



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 7/14/2020

District H

Item Creation Date: 6/22/2020

25CF77 Parking Lease 1110 Washington HPC

Agenda Item#: 11.

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 1110 WASHINGTON AVENUE, HOUSTON, TEXAS, FOR PARKING FOR THE HOUSTON PERMITTING CENTER; PROVIDING A MAXIMUM CONTRACT AMOUNT; AND DECLARING AN EMERGENCY.

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 1110 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 1110 Washington Avenue, for employee and fleet vehicle parking for the Houston Permitting Center (HPC). Currently, HPC leases spaces for customer parking at 1010 Washington Avenue. Combined, 1110 Washington and 1010 Washington will provide approximately 245 parking spaces.

The parking lot at 1110 Washington Avenue is adjacent to the HPC. 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 1110 Washington Avenue will ensure adequate spaces are available for employees and fleet vehicles throughout the business day.

The proposed Parking Lease Agreement provides for a one-year base term at an annual rate of \$178,680.00. 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	\$178,680.00
Year 2	\$181,360.20
Year 3	\$184,080.60
Year 4	\$186,841.81
Year 5	\$189,644.44
TOTAL	\$920,607.05

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.

FISCAL NOTE: Funding for this item is included in the FY2021 Adopted Budget. Therefore, no Fiscal Note is required as stated in the Financial Policies.

DIRECTOR'S SIGNATURE/DATE:

DocuSigned by:

C. J. Messiah, Jr. 6/29/2020

C. J. Messiah, Jr.
General Services Department

Carol Ellinger Haddock, P.E.
Houston Public Works

FUNDING SUMMARY:

\$163,790.00 (11 months FY2021)

\$756,817.05 (Out-years)

\$920,607.05 Total

Amount of Funding:

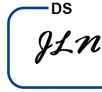
\$920,607.05 Building Inspection Fund (2301)

Contact Information:

Jacquelyn L. Nisby

Council Liaison

Phone: 832.393.8023



ATTACHMENTS:

Description

[Parking Lease](#)

[SAP Funds Reservation](#)

Type

Contract/Exhibit

Backup Material