



# PUBLIC WORKS DEPARTMENT

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## MEMORANDUM

**DATE:** April 4, 2024

**TO:** Mayor and City Council

**THROUGH:** Doug Thornley, City Manager Approved Electronically

**FROM:** Kerrie Koski, Director of Public Works  
Lori Miles, Property Agent

**SUBJECT:** **Community Health Alliance Lease – 3915 Neil Road  
Neil Road Family Services Center**

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The Lease Agreement including all amendments between the City and Community Health Alliance is being provided to you per a recent Agenda Briefing request.

Thank you.

### THIRD MODIFICATION OF LEASE AGREEMENT

THIS THIRD MODIFICATION OF LEASE AGREEMENT is made and entered into this 12<sup>th</sup> day of July, 2023, by and between **CITY OF RENO**, a Nevada municipal corporation, hereinafter, ("Landlord"), and the **COMMUNITY HEALTH ALLIANCE** formally known as **ACCESS WASHOE COUNTY, INC** ("H.A.W.C"), as operator of Federally Qualified Health Centers, hereinafter ("Tenant").

#### RECITALS:

A. Tenant is the successor in interest to Saint Mary's Regional Medical Center with whom Landlord and Tenant had previously entered into a Lease Agreement dated May, 11, 1999, a First Modification of Lease Agreement, dated July 1, 2009, and a Second Modification of Lease Agreement, dated October 26, 2018.

B. Landlord and Tenant desire to enter into this Third Modification of Lease Agreement for the continued use of 3915 Neil Road, Reno, NV, commonly known as the Neil Road Family Services Center for the purpose of extending the term of the Lease.

C. Landlord and Tenant find it mutually beneficial to modify the term of the existing lease.

NOW, THEREFORE, in consideration of the foregoing Recitals, the mutual covenants hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each party hereto, the parties hereto hereby agree as follows:

1. **TERM:** The term of said Lease is now extended through June 30, 2024. Lessee shall have one successive option to renew this Lease, if in good standing, for one year under the same terms and conditions. Said option must be exercised in writing not less than 90 days prior to the current lease term ending.

Except as set forth herein, all of the terms and conditions of the Lease, the First Modification of Lease Agreement and the Second Modification of Lease Agreement remain unchanged and in full force and effect.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Third Modification of Lease Agreement as of the date in the opening paragraph.

**Landlord: City of Reno**

By 

Printed Name: Doug Thornley

Its: City Manager

Date: 7/11/2023

**Tenant: Community Health Alliance**

By 

Printed Name: Casey Gillham

Its: Chief Admin Officer

Date: 7/11/23

APPROVED TO FORM:

Jasmine K Mehta

Jasmine K Mehta (Jul 11, 2023 11:01 PDT)

Jasmine Mehta, Deputy City Attorney

**SECOND MODIFICATION OF LEASE AGREEMENT**

THIS SECOND MODIFICATION OF LEASE AGREEMENT is made and entered into this 26<sup>th</sup> day of October, 2018, by and between **CITY OF RENO**, a Nevada municipal corporation, hereinafter, ("Landlord"), and the COMMUNITY HEALTH ALLIANCE formally known as ACCESS WASHOE COUNTY, INC "H.A.W.C", as operator of Federally Qualified Health Centers, hereinafter ("Tenant").

**RECITALS:**

A. Tenant is the successor in interest to Saint Mary's Regional Medical Center with whom Landlord and Tenant had previously entered into a Lease Agreement dated May, 11, 1999 and a First Modification of Lease Agreement, dated July 1, 2009.

B. Landlord and Tenant desire to enter into this Second Modification of Lease Agreement for the continued use of 3915 Neil Road, Reno, NV, commonly known as the Neil Road Family Services Center for the purpose of extending the term of the Lease.

C. Landlord and Tenant find it mutually beneficial to modify the term of the existing lease.

NOW, THEREFORE, in consideration of the foregoing Recitals, the mutual covenants hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each party hereto, the parties hereto hereby agree as follows:

- 1. **TERM:** The term of said Lease is now extended through June 30, 2019. Lessee shall have two successive options to renew this Lease, if in good standing, for two years each under the same terms and conditions. Said options to be exercised in writing not less than 90 days prior to the current lease term ending.

Except as set forth herein, all of the terms and conditions of the Lease and the First Modification of Lease Agreement remain unchanged and in full force and effect.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Second Modification and Restatement of Lease Agreement as of the date in the opening paragraph.

**Landlord: City of Reno**

By Sabra Newby

Printed Name: Sabra Newby

Its: City Manager

Date: 11-9-2018

**Tenant: H.A.W.C. Community Health Alliance**

By Charles Duarte

Printed Name: Charles C. Duarte

Its: CEO

Date: 10/26/18

APPROVED TO FORM:

Susan Ball Rothe  
Susan Ball Rothe, Deputy City Attorney

May 10, 2012

City of Reno  
Property Management  
Attn: Ms. Lori Miles  
P.O. Box 1900  
Reno, NV 89505

Re: Assignment of Lease

Dear Ms. Miles:

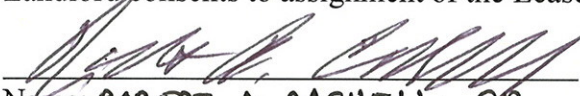
As you know, Saint Mary's Regional Medical Center is a tenant under the Lease dated May 11, 1999 for space located at 3905, 3915 and 3925 Neil Road. Effective June 30, 2012, we are transferring certain assets used in connection with our community benefit programs to Health Access Washoe County, Inc. (H.A.W.C.), an operator of Federally Qualified Health Centers and we are requesting your consent to assignment of the Lease. If you prefer, we request that the Lease be terminated and that you enter into a new lease with H.A.W.C.

If you consent to assignment of the Lease, please indicate by signing below where indicated. If you want instead that the Lease be terminated and a new lease be executed, please also indicate by signing below where indicated. Please return one copy of this letter with your signature. If you have questions, please contact the undersigned at 775-336-3018. We appreciate your consideration of this request.

Sincerely,

  
John R. Deakyne  
Saint Mary's Regional Medical Center  
235 West Sixth Street  
Reno, NV 89503

Landlord consents to assignment of the Lease:

  
Name: ROBERT A. CASHELL, SR.  
Title: MAYOR, CITY OF RENO  
Date: 6-27-12

Landlord consents to termination of the Lease:

\_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

## FIRST MODIFICATION OF LEASE AGREEMENT

THIS MODIFICATION OF LEASE AGREEMENT is made and entered into this 1st day of July 2009, by and between **CITY OF RENO**, a Nevada municipal corporation, hereinafter, ("Lessor"), and the **SAINT MARY'S REGIONAL MEDICAL CENTER**, a non-profit corporation, hereinafter ("Lessee").

### RECITALS:

- A. Lessor and Lessee entered into a Lease dated May 11, 1999.
- B. Lessor and Lessee desire to amend the Lease.

NOW, THEREFORE, in consideration of the foregoing Recitals, the mutual covenants hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each party hereto, the parties hereto hereby agree as follows:

1. TERM is hereby modified as follows: The term of said Lease is now extended for the time period of July 1, 2009 through June 30, 2014.
2. RENT is hereby modified as follows: Lessor agrees to rent the Leased Premises to Lessee at cost, which include utilities\* and maintenance, plus a proportionate amount toward a capital improvement reserve fund per the following schedule:

<u>Time Frame</u>	<u>Monthly Rate</u>
July 1, 2009 – June 30, 2010	\$1,548.33*
July 1, 2010 – June 30, 2011	\$2,276.66*
July 1, 2011 – June 30, 2012	\$3,005.00*
July 1, 2012 – June 30, 2013	\$3,005.00*
July 1, 2013 – June 30, 2014	\$3,005.00*
July 1, 2014 – June 30, 2015	\$3,005.00*

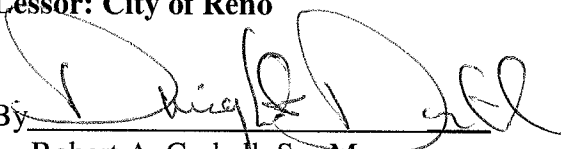
\*Utilities in this Paragraph 2 mean sewer, water, gas and electricity and is to adjust annually on actual costs.

13. UTILITIES is hereby modified as follows: Lessor shall provide and pay all costs for security system monitoring of fire alarms. Lessee will be responsible to cover and pay for security system monitoring of burglar alarms if so desired. Lessee shall provide and pay for all costs for telephone and communication services.


Except as set forth herein, all of the terms and conditions of the May 11, 1999 Lease remain unchanged and in full force and effect.

IN WITNESS WHEREOF, Lessor and Lessee have executed this First Amendment of Lease as of the date in the opening paragraph.

**Lessor: City of Reno**

By   
Robert A. Cashell, Sr., Mayor

**Lessee: Saint Mary's Regional Medical Center**

By   
Printed Name: Michael J. Ubold.

**Attest:**

  
Reno/City Clerk

Its: \_\_\_\_\_



**LEASE**

THIS LEASE AGREEMENT is made and entered into this 11<sup>th</sup> day of MAY, 1999 by and between the **CITY OF RENO**, a Nevada municipal corporation, hereinafter, "Lessor", and **SAINT MARY'S REGIONAL MEDICAL CENTER**, a non-profit corporation, hereinafter, "Lessee".

**WITNESSETH:**

WHEREAS, Lessor is the owner of certain land and improvements located at 3905, 3915 and 3925 Neil Road commonly referred to as the Neil Road Family Services Center, hereinafter the "Property"; and

WHEREAS, Lessor desires to make portions of the Property available to private, non-profit organizations which provide social services to the community which the Lessor finds to be consistent with its neighborhood plan, and to be beneficial to the general public; and

WHEREAS, Lessee is a private, non-profit organization with the ability and desire to provide such social services from the Property.

NOW, THEREFORE, in consideration of, and in accordance with, the terms, covenants and conditions hereinafter set forth, Lessor does grant, demise and let unto Lessee, and Lessee does by these presents rent and take from Lessor a portion of the Property, the "Leased Premises", being all of the building and appurtenances thereto located at 3915 Neil Road, Reno, Nevada. Lessor also hereby grants to Lessee a license, which is irrevocable during the term of this Lease, to use the access ways, parking areas, sidewalks and other common use/common areas of the Property as are reasonably necessary for Lessee's use of the Leased Premises.

1. **Term.** The term of this Lease shall commence on June 7, 1999 at 6:00 a.m., and shall end on June 7, 2000 at 9:00 p.m., unless sooner terminated pursuant to any provision hereof. In addition, Lessee shall have nine successive options to renew this Lease, if in good standing, for one year each under the same terms and conditions, excepting annual rental adjustments. Said options shall be exercised automatically unless Lessee submits a written request to terminate not less than 30 days prior to the end of the then current term.

2. **Rent.** Lessor agrees to rent the Leased Premises to Lessee at cost plus a proportionate amount toward a capital improvement reserve fund. For the initial term of this Lease, rent (inclusive of the capital improvement reserve fund) shall be \$796.00 per month. For each successive term, rent may be adjusted up or down by not more than 5% to reflect Lessor's non-capital improvement reserve fund costs. Lessee shall pay the rent in advance without deduction, prior notice or demand on the first day of each month so long as this Lease continues. Rent for a partial month shall be prorated on a 30 day month basis.

3. **Obligation of Lessor:** Lessor warrants to Lessee peaceful possession and quiet enjoyment of the Leased Premises during the term hereof upon performance of Lessee's covenants herein, and Lessor agrees that the Lessee paying the rent and performing the covenants and agreement of this Lease, shall and may at all times during the term hereof peaceably and quietly have, hold and enjoy the property without any manner of trouble or hindrance from Lessor or his agents or from claims of title by any person or persons.

4. **Condition of Leased Premises.** Lessee covenants, agrees and represents that a physical inspection of the Leased Premises has been made and that it is accepting the same in its present condition, as is, with all faults and without representation or warranty upon the part of Lessor as to its fitness for Lessee's purposes.

5. **Use of Leased Premises.** Unless specifically prohibited herein or by law, Lessee shall have the right to occupy, use, operate and conduct its business within and upon the Leased Premises for public health and medical services, meetings and general office operations. All other uses anticipated or proposed must first be approved by Lessor.

6. **Alterations, Improvements and Repairs.** Lessee shall make no alterations, improvements or repairs to any portion of the Leased Premises or the Property without written approval of the Lessor. Further, Lessee agrees not to commit waste on the Leased Premises and to return and surrender same to Lessor upon termination of this Lease in as good a condition as when the Lease commenced, normal wear and tear excepted. Lessee shall notify Lessor of any necessary and emergency repairs, which Lessor shall promptly make.

7. **Inspections.** Lessor may enter upon the Leased Premises at all reasonable times following verbal notification to Lessee, with others or through others, for any or all of the following purposes:

(a) To examine the condition of the Leased Premises and/or of any adjacent premises owned, leased or controlled by Lessor.

(b) With prospective lessees, to show the premises for lease.

(c) To effect any necessary repairs, and to perform maintenance and janitorial services.

(d) Lessor's rights hereunder shall require such entry and all work done by Lessor and its contractors be carried out with as little interference with Lessee's business operations as is reasonable, and shall be subordinate to the rights and privacy of patients and clients of Lessee.

8. **Maintenance.** Lessor shall provide for all maintenance of the Leased Premises and the Property in good condition and repair and in compliance with all applicable laws and normal



professional standards for maintenance. Such maintenance shall include, repairs to the Leased Premises, landscape maintenance, snow and ice removal, light bulb replacement, exterior painting and repairs or replacement of all plumbing and mechanical systems. Lessee shall provide for its own janitorial services, trash removal from the Leased Premises, paper products and cleaning supplies, window washing and clearing of clogged drains.

9. **Signs.** Lessee shall not affix or post any manner of sign, banner, poster, or notice anywhere within any exterior windows, on the outside of the Leased Premises or elsewhere on the Property. Lessor shall provide appropriate signs on exterior doors and on doors leading into the Leased Premises to properly identify Lessee's business and hours of operation.

10. **Smoking.** Except for paved parking lots on the Property, smoking is not permitted at any time anywhere within the Leased Premises, or restrooms. Lessee shall notify its employees and guests as necessary to enforce the smoking prohibition.

11. **Insurance.** Lessor shall maintain a policy of fire and extended coverage insurance on the Property and all improvements thereon. Lessee shall maintain a policy of insurance on all its personal property against loss by fire or damage or theft at no cost to Lessor. In addition, Lessee agrees that at all times during the term of this Lease or extension thereof, it will maintain in force, a comprehensive general liability insurance policy covering and insuring all parties hereto against any accidents or injuries to persons or property occasioned by the operations of Lessee upon the Property and within the Leased Premises, known as a \$1,000,000 single limit, multi-peril liability policy. Said policy shall be in form satisfactory to the Risk Manager of the Lessor, and Lessee further agrees to furnish a certificate of insurance to Lessor naming Lessor as an additional insured under said policy. Should said policy be canceled before the expiration date of this Lease, Lessor shall be provided 60 days written notice of the cancellation.

12. **Hold Harmless.** Lessor and Lessee shall keep and hold one another, and their respective agents, officers and employees, harmless from any and all costs, liability, damage or expense, including costs of suit and reasonable expenses of legal services, claimed by anyone by reason of injury or damage to persons or property sustained in, on or about the Property and the Leased Premises, or arising out of either party's use or occupancy thereof, as a proximate result of the acts or omissions of either party's agents, officers or employees, excepting such liability as may be the direct and proximate result of the negligence of either party or their respective agents, officers or employees while acting within the course and scope of their official duties, agency or employment. Each party shall give to the other prompt and timely notice of any claim made or suit instituted coming to its knowledge which in any way directly, or indirectly, contingently or otherwise affects, or might affect, either.

13. **Utilities.** Lessor shall provide and pay all costs for trash collection from the Property, and for security system monitoring of fire and burglar alarms. Lessee shall provide and pay all costs for sewer service, service for water, gas and electricity, and for telephone and communication services.

14. **Cancellation by Lessor.** In addition to any right to which it may be entitled by law, Lessor may cancel this Lease upon and after the default by Lessee in the performance of any of the terms and conditions herein required to be kept and performed by it, and its failure to remedy such breach for a period of 30 days after receipt from Lessor of written notice of the existence of such default. Additionally, Lessor may cancel this Lease in the event Lessee loses its legal non-profit status, or ceases to deliver services which, in the sole judgement of Lessor, are minimally necessary to qualify as a lessee of the Property.

15. **Cancellation by Lessee.** Lessee may cancel this Lease and terminate all of its obligations hereunder at any time subsequent to the commencement of the term upon the breach of Lessor or its failure to perform any of the covenants or agreements herein contained and the failure of Lessor to remedy such breach for a period of 30 days after receipt of written notice from Lessee of the existence of such breach.

16. **Notices.** All notices to be given hereunder shall be in writing and shall be deemed given upon the lapse of two days after deposit into the United States mail postage prepaid, or upon hand delivery if hand delivered, addressed as follows:

Lessor: City of Reno  
Property Management  
P.O. Box 1900  
Reno, Nevada 89505

Lessee: Saint Mary's Regional  
Medical Center  
235 W. 6<sup>th</sup> St.  
Reno, Nevada 89503  
Attn: Tina Acordogotia

17. **Assignment, Sublease.** Lessee may not assign this Lease, or sublet any portion of the Leased Premises without prior written consent of Lessor.

18. **Liens.** Lessee shall not encumber the Lease, leasehold estate or any improvements thereon, nor shall Lessee permit any liens to be filed against the Property on account of any labor, material or supplies for which the lien laws of Nevada authorize the filing of a lien, but agrees to promptly pay for such labor, materials or supplies before liens are filed.

19. **Waiver.** It is agreed that a failure on the part of Lessor to declare this Lease canceled for default by Lessee in any one or more of the terms, covenants or conditions will not be considered or construed as a waiver of such rights on any further or future default on the part of Lessee. It is further mutually agreed that any failure on the part of Lessor to take action against Lessee for any breach of term, covenant or condition herein shall not be construed to constitute a waiver of any other or subsequent breach nor shall the subsequent acceptance of rent hereunder by Lessor be construed as a waiver of any precedent breach of any term, covenant or condition by Lessee.

20. **Section Headings.** The section headings contained herein are for convenience in reference and are not intended to define, govern, limit, modify or in any manner affect the scope, meaning or intent of the provisions of this Lease.

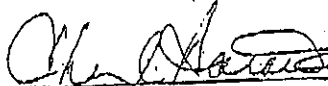
21. Time. Time is of the essence of this Lease and of the performance of each and every provision hereof.

IN WITNESS WHEREOF Lessor and Lessee have caused this Lease to be executed the day and year written at the top of this Lease.

Lessor: City of Reno

Lessee: Saint Mary's Regional  
Medical Center

by Brent Boyer  
PROPERTY MANAGER

by   
Cheryl Hammon, Associate  
Administrator, Finance