



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 10/6/2020

ALL

Item Creation Date: 9/21/2020

MYR - Hazari LLC - Lease Extension 2

Agenda Item#: 22.

Summary:

ORDINANCE approving and authorizing an increase in spending authority for Lease Agreement between **HAZARI, LLC**, Landlord, and City of Houston, Texas, Tenant, approved by Ordinance No. 2020-278 - \$578,700.00 - Grant Fund

Background:

The novel coronavirus (COVID-19) has been recognized globally as a contagious respiratory virus; and on March 13, 2020 Governor Greg Abbott declared a state of disaster for all counties in Texas pursuant to Section 418.014 of the Texas Tax Code citing (1) more than 30 confirmed cases of COVID-19 located in multiple Texas counties (2) more than 50 Texans with pending tests for COVID-19 in Texas and (3) the altered schedules and in some instances the closings of some schools, universities, and other governmental entities.

The declaration further acknowledges the priority of coordinating preparedness efforts across state agencies and working with local partners to promote appropriate mitigation efforts; and the criticality to take additional steps to prepare for, respond to, and mitigate the spread of COVID-19 to protect the health and welfare of Texans.

There has been a significant number of positive cases in Houston and in the region and subsequently, the need to provide adequate shelter to those in self-quarantine. To address the need to accommodate and provide shelter for Houstonians in self-quarantine, City Council approved a lease agreement with HAZARI, LLC., Ordinance 2020-0278, located at 9902 Gulf Freeway, Texas. The lease provides for 126 rooms, common space, and other hotel services as provided for an initial term of 90 days, with an option to extend and at a monthly rental rate of \$192,900.00.

The initial 90 days of the lease term has elapsed; City Council approved an extension of the 90-day lease term, Ordinance 2020 - 613, on July 8, 2020.

The extension of the lease term has elapsed, now the Administration desires to extend the lease term for another 90 days. An additional funding allocation totaling \$578,700 is needed to cover the additional 90 days.

The Administration recommends City Council Approval to address this health emergency and to protect the residents, first responders, and health professionals to mitigate the risk of spread of the COVID 19 virus.

Fiscal Note

No Fiscal Note is required on grant items

Disaster Note:

This item is related to the impact of COVID-19 and it is the City's intent to seek reimbursement from FEMA and/or other eligible sources for such expenditures

DocuSigned by:

A handwritten signature in black ink, appearing to read "Andy Icken".

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Andy Icken, Chief Development Officer

Prior Council Action:

2020-613; 7/8/2020

Amount of Funding:

\$578,700

COVID 19 Disaster Fund

Fund 5306

Contact Information:

Andy Icken

Phone: (832) 393-1064

ATTACHMENTS:

Description

Signed Execution of Option on Lease
Draft Ordinance
Prior Ordinance 2020-613 - 7-8-20
Prior Coversheet 7-8-20
Prior Ord 2020-278 & Original Lease Agreement 4-1-20
Prior Coversheet from 4-1-20
Ordinance

Type

Contract/Exhibit
Ordinance/Resolution/Motion
Backup Material
Backup Material
Backup Material
Backup Material
Ordinance/Resolution/Motion