



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 5/5/2020

District H

Item Creation Date: 4/13/2020

25CF73 Parking Lease HPC 1010 Washington

Agenda Item#: 9.

Summary:

ORDINANCE approving and authorizing a parking lease between **KITCHCO REALTY, LTD., METCO REALTY, LTD. and HBT REALTY, LTD.**, jointly as landlord, and the City of Houston, Texas, as tenant, for approximately one acre of land located at 1010 Washington Avenue, Houston, Texas, for parking for the Houston Permitting Center; providing a maximum contract amount

Background:

RECOMMENDATION: Approve and authorize a Parking Lease Agreement between Kitchco Realty, LTD., Metco Realty, LTD., and HBT Realty, LTD. (jointly as Landlord), and the City of Houston (Tenant) at 1010 Washington Avenue, Houston, Texas for the Houston Permitting Center.

SPECIFIC EXPLANATION: The General Services Department recommends approval of a Parking Lease Agreement with Kitchco Realty, LTD., Metco Realty, LTD., and HBT Realty, LTD. (jointly as Landlord) for approximately one acre of land at 1010 Washington Avenue, for customer parking for the Houston Permitting Center (HPC). Currently, HPC leases approximately 105 spaces for customer parking at 1110 Washington Avenue.

The parking lot at 1010 Washington Avenue is adjacent to the HPC and will provide additional customer parking capacity of approximately 162 spaces. HPC is a fully functioning service center that hosts at least 1,000 visitors daily and requires additional parking capacity to serve all users of the center. The addition of parking capacity at 1010 Washington Avenue will ensure adequate spaces are available for customers and visitors throughout the business day.

The proposed Parking Lease Agreement provides for a one-year base term at an annual rate of \$224,700.00. The Agreement shall automatically renew for four additional one-year terms with a 1.5 percent annual escalation at the beginning of each renewal period, as outlined below:

Term	Annual Payment with 1.5% escalation
Year 1	\$ 224,700
Year 2	\$ 228,071
Year 3	\$ 231,492
Year 4	\$ 234,964
Year 5	\$ 238,488
TOTAL	\$ 1,157,715

The City will be responsible for maintenance of the premises.

Either party may terminate the Agreement by providing 180 days prior written notice to the other party.

FUNDING SUMMARY:

\$ 18,725.00 (1month FY2020)

\$1,138,990.00 (Out-going years)

\$1,157,715.00 Total

OPERATING BUDGET FISCAL NOTE: Funding for this item is included in the FY2020 Adopted Budget. Therefore, no Fiscal Note is required as stated in the Financial Policies.

DIRECTOR'S SIGNATURE/DATE:

DocuSigned by:

C. J. Messiah, Jr. 4/22/2020

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C. J. Messiah, Jr.

General Services Department

DocuSigned by:

Carol Haddock 4/23/2020

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Carol Ellinger Haddock, P.E.

Houston Public Works

Amount of Funding:

\$1,157,715.00 Building Inspection Fund (2301)

Contact Information: ^{DS}

Jacquelyn L. Nisby
Council Liaison

Phone: 832.393.8023



ATTACHMENTS:

Description

[Signed Coversheet](#)

[Funds Reservation from HPW](#)

Type

Signed Cover sheet

Backup Material