



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 8/10/2021

District C

Item Creation Date: 7/27/2021

25CF95 Fourth Amendment to Lease at 1702 Seamist for HPW

Agenda Item#: 24.

Background:

RECOMMENDATION: Approve and authorize a Fourth Amendment to the Lease Agreement between JAKLL Holdings, LLC (Landlord) and City of Houston (Tenant) at 1702 Seamist Drive, Suite 300 for the Engineering and Construction Division of the Houston Public Works Department.

SPECIFIC EXPLANATION: The General Services Department recommends approval of a Fourth Amendment to the Lease Agreement with JAKLL Holdings, LLC (Landlord), successor in interest to L.S. Decker Investments, Inc., for 5,115 square feet of office space at 1702 Seamist Drive, Suite 300, for the Engineering and Construction Division of the Houston Public Works Department (HPW). HPW's engineering and construction inspectors have utilized this lease space since 1999.

The First Amendment extended the lease term from September 1, 2006 through August 31, 2011. The Second Amendment extended the lease term from September 1, 2011 through August 31, 2016. The Third Amendment extended the lease term from September 1, 2016 and will expire August 31, 2021. The current monthly rental is \$6,956.40 (\$16.32/SF/YR).

The proposed Fourth Amendment will extend the lease term from September 1, 2021 until April 15, 2023 and increase the monthly rate to \$7,165.26 (\$16.81/SF/YR) for the first twelve months and \$7,380.22 (\$17.31/SF/YR) for the remaining term. Tenant shall have the option to renew the Lease for an additional five or seven year term at market rate.

Rent shall be as follows:

Term	Price Per Sq. Ft.	Monthly Rent
9/1/2021 to 8/31/22	\$16.81	\$7,165.26
9/1/2022 to 4/15/2023	\$17.31	\$7,380.22

Funding Summary:

\$ 71,652.60 FY22 (10 months)

\$ 69,682.17 Out-going years

\$141,334.77 Total Funding


The landlord will provide maintenance, utilities, and janitorial services.

All other terms and conditions of the original lease remain the same.

FISCAL NOTE: Funding for this item is included in the FY2022 Adopted Budget. Therefore, no Fiscal Note is required as stated in the Financial Policies.

DIRECTOR'S SIGNATURE/DATE:

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 7/30/2021

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C. J. Messiah, Jr.
General Services Department

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 8/2/2021

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Carol Ellinger Haddock, P.E.
Houston Public Works


Prior Council Action:

Ordinance 2003-1240; 12/10/2003
Ordinance 2006-913; 9/06/2006
Ordinance 2011-352; 5/18/2011
Ordinance 2016-658; 8/31/2016

Amount of Funding:

\$141,334.77 Project Cost Recovery Fund (1001)

Contact Information


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Council Liaison

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ATTACHMENTS:

Description

[Map](#)

[Fourth Amendment](#)

[Ord 2016-658](#)

Type

Signed Cover sheet

Contract/Exhibit

Backup Material