



## CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 10/20/2020

District K

Item Creation Date: 9/28/2020

25CF80 Lease for HHD at 9250 Kirby

Agenda Item#: 7.

### **Summary:**

ORDINANCE approving and authorizing a lease agreement between **IND HOUTX TTP LEGACY, LLC**, a Delaware limited liability company, as landlord, and the City of Houston, Texas, as tenant, for office space located at 9250 Kirby Drive, Suite 100, Houston, Texas 77054 - **DISTRICT K - CASTEX-TATUM**

### **Background:**

**RECOMMENDATION:** Approve and authorize a Lease Agreement between IND HOUTX TTP LEGACY, LLC (Landlord) and City of Houston (Tenant) for office space and parking at 9250 Kirby Drive, Suite 100, Houston, Texas 77054, for the Houston Health Department.

**SPECIFIC EXPLANATION:** The Houston Health Department (HHD) desires to enter into a Lease Agreement with IND HOUTX TTP LEGACY, LLC (Landlord) at 9250 Kirby Drive, Suite 100, for general office purposes, including a call center for COVID-19 contact tracing. The call center will house 400-450 employees who will identify, monitor, and support individuals who may have been exposed to a person with COVID-19 in order to protect public health and mitigate the risk of spread of the virus.

The proposed Lease Agreement initially provides for 76,011 square feet of office space and 304 parking spaces, and approximately two months later, an additional 7,489 square feet of adjacent Expansion Space and 30 parking spaces, totaling 83,500 square feet which encompasses the entire building. The lease term is two years with an option to extend for two periods of 12 months each at \$25.00/SF for the first extension period and \$25.50/SF for the second extension period.

The Landlord, at its sole cost and expense, will build out the premises to meet HHD's specifications. The lease for the 76,011 square feet of space will commence on the later of November 1, 2020 or after substantial completion and acceptance of the tenant improvements. The lease for the adjacent Expansion Space will commence after substantial completion and acceptance of the tenant improvements, which date is expected to be January 1, 2021.

HHD shall be responsible for electricity, telephone and other communications, alarm and other security, and janitorial services and supplies. The Landlord shall furnish the leased premises with office furniture for HHD's use during the term, including cubicles, desks and conference room tables, but the office furniture shall remain the property of the Landlord.

The following is a breakdown of rental costs:

#### **76,011 square feet:**

Months	Annual Rent/SF	Monthly Rent
1 - 12	\$24.00/sf	\$152,022.00
13 - 24	\$24.50/sf	\$155,189.13

#### **Expansion Space - 7,489 square feet:**

Months	Annual Rent/SF	Monthly Rent
3 - 12	\$24.00/sf	\$14,978.00
13 - 24	\$24.50/sf	\$15,290.04

Therefore, the General Services Department recommends approval of a Lease Agreement with IND HOUTX TTP LEGACY, LLC (Landlord) for 83,500 square feet of building space and parking at 9250 Kirby Drive, Suite 100, for HHD to address the COVID-19 public health emergency.

**DISASTER RECOVERY NOTE:** This item is related to the impact of COVID-19 and it is the City's intent to use other federal funding sources for eligible expenditures, namely the Coronavirus Relief Fund.

**FISCAL NOTE:** No Fiscal Note is required on grant items.

**FUNDING SUMMARY:**

\$1,306,044.00 (FY2021)  
\$2,713,749.98 (Out-going years)  
**\$4,019,793.98 Total**

**DIRECTOR'S SIGNATURE/DATE:**

DocuSigned by:

*C.J. Messiah, Jr.* 10/7/2020

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C. J. Messiah, Jr.  
General Services Department

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DocuSigned by:

*Stephen J. Williams* 10/8/2020

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Stephen J. Williams, M.Ed., M.P.A.  
Houston Health Department

**Amount of Funding:**

\$ 3,720,653.92 Federal Government – Grant Funded (5000) Epidemiology and the Lab  
Capacity Act  
\$ 299,140.06 CARES Act 2020 Fund (5307)  
**\$ 4,019,793.98 Total Funding**

**Contact Information:**

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Council Liaison  
Phone: 832.393.8023

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*JLN*

**ATTACHMENTS:**

**Description**

[Lease Agreement 9250 Kirby](#)  
[Source of funding](#)  
[Ordinance \(revised\)](#)

**Type**

Contract/Exhibit  
Backup Material  
Ordinance/Resolution/Motion