



City of San Antonio

Agenda Memorandum

File Number:18-5661

Agenda Item Number: 12A.

Agenda Date: 10/11/2018

In Control: City Council A Session

DEPARTMENT: Transportation & Capital Improvements

DEPARTMENT HEAD: Mike Frisbie, P.E.

COUNCIL DISTRICTS IMPACTED: Council District 2

SUBJECT:

Property acquisition and lease amendment for the Metro Health Eastside Clinic

SUMMARY:

Consideration of the following items related to the Metro Health Department's Eastside Clinic located at 210 Mel Waiters Way in Council District 2:

- A. An ordinance authorizing the acquisition of an improved property, identified as the Eastside Clinic, at no cost to the City of San Antonio.
- B. An ordinance authorizing the Director of Center City Development and Operations to negotiate and execute an amendment to an existing Lease Agreement with Bexar County Hospital District d/b/a/ University Health System related to improved property identified as the Eastside Clinic.

BACKGROUND INFORMATION:

- A. In 2008, as part of the restructuring of outpatient health services provided by the City of San Antonio and University Health Systems (UHS), the City transferred ownership of multiple health clinics to UHS, including the Eastside Clinic located at 210 Mel Waiters Way, with the City (Metropolitan Health District) retaining some occupancy. In the ensuing 10 years since that transfer, delivery of health services served by UHS has changed as new facilities were built or new methods of service delivery were implemented. UHS recently vacated their portion of the building after the opening of its new Eastside Hilliard Health Center in mid-June 2018. As a result, the subject building is now surplus to

UHS' needs providing the City the opportunity to program the building for enhanced immunization services.

After further discussions between Metro Health and UHS, it was determined that the Eastside Clinic (210 Mel Waiters Way) could serve as a new permanent location for Metro Health's main immunization's clinic operations. To that end, UHS has agreed to transfer ownership of the facility back to the City of San Antonio and requires City Council to authorize the acquisition of the facility. San Antonio Metro Health has occupied the facility in its entirety since July 2018.

- B. As part of the 2008 transfer of ownership of the Eastside Clinic to UHS authorized by Ordinance 2008-12-11-1154, the City entered into a Lease Agreement with UHS for the City's use of three facilities including the building located at 210 Mel Waiters Way, known at the time as 210 North Rio Grande. The City's acquisition of this building requires an amendment to the lease to remove the subject property from the premises description and any other reference to the property within the lease document.

ISSUE:

Consideration of the following items related to the Metro Health Department's Eastside Clinic located at 210 Mel Waiters Way in Council District 2:

- A. An ordinance authorizing the acquisition of an improved property, identified as the Eastside Clinic, at no cost to the City of San Antonio.

In 2008, as part of the restructuring of outpatient health services provided by the City of San Antonio and University Health Systems (UHS), the City transferred ownership of multiple health clinics to UHS, including the Eastside Clinic located at 210 Mel Waiters Way, with the City (Metropolitan Health District) retaining some occupancy. In the ensuing 10 years since that transfer, delivery of health services served by UHS has changed as new facilities were built or new methods of service delivery were implemented. UHS recently vacated their portion of the building after the opening of its new Eastside Hilliard Health Center. As a result, the subject building is now surplus to UHS' needs providing the City the opportunity to program the building for enhanced immunization services.

After further discussions between Metro Health and UHS leadership staff, it was determined that the Eastside Clinic (210 Mel Waiters Way) could serve as a new permanent location for Metro Health's main Immunization's clinic operations. To that end, UHS has agreed to transfer ownership of the facility back to the City of San Antonio and requires City Council to authorize the acquisition of the facility.

- B. An ordinance authorizing the Director of Center City Development and Operations to negotiate and execute an amendment to an existing Lease Agreement with Bexar County Hospital District d/b/a/ University Health System related to improved property, identified as the Eastside Clinic.

As part of the 2008 transfer of ownership of the Eastside Clinic to UHS authorized by Ordinance 2008-12-11-1154, the City entered into a Lease Agreement with UHS for the City's use of three facilities including the building located at 210 Mel Waiters Way, known at the time as 210 North Rio Grande. The City's acquisition of this building requires an amendment to the lease to remove the subject property from the premises description and any other reference to the property within the lease document.

ALTERNATIVES:

- A. City Council could choose not to authorize the acquisition, transfer of ownership, of the UHS facility currently being used by Metro Health for the Eastside Clinic. However doing so, would limit enhanced immunization services offered by Metro Health.
- B. City Council could choose to not authorize the amendment to the existing Lease Agreement however; doing so would obligate the City to in a Lease Agreement provision that no longer applies if the Council authorizes the acquisition of the UHS facility.

FISCAL IMPACT:

- A. This ordinance authorizes the acquisition of an improved property, identified as the Eastside Clinic located at 210 Mel Waiters Way in Council District 2, at no cost to the City. The fair market value of property is estimated at \$588,727.00. This building is currently occupied by the Metro Health Department. Funding for one-time costs in the amount of \$134,575 for technology, security, and access control as well as for the maintenance and operations for this facility are included in the FY 2019 General Fund budget.
- B. There are no funds being exchanged as part of the amendment to the Lease Agreement.

RECOMMENDATION:

Staff recommends approval of the following items related to the Metro Health Department's Eastside Clinic located at 210 Mel Waiters Way in Council District 2:

- A. An ordinance authorizing the acquisition of the improved property, identified as the Eastside Clinic.
- B. An ordinance authorizing the Director of Center City Development and Operations to negotiate and execute an amendment to an existing Lease Agreement with Bexar County Hospital District d/b/a/ University Health System related to improved property, identified as the Eastside Clinic.