

**AMENDMENT NO. 1  
TO LEASE AND OPERATING AGREEMENT  
BETWEEN SANTA FE COUNTY AND  
LA FAMILIA MEDICAL CENTER**

This Amendment No. 1 is made and entered into as of this 10<sup>th</sup> day of JANUARY, 2016 <sup>7</sup> by and between Santa Fe County, a political subdivision of the State of New Mexico ("Lessor") and La Familia Medical Clinic, a non-profit entity acting by and through its duly authorized agents ("Lessee").

**WHEREAS**, Santa Fe County was awarded a Community Development Block Grant ("CDBG") from the Local Government Division of the New Mexico Department of Finance and Administration ("LGD/DFA") on behalf of La Familia Medical Center for construction of a satellite medical and dental clinic; and

**WHEREAS**, Lessor constructed an approximate 7,385 square foot satellite medical and dental clinic for use by Lessee; and

**WHEREAS**, Lessor and Lessee entered into a Lease and Operating Agreement dated August 31, 1999 ("Lease") that provides for Lessee's lease of the satellite medical and dental clinic to provide medical and dental services to all individuals and families regardless of income or ability to pay; and

**WHEREAS**, according to the terms of the Lease, the Lease may be amended by an instrument in writing executed by the Lessor and Lessee; and

**WHEREAS**, on April 26, 2016 the Health Resources and Services Administration ("HRSA"), an agency of the U.S. Department of Health and Human Services issued a Notice of Award Authorization for Grant No. C8DCS29731 to Lessee for financial assistance in the amount of \$1,000,000.00 for the construction/expansion to add an estimated 4,668 square feet of new clinical and patient services space to the existing La Familia Medical Center – Southside Clinic Building; and

**WHEREAS**, HRSA Grant Number C8DCS29731 requires the Lessee, as the grantee of Grant Number C8DCS29731, to obtain from Lessor a signed Landlord's Letter of Consent and a notarized Notice of Federal Interest indicating that the improvements to the La Familia Medical Clinic building are subject to a lien or encumbrance and such interest will be recorded with the Santa Fe County Clerk; and

**WHEREAS**, by this Amendment Number 1, the Lessor and Lessee wish to incorporate protective language regarding Grant Number C8DCS29731 as required by HRSA, and state the scope of the Notice of Federal Interest.

**NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:**

1. Paragraph 1 (Description of Premises), insert as subpart "a") the following:
  - a) Pursuant to HRSA Grant Number C8DCS29731 and a Notice of Federal Interest, the parties acknowledge that a lien or encumbrance will be duly recorded on the improvements completed on the La Familia Medical Clinic building.
2. Paragraph XII (Breach) subparagraphs "a" and "b" are deleted in their entirety and replaced with the following subparagraphs "a" through "f."
  - a) Lessor shall inform HRSA of any default by the Lessee under the Lease.
  - b) HRSA shall have 60 days from the date of receipt of Lessor's notice of default in which to attempt to eliminate the default, and Lessor shall delay exercising remedies until the end of the 60-day period.
  - c) HRSA may intervene to ensure that the default is eliminated by the Lessee or another recipient named by HRSA and approved by Lessor.
  - d) Lessor shall accept payment of money or performance of any other obligation by HRSA's designee, for the Lessee, as if such payment of money or performance had been made by Lessee.
  - e) Failure to remedy any default under this Lease within the 60-day period may result in Lessor declaring this Lease terminated and enter upon the Premises or any part thereof, remove all persons therefrom, either with or without process of law, and repossess said Premises. In such event, Lessor shall retain from any rent, damages or other sums that may be due hereunder any property belonging to Lessee and located on the Premises, and all of Lessee's rights herein and to the Premises shall be forfeited.
  - f) Failure to remedy any default under this Lease within the 60-day period may result in Lessor entering the Premise and may rent the same under such terms as are suitable to Lessor, all without releasing Lessee from liability hereunder. In such event, any monies collected by such leasing shall be applied first to the expense of restoring and placing the Premises in a rentable condition and next to the payment of the rent or any sum due Lessor hereunder, and Lessee shall remain liable for any deficiency.
3. Paragraph XIV (Assignment and Sublease) is deleted in its entirety and replaced with the following subparagraphs "a" and "b."
  - a) Lessee shall not assign its rights under the Lease nor sublet the Premises in whole or in part, without first obtaining the written consent of Lessor and HRSA. If such written consent is obtained from Lessor and HRSA it shall not discharge Lessee, Lessee's heirs, executors, administrators, assigns and successors in interest from liability hereunder and shall not operate as a consent to further assignment or subletting.
  - b) In the event that Lessee defaults, the grant is terminated, or the Lessee vacates the Premises before the end of the Lease term, HRSA shall have the right to designate a

replacement for the Lessee for the balance of the Lease term, subject to approval of Lessor, who's consent shall not be unreasonably withheld.

4. Paragraph XXXIII (Notices) is deleted in its entirety and replaced with the following:  
All notices, requests or other communications to Lessor, Lessee or HRSA shall be given by certified mail addressed to the following:

a) Santa Fe County, Public Works Dept.  
Attn. Real Property  
P.O. Box 276  
Santa Fe, NM 87504-0276

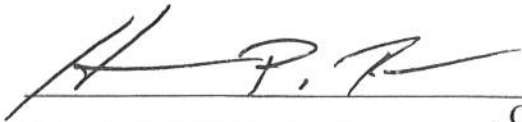
b) La Familia Medical Center  
Attn. Executive Director  
1035 Alto Street,  
Santa Fe, NM 87502

c) HRSA/OFAM/DGMO/MCHSB  
Grant No. C8DCS29731  
5600 Fishers Ln  
Rockville, MD 20852-1750

5. All other provisions of this Lease not specifically amended or modified by this Amendment No. 1 shall remain in full force and effect.

**IN WITNESS WHEREOF**, the parties have executed this Amendment as of the last date of signature below.

**LESSOR - SANTA FE COUNTY**

  
\_\_\_\_\_, Chair  
Santa Fe Board of County Commissioners

Date 1/10/17

**ATTESTATION:**

  
Geraldine Salazar  
Santa Fe County Clerk

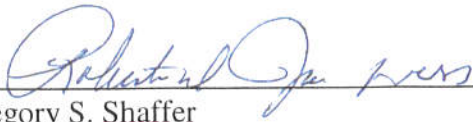
Date 1-13-2017

Approved as to form:

\_\_\_\_\_  
Gregory S. Shaffer  
Santa Fe County Attorney

Date \_\_\_\_\_

Approved as to form:

  
\_\_\_\_\_  
Gregory S. Shaffer  
Santa Fe County Attorney

Date 11-28-16

Approved Finance Department

  
\_\_\_\_\_  
Don D. Moya  
Interim Finance Director

Date 12-1-16

**LESSEE - LA FAMILIA MEDICAL CENTER**

  
\_\_\_\_\_  
Jay P. Jolly, FACHE  
Chief Executive Officer

Date 12-22-2016