



City of San Antonio

Agenda Memorandum

File Number:18-5511

Agenda Item Number: 12.

Agenda Date: 10/18/2018

In Control: City Council A Session

DEPARTMENT: Center City Development & Operations

DEPARTMENT HEAD: John Jacks

COUNCIL DISTRICTS IMPACTED: 7

SUBJECT:

Renewal of Lease Agreement for Metro Health's Baby Café located at 4538 Centerview Drive in Council District 7.

SUMMARY:

An ordinance authorizing the execution of a five-year lease renewal with RE Office - TX II, LLC for the continued use of 2,174 square feet of clinic space by the San Antonio Metropolitan Health District (Metro Health) for the Baby Café located at 4538 Centerview Drive in Council District 7.

BACKGROUND INFORMATION:

The City has occupied the subject facility since December 2013 under a five year lease agreement. Metro Health currently operates a "Baby Café" to promote breastfeeding support, from skilled health professionals, para-professionals, and other mothers, in a non-clinical (café style) environment. This program is also part of a public health initiative to promote healthy families by reducing incidents of childhood obesity.

ISSUE:

The existing lease at 4538 Centerview Drive is set to expire November 30, 2018. Metro Health has a grant to fund the breast feeding support and child obesity programs which includes the rental of necessary clinical space.

Prior to recommending extension of this lease, Metro Health reviewed several options, including consolidating services into other existing locations. However, this lease provides competitive rents and prevents the need for relocation costs. In addition, Metro Health has expended considerable effort to promote this facility and its services to expectant mothers, making the present location familiar to the community.

Renewal of this lease will allow Metro Health to continue the Baby Café program, meeting program goals and deliverables of the grant.

ALTERNATIVES:

The City Council could opt not to approve this lease renewal. Metro Health would be required to search for other options prior to the end of the lease period to prevent an interruption in clinical services; however any relocation of the program would have an impact on services.

FISCAL IMPACT:

An ordinance authorizing the execution of a five-year lease renewal with RE Office - TX II, LLC for the continued use of 2,174 square feet of clinic space by the San Antonio Metropolitan Health District (Metro Health) for the Baby Café located at 4538 Centerview Drive in Council District 7 for the initial annual rent amount of \$40,218.96 increasing to \$44,567.04 during the fifth year. The chart below outlines the annual amounts of the five-year lease extension:

Year	Amount
1	\$ 40,218.96
2	\$ 41,306.04
3	\$ 42,393.00
4	\$ 43,479.96
5	\$ 44,567.04

Funds to cover the cost of the lease are available through Metro Health's Texas Medicaid 1115 Waiver fund.

RECOMMENDATION:

Staff recommends approval of an ordinance authorizing the execution of a five-year lease renewal with RE Office - TX II, LLC for the continued use of 2,174 square feet of clinic space by Metro Health for the Baby Café located at 4538 Centerview Drive, in Council District 7.