

1. Approval of Amendment No. 3 to the Lease Agreement between Tarrant County and Tarrant County Hospital District for Space Located at the Resource Connection Campus



COMMISSIONERS COURT COMMUNICATION

REFERENCE NUMBER _____

PAGE 1 OF 6

DATE: 06/18/2024

**SUBJECT: APPROVAL OF AMENDMENT NO. 3 TO THE LEASE
AGREEMENT BETWEEN TARRANT COUNTY AND TARRANT
COUNTY HOSPITAL DISTRICT FOR SPACE LOCATED AT THE
RESOURCE CONNECTION CAMPUS**

***** CONSENT AGENDA *****

COMMISSIONERS COURT ACTION REQUESTED

It is requested that the Commissioners Court approve Amendment No. 3 to the Lease Agreement between Tarrant County and Tarrant County Hospital District (TCHD) for office space located at 1400 Circle Drive and 2500 Circle Drive.

BACKGROUND

On September 24, 2019, the Commissioners Court, through Court Order #131169, approved a new lease agreement to occupy properties located at 1400 Circle Drive, Suite 200 (10,540 square feet) and 2500 Circle Drive (39,800 square feet), Fort Worth, Texas for the use of the JPS Health Center South Campus. The combined usable square footage of the premises is 50,340 square feet. TCHD has occupied this leased space under previous agreements with Tarrant County.

On October 13, 2020, the Commissioners Court, through Court Order #133975, approved Amendment No. 1 to the lease agreement to increase the occupancy cost by \$0.60 per square foot effective October 1, 2020.

On October 3, 2023, the Commissioners Court, through Court Order #141853, approved Amendment No. 2 to the lease agreement to increase the occupancy cost by \$1.01 and extended the lease agreement through September 30, 2025.

On May 21, 2024, the Commissioners Court, through Court Order #143138, approved a temporary reassignment of space to building 2500 Circle Drive for the Tarrant County Public Health – WIC Clinic, formerly housed in building 1500 Circle Drive, in connection to the Law Enforcement Training Center Project.

With approval of Amendment No. 3, TCHD is vacating 3,542 square feet of space in the building 2500 Circle Drive. This allows available space for the temporary reassignment of the Tarrant County Public Health – WIC Clinic, effective May 1, 2024. The total combined square footage for TCHD is now 46,798 square feet, with 36,258 square feet in building 2500 and 10,540 square feet in building 1400. In addition, TCHD shall pay the actual utility used, minus nine percent (9%) of the total amount of utilities used only at building 2500.

SUBMITTED BY:	Resource Connection	PREPARED BY: APPROVED BY:	Jamie Willis
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COMMISSIONERS COURT COMMUNICATION

REFERENCE NUMBER: _____ DATE: 06/18/2024 PAGE 2 OF 6

The Criminal District Attorney's Office has approved this amendment as to form.

FISCAL IMPACT

The occupancy revenue for the remainder of FY 2024 is expected to generate \$39,713.02 a month and will be placed in account 51100-2024 Resource Connection Fund – 3420100000 Resource Connection – 471001 Building Rental; 471008 Utility Billing; 471002 Other RC Rental (includes Common Area); and 471011 Janitorial/Disposal.

TARRANT COUNTY
STATE OF TEXAS

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**RESOURCE CONNECTION
LEASE AGREEMENT AMENDMENT NO. 3
TARRANT COUNTY HOSPITAL DISTRICT**

BY THIS AMENDMENT NO. 3, Court Order 131169, dated the 24th day of September, 2019, by and between Tarrant County, hereinafter referred to as LESSOR, and Tarrant County Hospital District, hereinafter referred to as LESSEE, is hereby amended and supplemented in the following respects:

1. EXHIBIT "B," – PREMISES

The property under this agreement is located on a portion of a 280 acre tract of property off Campus Drive at Interstate Highway 20 in Fort Worth, owned by Tarrant County for use as the *Resource Connection of Tarrant County*, and generally described as:

- A. A 10,540 square foot portion of a building located at 1400 Circle Dr., Fort Worth, Tarrant County, Texas, as indicated on Exhibit B-1 attached hereto and incorporated herein by reference.
- B. A 36,258 square foot portion of a building located at 2500 Circle Dr., Fort Worth, Tarrant County, Texas, as indicated on Exhibit B-2 attached hereto and incorporated herein by reference.

2. EXHIBIT "D," – RENTAL RATES

1.06 Effective May 1, 2024, the combined usable square footage of building 1400 and building 2500 is 46,798 square feet ("Tenant USF").

1.07 Base Rent: Seven and 74/100 Dollars (\$7.74) per square foot of Combined USF (46,798 sq.ft.) per year during the remainder of the Term from May 1, 2024, through September 30, 2024, hereof in monthly installments of Thirty Thousand One Hundred Eighty-Four and 71/100 Dollars (\$30,184.71), subject to provisions of Section 3.01 hereof (the term "Rent" is defined in Section 3.01)

Utilities – As to Tenant's occupancy at the 1400 Building, Tenant shall pay Utilities at the annual rate of \$3.75 per Tenant USF (as defined in Section 1.07) of occupied space at the 1400 Building. As to Tenant's occupancy at the 2500 Building, Tenant shall pay the actual utility used, minus nine percent (9%) of the total amount of utilities used at 2500 Circle Dr. to account for nine percent of the building the tenant vacated April 30, 2024.

Compliance with Laws. With respect to this lease, Lessor and Lessee must observe and comply with all applicable federal, state, and local statutes, ordinances, rules, and regulations, including, without limitation, workers' compensation laws, minimum and maximum salary and wage statutes and regulations, and non-discrimination laws and regulations. Lessor and Lessee shall be responsible for ensuring their own compliance with any laws and regulations applicable to their operation, including maintaining any necessary licenses and permits.

Tarrant County Hospital District acknowledges that it is a "governmental entity" and not a "business entity" as those terms are defined in Tex. Gov't Code § 2252.908, and therefore, no Form 1295 disclosure of interested parties pursuant to Tex. Gov't Code Section 2252.908 is required.

FISCAL FUNDING ACKNOWLEDGMENT

Notwithstanding any language to the contrary, Tenant acknowledges TARRANT COUNTY is a governmental entity and agrees TARRANT COUNTY may terminate this Agreement for future fiscal years if sufficient funding is not appropriated or allocated.

Both parties are in agreement as to the above. All other provisions of the above mentioned Lease Agreement remain in full force and effect. This Amendment is effective May 1, 2024.

AGREED TO AND ACCEPTED this _____ day of _____, 2024.

**TARRANT COUNTY
STATE OF TEXAS**

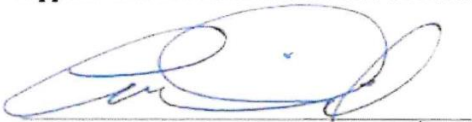
By: _____
Tim O'Hare
County Judge

**TARRANT COUNTY HOSPITAL DISTRICT
D/B/A JPS HEALTH NETWORK**

By: 
Karen Duncan
President and CEO

APPROVED AS TO FORM:

Approved as to Form for Resource Connection and Commissioners Court:


Criminal District Attorney's Office*

*By law, the Criminal District Attorney's Office may only approve contracts for its clients. We reviewed this document as to form from our client's legal perspective. Other parties may not rely on this approval. Instead those parties should seek contract review from independent counsel.

Approved as to Form for Tarrant County Hospital District d/b/a JPS Health Network:


Name: Daphne Walker
Title: General Counsel to Tarrant County Hospital District d/b/a
JPS Health Network

Exhibit B-1

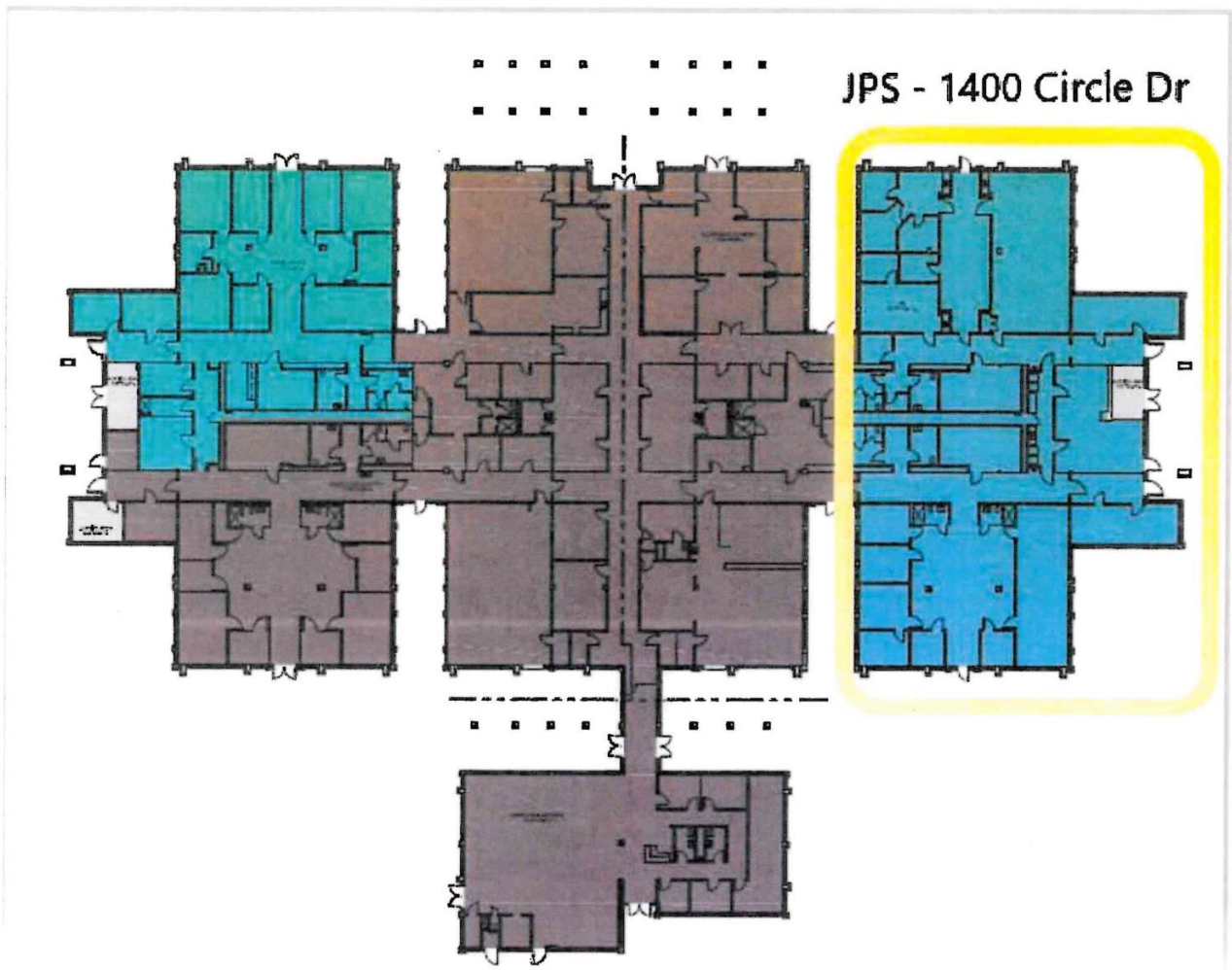


Exhibit B-2

JPS - 2500 Circle Dr.

