

**UNIVERSITY MEDICAL CENTER OF SOUTHERN NEVADA
BOARD OF HOSPITAL TRUSTEES
AGENDA ITEM**

Petitioner: Mason Van Houweling, Chief Executive Officer

Recommendation:

Approve and authorize the Chief Executive Officer to sign the Fourth Amendment of Lease and Extension of Term with Mark Street Property, LLC and Richard and Joylin Vandenberg 1990 Living Trust for rentable space for the UMC Sunset Quick Care and Primary Care at 525 Marks Street; or take other action as appropriate. (For possible action)

FISCAL IMPACT:

Fund #:	5420.000	Fund Name:	UMC Operating Fund
Fund Center:	3000731000	Funded PGM/Grant:	N/A
Amount:	Amendment 4 – additional \$1,460,485.80; Total cumulative NTE \$8,396,509.76		
Description:	Sunset QC & PC Lease		
Additional Comments:	Amendment 4 – extend for 5 years from 9/1/2023 to 8/31/2028; Subject to Article 15 (Budget Act and Fiscal Fund Out clauses)		

BACKGROUND:

On February 18, 1997, the Board of Hospital Trustees approved a Lease Agreement with Richard and Joylin Vandenberg 1990 Living Trust dated June 22, 1990, Richard Vandenberg, Jr. and Joylin J. Vandenberg, Co-Trustees; and Mark Street Property, LLC (successor in interest to the Shirley F. Swanson 1990 Trust and the Ruth C. Ferron Irrevocable Trust) (collectively called “Landlord”) for the Sunset Quick Care and Primary Care located at 525 Marks Street, Henderson, Nevada 89014. The term was from August 1, 1998 to July 31, 2008 with the option to renew for two, 5-year periods.

The First Amendment, dated March 4, 2008, exercised the first of two 5-year renewal options extending the lease through July 31, 2013. The Second Amendment, dated October 15, 2013, (i) exercised the second renewal option extending the lease through August 31, 2018, (ii) reduced the monthly rent from \$26,418 to \$21,694.68 and (iii) added another five (5) year renewal option. The Third Amendment, dated July 3, 2018, (i) exercised the last renewal option extending the lease through August 31, 2023, and (ii) modified the base rate to \$22,128.57 per month (\$2.60 per sq. ft.).

This Fourth Amendment requests to extend the term through August 31, 2028, with the option to purchase after three years. The amendment will also modify the base rent to \$24,341.43 per month (\$2.86 per sq. ft.), and change the minimum amount of liability insurance from one million dollars (\$1,000,000.00) to two million dollars (\$2,000,000.00).

UMC’s COO and Ambulatory Services Director have reviewed and recommend approval of this Amendment. This Amendment has been approved as to form by UMC’s Office of General Counsel.

Cleared for Agenda

08/15/2023

File ID#

23-1111

The Department of Business License has determined that Landlord is not required to obtain a Clark County business license nor a vendor registration.

This Amendment was reviewed by the Governing Board at their July 26, 2023 meeting and recommended for approval by the Board of Hospital Trustees.