

RESOLUTION NO. R-25-09

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A SECOND AMENDMENT TO A COMMERCIAL LEASE AGREEMENT BETWEEN THE CITY OF GLADSTONE, MISSOURI, AS SUB-LESSOR, AND CURANA HEALTH MANAGEMENT GROUP, LLC AS SUB-LESSEE, TO OPERATE AN OFFICE FOR A PHYSICIANS' MEDICAL DIRECTOR GROUP AT 7001 NORTH CHERRY, SUITE #202, GLADSTONE, MISSOURI, 64118.

WHEREAS, Pollina Enterprises, LLC, a Missouri limited liability company ("Pollina") constructed a two story (with additional basement space) office building ("Building") with the common address of 7001 North Cherry, Gladstone, Missouri, 64118; and

WHEREAS, On August 7, 2012, Pollina Enterprises, LLC, leased the entire Building to Dentistry for Children, V. Rodman, Jr., M.S., L. Pollina, D.D.S., P.C., a Missouri professional corporation ("Dentistry"); and

WHEREAS, On August 9, 2012, Dentistry leased to Sub-Lessor certain portions of the Building, including the second floor of the Building consisting of approximately 6,426 square feet; and

WHEREAS, the lease entered into by Dentistry and Sub-Lessor grants Sub-Lessor the ability to sublease all or substantially all of the premises subject to that lease; and

WHEREAS, as of the effective date, Sub-Lessee shall lease from Sub-Lessor those portions of the second floor, consisting of approximately 745 square feet; and

WHEREAS, on January 22, 2018, the Gladstone City Council approved Resolution No. R-18-11 authorizing a commercial sub-lease to Barnes Healthcare; and

WHEREAS, the Sub-Lessor, Barnes Healthcare acknowledges and consents to the use of the new brand name, "Curana Health" as the Sub-Lessee's brand identity.

WHEREAS, the City of Gladstone and Curana Health desire to amend the Lease, Exhibit "A", to revise the following provisions:

1. Term Extended. An additional term of one (1) year is granted to the sub-lessor. This fifth (5th) renewal term shall expire and terminate on December 31, 2025 at 11:59 pm.
2. The Sublease shall be automatically renewed for a sixth (6th) renewal term commencing January 1, 2026 and ending December 31, 2026 at 11:59 pm, unless the Sub-Lessee gives notice in writing of Sub-Lessee's intent not to review the Sublease on or before October 31, 2025 at 5:00 pm
3. Rent. Base rent during the fifth and sixth Renewal Terms shall remain one-twelfth (1/12) of Twenty Dollars (\$20.00) per square foot of the premises, payable monthly (\$1,241.67/mo.), commencing on the first day of the month following the effective date of this amendment.

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4. Early Termination. The Sub-Lessee may terminate this Sublease given sixty (60) days written notice to the Sub-Lessor. Early termination fee shall be equal to one month's base rent of \$1,241.67.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, AS FOLLOWS:

THAT, the City Manager of the City of Gladstone, Missouri, is hereby authorized to enter into the proposed amended lease agreement with Curana Health, on the terms and conditions described herein and as more particularly set forth in the lease document and to take any other such measures as may be required to ensure the opening of an office for a Physicians' Medical Director Group.

INTRODUCED, READ, PASSED, AND ADOPTED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, THIS 10TH DAY OF FEBRUARY 2025.


Tina M. Spallo, Mayor

ATTEST:


Kris Keller, City Clerk



Request for Council Action

RES ☒ # R-25-09

BILL ☐ # City Clerk Only

ORD ☐ # City Clerk Only

Date: 2/3/2025

Department: General Administration

Meeting Date Requested: 2/10/2025

Public Hearing: Yes ☐ **Date:** Click here to enter a date.

Subject: Curana Health Management Group, LLC Lease Amendment

Background: Barnes Healthcare sub-leases approximately 745 square feet of space from the City of Gladstone on the second floor of the Dentistry for Children building adjacent to CEK Insurance. Now under their new brand name "Curana Health", they would like to continue their lease through a fifth and sixth term renewal. City Staff has negotiated with Barnes Healthcare an amendment to the current lease subject to City Council approval. The monthly payment will remain the same: \$20.00 per square foot which equates to \$1,241.67 per month with an annual lease payment of \$14,900.00. If Barnes Healthcare chooses to terminate their annual lease early, they must provide 60 days' notice and incur a one-time penalty equal to one month's rent \$1,241.67. Recently, City Staff discussed this extension with City Council in which they gave unanimous verbal approval. The Resolution on tonight's agenda formally approves the lease extension.

Budget Discussion: N/A

Public/Board/Staff Input: City Staff recommends approval.

Provide Original Contracts, Leases, Agreements, etc. to: City Clerk and Vendor.

Austin Greer
Department Director/Administrator

JA
City Attorney

BB
City Manager

**SECOND AMENDMENT
TO
OFFICE SUBLEASE AGREEMENT**

THIS SECOND AMENDMENT TO OFFICE SUBLEASE AGREEMENT (this "Amendment") is made and entered into on the date last executed by each of the parties below (the "Effective Date"), by and between the City of Gladstone, Missouri, a municipal corporation ("Sub-Lessor") and Barnes Health Care Management Group, LLC, a Missouri limited liability company ("Sub-Lessee").

RECITALS

- A. Sub-Lessor and Sub-Lessee executed that certain Office Sublease Agreement dated February 6, 2018 (together with any amendments, exhibits, and/or addenda thereto, the "Sublease"), pursuant to which the Sub-Lessee leased from Sub-Lessor 745 square feet of office space (the "Premises") on the second floor of the office building located at 7001 N. Cherry, Gladstone, Missouri 64118 (the "Building").
- B. Capitalized terms used herein and not otherwise defined shall have the meanings given to them in the Sublease.
- C. The fourth (4th) Renewal Term of the Sublease will expire on February 5, 2025, and the Sub-Lessor and Sub-Lessee now desire to further extend the Term, among other agreements, on the terms and provisions hereinafter contained.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties hereto, the Sub-Lessor and Sub-Lessee agree as follows:

- 1. **No Defaults.** Sub-Lessor and Sub-Lessee both agree and acknowledge that neither party is in default under the terms of the Sublease, that there are no amounts due or owing from or to either party other than Rent in the ordinary course pursuant to the Sublease, and that all of the representations and warranties contained in the Sublease remain true as of the Effective Date of this Amendment.
- 2. **Fifth Renewal Term.** The Sub-Lessor hereby grants to the Sub-Lessee a fifth (5th) Renewal Term commencing February 6, 2025 and ending December 31, 2025 at 11:59pm, which by this Amendment is hereby exercised by the Sub-Lessee and accepted by the Sub-Lessor.
- 3. **Sixth Renewal Term.** The Sublease shall be automatically renewed for a sixth (6th) Renewal Term commencing January 1, 2026 and ending December 31, 2026 at 11:59pm, unless the Sub-Lessee gives notice in writing of Sub-Lessee's intent not to renew the Sublease on or before October 31, 2025 at 5:00pm.

4. **Rent.** Base rent during the fifth and sixth Renewal Terms shall remain one-twelfth (1/12) of Twenty Dollars (\$20.00) per square foot of the Premises, payable monthly (\$1,241.67/month).
5. **Assignment.** The parent of Sub-Lessee intends to effectuate an internal restructuring, which may involve an assignment of the Sublease to an affiliate of the Sub-Lessee. The Sub-Lessor hereby consents to any such assignment, provided that: (i) the Sub-Lessee provides written notice to the Sub-Lessor of such assignment; and (ii) the affiliate company assumes all of the Sub-Lessee's obligations under the Sublease from and after the effective date of the assignment. Provided that the foregoing conditions are satisfied, the Sub-Lessee will released from all liabilities and obligations under this Sublease arising from and after the effective date of the assignment. For the purposes of this paragraph, "affiliate" shall mean any entity directly or indirectly controlling, controlled by, or under common control with the Sub-Lessee.
6. **Rebranding.** Following the assignment of the Sublease to the affiliate company, the Sub-Lessee shall have the right to rebrand and replace any signage, logos, or other brand-identifying materials currently displayed at the Premises, including but not limited to exterior signage, interior signs, promotional materials, and the physical office directory within the Building. The Sub-Lessee shall ensure that any new signage and directory listings comply with all applicable laws, zoning ordinances, building regulations, and any requirements of the Sub-Lessor. The parties shall also update any online listings, directories, or web-based platforms that reference the premises or the Sub-Lessee's prior name, ensuring that such references reflect the new brand name, "Curana Health." The Sub-Lessee shall bear all costs associated with the rebranding, signage replacement, and updating of any directory listings, both physical and online, and the parties shall remove any outdated signage or references that no longer reflect the new brand identity. The Sub-Lessor acknowledges and consents to the use of the new brand name, "Curana Health," as the Sub-Lessee's brand identity in all applicable signage, directories, and online listings.
7. **Ratification.** Sub-Lessor and Sub-Lessee hereby ratify and reaffirm the Sublease in its entirety, which shall continue in full force and effect, except as modified hereby.
8. **Notices. Section XI. Miscellaneous. Notices.** Legal Notices address for Sub-Lessee is added as follows:

Curana Health Management Group, LLC
8911 North Capital of TX HWY, BLDG 1, Suite 1110
Austin, TX 78759
Attn: General Counsel

*End of Amendment.
Signatures Follow.*

Signature Page to Second Amendment to Office Sublease Agreement

IN WITNESS WHEREOF, the parties hereto have executed this Amendment, to be made effective as of the date last set forth beside their signatures below.

SUBLESSOR:

CITY OF GLADSTONE, Missouri,
a municipal corporation:

By: 

Name: Robert M. Baer

Title: City Manager

Date: 2/19/25

SUBLESSEE:

**BARNES HEALTH CARE
MANAGEMENT GROUP, LLC,**
a Missouri limited liability company:

By: 

Name: Chris Dawe

Title: President

Date: 2/14/2025 | 3:16 PM CST