposed	Net Change
Premises Size	19,382 SF	23,489 SF	4,107 SF increase
Term	Ends May 8, 2021	Ends September 30, 2021	4.75 months longer
Present Annual Rent	$235,752.00	$245,317.60	$9,565.56 increase
Termination Right	Any time upon 120 days' notice	Any time upon 120 days' notice	No change

Terminating the existing lease for warehouse space at 711 Davy Crockett Street with an annual rent of $5,980.00 will be applied to the additional cost incurred for the expanded facility at City-Base with the net additional expense paid for through grant funding as part of the Cities Readiness Initiative Grant.

For the remainder of FY 19, the City will incur $206,025.60 in lease expense related to this amendment. Of this amount the PHEP program will expend $80,483.08 in CPS/Hazards grant funds and PCEH will utilize the Air Monitoring Whole Air Grant to pay $34,150.35 in lease expense with the remainder of the cost paid using general fund budget administered by Metropolitan Health. Funding for future years is subject to grant awards and appropriation by City Council.

RECOMMENDATION:

Staff recommends an amendment to an existing lease with the Brooks Development Authority for the expanded use office and lab space located at 2509 Kennedy Circle, in Council District 3, to support Metropolitan Health programs.