

Controller's Office

To the Honorable Mayor and City Council of the City of Houston, Texas:

I hereby certify, with respect to the money required for the contract, agreement, obligation or expenditure contemplated by the Ordinance set out below that:

- Funds have been encumbered out of funds previously appropriated for such purpose.
- Funds have been certified and designated to be appropriated by separate ordinance to be approved prior to the approval of the Ordinance set out below.
- Funds will be available out of current or general revenue prior to the maturity of any such obligation.
- No pecuniary obligation is to be incurred as a result of approving the ordinance set out below.
- The money required for the expenditure or expenditures specified below is in the treasury, in the fund or funds specified below, and is not appropriated for any other purposes.
- A certificate with respect to the money required for the expenditure or expenditures specified below is attached hereto and incorporated hereby by this reference.
- Other - Grant Funds Available.

[Handwritten Signature]
Jerald B. Brown

Date: 10-20, 2020

City Controller of the City of Houston

MS
FUND REF: 1000-5520 ⁵⁵⁰¹¹⁵ AMOUNT: \$668,949.37 ENCUMBRANCE NO: FR 3-5504
0A 4600010556

City of Houston, Texas, Ordinance No. 2020 - 896

A

AN ORDINANCE APPROVING AND AUTHORIZING AN INCREASE IN SPENDING AUTHORITY FOR THE LEASE AGREEMENT BETWEEN G&I VIII JEFFERSON LP (AS SUCCESSOR IN INTEREST TO CULLEN CONTINENTAL II CO. L.P.), LANDLORD, AND THE CITY OF HOUSTON, TEXAS, TENANT, APPROVED BY ORDINANCE NO. 2010-705; CONTAINING VARIOUS FINDINGS AND OTHER PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EMERGENCY.

* * * * *

WHEREAS, on September 1, 2010, the City Council of the City of Houston, Texas ("City"), passed and adopted Ordinance No. 2010-705, approving a lease agreement between Cullen Continental II Co. L.P., as landlord, and the City of Houston, Texas, as tenant (the "Lease Agreement"); and

WHEREAS, on October 31, 2014, Cullen Continental II Co. L.P. conveyed the real property located at 600 Jefferson Street, Houston, Texas (the "Property"), to G&I VIII Jefferson LP and assigned its interest in the Lease Agreement to G&I VIII Jefferson LP; and

WHEREAS, the Lease Agreement allows the Houston Fire Department ("HFD") to occupy approximately 63,850 square feet of office space at the Property, together with approximately 166 parking spaces (the "Leased Premises"); and

WHEREAS, the funding allocated to the Lease Agreement is in an amount not to exceed \$13,737,753.17 (the "Initial Allocation") to pay the monthly rent payments (the "Monthly Payments"); and

WHEREAS, the Lease Agreement, which has a ten-year initial term (the "Term"), will expire on February 28, 2021; and

WHEREAS, HFD has decided not to exercise its renewal option under the Lease Agreement, and is currently exploring other rental property options in the Central Business District; and

WHEREAS, Section 18.2 of the Lease Agreement provides that in the event that the City remains in possession of the Leased Premises after expiration of the Lease Agreement, the City may continue to occupy the Leased Premises as a month-to-month tenant by making holdover rent payments at a rental rate equal to the Monthly Payment due under the Lease Agreement immediately prior to the expiration of the Term; and

WHEREAS, HFD anticipates that it will exercise the holdover provision under the Lease Agreement for four months, for the period from March 2021 through June 2021, while it secures other rental space; and

WHEREAS, since the Initial Allocation is not sufficient to cover the remaining Monthly Payments during the Term and the holdover rent payments for the period from March 2021 through June 2021, an additional funding allocation of \$668,949.87 is needed to cover the remaining Monthly Payments during the Term and the holdover rent payments from March 2021 through June 2021 in the maximum contract amount of \$14,406,703.04; **NOW THEREFORE**,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HOUSTON, TEXAS:

Section 1. That the City Council of the City of Houston, Texas, hereby ratifies, confirms and adopts the findings and recitals contained in the preamble to this Ordinance and further finds that the finding and recitals are true and correct.

Section 2. That the spending authority for the Lease Agreement approved by Ordinance No. 2010-705 is hereby increased by \$668,949.87, from the Initial Allocation of \$13,737,753.17 to the maximum contract amount of \$14,406,703.04, to cover the funding

shortfall for the remainder of the ten-year term of the Lease Agreement expiring on February 28, 2021, and holdover rent payments for the period of March 2021 through June 2021.

Section 3. That the City Attorney is hereby authorized to take all actions necessary to enforce all legal obligations under such contract, agreement, or other undertaking without further authorization from the City Council.

Section 4. That there exists a public emergency requiring that this Ordinance be passed finally on the date of its introduction as requested in writing by the Mayor; therefore, this Ordinance shall be passed finally on such date and shall take effect immediately upon its passage and approval by the Mayor; however, in the event that the Mayor fails to sign this Ordinance within five days after its passage and adoption, it shall take effect in accordance with Article VI, Section 6, Charter of the City of Houston, Texas.

PASSED AND ADOPTED on this the 21st day of October, 2020.

APPROVED on this the _____ day of _____, 2020.

Mayor of the City of Houston

Pursuant to Article VI, Section 6, of the Charter of the City of Houston, Texas, the effective date of the foregoing Ordinance is OCT 27 2020, 2020.

Art J. Haney
City Secretary

Prepared by Legal Dept. *Mary Buzak*
MFB/mfb 10/12/20 Senior Assistant City Attorney
C.J. Messiah, Jr., Director – General Services Department
L.D. File No. 0331000059003

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AYE	NO	
✓		MAYOR TURNER
....	COUNCIL MEMBERS
✓		PECK
✓		DAVIS
✓		KAMIN
✓		EVANS-SHABAZZ
✓		MARTIN
✓		THOMAS
✓		TRAVIS
✓		CISNEROS
✓		GALLEGOS
✓		POLLARD
✓		MARTHA CASTEX-TATUM
✓		KNOX
✓		ROBINSON
✓		KUBOSH
✓		PLUMMER
✓		ALCORN
CAPTION	ADOPTED	