



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 6

Agenda Date: February 2, 2023

In Control: City Council A Session

DEPARTMENT: Center City Development & Operations

DEPARTMENT HEAD: John Jacks

COUNCIL DISTRICTS IMPACTED: District 6

SUBJECT:

SAMHD WIC Clinic Lease Agreement

SUMMARY:

An ordinance authorizing a ten-year lease agreement with Basel Investments, Ltd., for approximately 3,125 square feet of retail space, located at 9179 Grissom Road, Suite 147, for use by the San Antonio Metropolitan Health District (SAMHD) as a Women, Infants & Children (WIC) Clinic. The City will have the option to renew the lease for one, ten-year term, and terminate this Lease with 180 days written notice.

BACKGROUND INFORMATION:

The City's eleven WIC Clinics have successfully serviced the community since 1978, providing non-emergency Special Supplemental Nutrition Programs for women, infants, and children. Services provided at WIC include food benefits, nutrition education and counseling, and health care referrals at no cost to individuals that qualify.

Currently, the Northwest WIC Clinic, in District 7, utilizes 5,611 square feet of space at 4606 Centerview Drive. The last five years have shown a decline in WIC participation in San Antonio

as well as across the state, and as a result the need for larger facilities is no longer necessary. WIC’s current processing system has changed how the program operates and utilizes its’ WIC clinics which further reduces the need for larger clinics. Additionally, the location at 9179 Grissom Road is well situated to serve residents in need of the clinic’s services.

This action will relocate the Centerview Drive WIC Clinic to 9179 Grissom Road, which meets the program requirements, is located in a more favorable area, and has a bus stop nearby.

ISSUE:

As a result of the decline in WIC participation and process modifications, the current location of the Northwest WIC clinic is no longer cost effective. The proposed new location will operate more efficiently and better serve the community that has come to rely on the WIC program’s essential services.

This action is consistent with the City's policy to support the mission of the SAMHD WIC Clinic program.

ALTERNATIVES:

City Council could choose not to approve this lease agreement. However, staff performed an extensive search of available properties in the preferred area, and could not identify a site that was more competitively priced, or represented a superior location than the proposed site at 9179 Grissom Road.

FISCAL IMPACT:

Under the terms of the lease, the SAMHD will pay rent consistent with the table below. The landlord will be completing significant improvements to prepare the space for occupancy, and the City will pay a supplemental rent for tenant improvements during the first five years of the lease. Funding in the amount of \$1,143,086.76 is available through the Women, Infants & Children (WIC) Grant.

Lease Year	Base Rent	Tenant Improvement Rent	Total Monthly Rent
1	\$6,302.09	\$5,248.92	\$11,551.01
2	\$6,428.12	\$5,248.92	\$11,677.04
3	\$6,557.64	\$5,248.92	\$11,806.56
4	\$6,688.05	\$5,248.92	\$11,936.97
5	\$6,821.87	\$5,248.92	\$12,070.79
6	\$6,959.26	\$0.00	\$6,959.26
7	\$7,097.56	\$0.00	\$7,097.56

8	\$7,239.41	\$0.00	\$7,239.41
9	\$7,384.81	\$0.00	\$7,384.81
10	\$7,533.82	\$0.00	\$7,533.82

RECOMMENDATION:

Staff recommends approval of this ordinance authorizing the execution of a ten-year lease agreement with Basel Investments, Ltd.