

Agenda Report

TO: CITY COUNCIL DATE: OCTOBER 18, 2004

FROM: CITY MANAGER

SUBJECT: CITY OF PASADENA LEASE OF MEDICAL LABORATORY
SPACE TO UNILAB, NOW PART OF QUEST DIAGNOSTICS AT
THE PASADENA COMMUNITY HEALTH CENTER, 1845 NORTH
FAIR OAKS AVENUE

RECOMMENDATION

It is recommended that the City Council take the following action:

1. Approve a three-year Lease with a three-year option to extend to Unilab, now a part of Quest Diagnostics for medical laboratory space at the Pasadena Health Center.
2. Authorize the City Manager to execute the Lease and all other documents pertaining thereto and to perform such other and further acts as required under the Lease.

RECOMMENDATION OF THE NORTHWEST COMMISSION

Staff presented this item to the Northwest Commission at its October 12, 2004 meeting. The Northwest Commission recommended that the City Council approve the proposed lease to Unilab.

BACKGROUND

In June of this year, the Pasadena Public Health Department (PPHD) issued a request for proposals (RFP) seeking the services of a laboratory firm to lease space and provide comprehensive clinical laboratory services at the Pasadena Community Health Center. From the two respondents, Unilab, now a part of Quest Diagnostics was selected. Quest will support the professional, scientific and technical needs of the Pasadena Community Health Center by providing services to PPHD, CHAP, local health care providers and the community at large.

The medical laboratory space to be leased to Quest is fully improved with phlebotomy stations and reception area and contains 393 useable square feet. This space was recently improved and will be accepted by Quest in it's current very good "as is" condition. The full service gross lease calls for the City to provide utilities and janitorial services and includes one unreserved parking space. The lease will be for three years with a three-year option to extend. The commencement date is proposed to be November 1, 2004.

FISCAL IMPACT

Approval of staff's recommendation will increase revenue to the Health Department and Fund. Rent during the first year will be \$11,820 and years two and three will be subject to annual CPI increases. Part of this revenue will be used to pay debt service on the bonds that were used to rehabilitate the entire health center complex.

Respectfully Submitted,



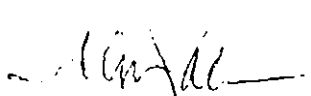
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