CITY COUNCIL RESEARCH DIVISION LEGISLATIVE SUMMARY

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Bill Type and Number: Ordinance 2021-313

Introducer/Sponsor(s): Council President at the request of the Mayor

Date of Introduction: May 25, 2021

Committee(s) of Reference: NCSPHS, F

Date of Analysis: May 27, 2021

Type of Action: Lease authorization; designation of oversight agency

Bill Summary: The bill authorizes a lease agreement between the City and National Medical Services, Inc. (d/b/a NMS Labs) for the company's use of the second floor of the District IV Medical Examiner's Office building at 2100 Jefferson Street. The Public Works Department's Real Estate Division is designated as the City's oversight agency for the lease execution, after which the Medical Examiner's Office is designated as the lease oversight agency.

Background Information: The lease agreement is for 4,309 square feet of space in which the company will provide toxicology services to the Medical Examiner needed to meet accreditation requirements. The initial lease term will be for 5 years (retroactive to October 1, 2020) with options for up to five 1-year renewals. The initial annual rental rate is \$98,880.00, with three percent (3%) increases annually thereafter. The value of the toxicology services provided by the company to the Medical examiner will be used to offset the Tenant's annual rent in accordance with the Services Agreement between the MEO and the Tenant dated October 1, 2020. The City budgeted \$3,632,796.65 for post-mortem toxicology testing in the Medical Examiner's FY20-21 budget.

Policy Impact Area: Medical Examiner services

Fiscal Impact: The City will receive a credit for the value of toxicology services provides to the Medical Examiner's Office by the company in lieu of the basic rent charge. The company will be responsible for paying any sum due over and above the basic rent.

Analyst: Clements