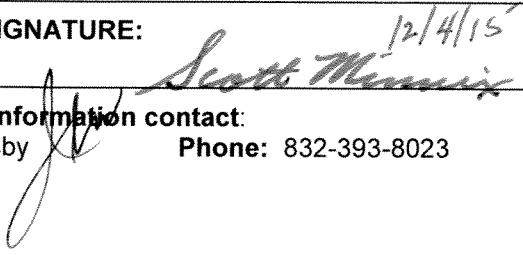




SUBJECT: Third Amendment to Lease Agreement with Fourth Ward Clinic dba Good Neighbor Healthcare Center (Tenant) at 190 Heights Boulevard for the Houston Health Department		Page 1 of 1	Agenda Item																
FROM (Department or other point of origin): General Services Department		Origination Date	Agenda Date																
DIRECTOR'S SIGNATURE: Scott Minnix <i>12/4/15</i> 		Council District affected: H																	
For additional information contact: Jacquelyn L. Nisby <i>JLN</i> Phone: 832-393-8023		Date and identification of prior authorizing Council action: Ordinance No. 2007-1171, October 24, 2007 Ordinance No. 2010-0135, February 17, 2010 Ordinance No. 2013-0166, February 26, 2013																	
RECOMMENDATION: Approve and authorize Third Amendment to Lease Agreement between the City of Houston (Landlord) and Fourth Ward Clinic, dba Good Neighbor Healthcare Center, (Tenant), for the lease space at the West End Multi-Service Center located at 190 Heights Boulevard, Houston, Texas, for the Houston Health Department.																			
Amount and Source Of Funding: Revenue		Finance Budget:																	
<p>SPECIFIC EXPLANATION: The General Services Department recommends approval of a Third Amendment to Lease Agreement with Fourth Ward Clinic, dba Good Neighbor Healthcare Center (Tenant), a Texas nonprofit corporation, for approximately 14,914 square feet of space in the West End Multi-Service Center located at 190 Heights Boulevard. The original lease commenced on April 1, 2008, for an initial five-year term with two five-year renewal options. Good Neighbor Healthcare Center (GNHC) is in its third year of the first renewal term.</p> <p>GNHC provides primary health care services, ob/gyn care, dental and optometry services, and other health services to low-income persons. Currently, GNHC occupies 15,569 square feet of space at a monthly rental of \$16,684.78, of which monthly operating expense is \$13,155.80. GNHC has been allowed to offset a portion of its rental amount by the value of the health services it provides.</p> <p>GNHC desires to reduce its space to 14,914 square feet. The proposed Third Amendment will reduce the lease premises from 15,569 square feet to 14,914 square feet and establish a new monthly rental of \$15,974.23, of which operating expense is \$11,875.27, as outlined below:</p> <table border="1" style="width:100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="width:10%;">Year</th> <th style="width:30%;">Annual / Monthly Rental</th> <th style="width:30%;">Annual / Monthly Operating Expense</th> <th style="width:30%;">Annual / Monthly Payment</th> </tr> </thead> <tbody> <tr> <td>3</td> <td>\$49,187.51 / \$4,098.96</td> <td>\$142,503.25 / \$11,875.27</td> <td>\$191,690.79 / \$15,974.23</td> </tr> <tr> <td>4</td> <td>\$49,187.51 / \$4,098.96</td> <td>\$142,503.25 / \$11,875.27</td> <td>\$191,690.79 / \$15,974.23</td> </tr> <tr> <td>5</td> <td>\$52,700.93 / \$4,391.75</td> <td>\$142,503.25 / \$11,875.27</td> <td>\$195,204.18 / \$16,267.02</td> </tr> </tbody> </table> <p>The new rental and operating expense rates will be effective the first day of the month immediately following the date the Amendment is countersigned by the City Controller.</p> <p>All other terms and conditions of the amended lease remain the same.</p> <p>SM:HB:JLN:CF:cf xc: Marta Crinejo, Jacquelyn L. Nisby, Anna Russell and Claudette Manning</p>				Year	Annual / Monthly Rental	Annual / Monthly Operating Expense	Annual / Monthly Payment	3	\$49,187.51 / \$4,098.96	\$142,503.25 / \$11,875.27	\$191,690.79 / \$15,974.23	4	\$49,187.51 / \$4,098.96	\$142,503.25 / \$11,875.27	\$191,690.79 / \$15,974.23	5	\$52,700.93 / \$4,391.75	\$142,503.25 / \$11,875.27	\$195,204.18 / \$16,267.02
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REQUIRED AUTHORIZATION		CUIC 25 CF 21																	
<p>General Services Department:</p>  Humberto Bautista, P.E. Assistant Director		<p>Houston Health Department:</p>  Stephen L. Williams, M.Ed., M.P.A. Director																	