

LEASE AND FACILITIES USE CONTRACT AGREEMENT

THIS LEASE AND FACILITIES USE CONTRACT AGREEMENT (this "**Lease**") is entered into as of the Effective Date (defined below) between the **County of Harris**, a body politic and corporate under the laws of the State of Texas ("**County**" or "**Landlord**"), and the Texas Office of Court Administration, an agency of the State of Texas ("**TOCA**" or "**Tenant**") (collectively, "**Parties**").

I. RECITALS

A. Landlord is the owner of certain real property described as Lots 1 through 12 in Block 31 of the South Side of Buffalo Bayou, and located at 301 Fannin St., Houston, Texas 77002. The real property and building attached are commonly known as the 1910 Harris County Courthouse (the "**Courthouse**").

B. In 2023, the Texas Legislature adopted House Bill 19 establishing the Texas Business Court as provided under Section 1, Article V of the Texas Constitution and creating the Eleventh Business Court Division composed of the counties of the Eleventh Administrative Judicial Region including Harris County, Texas.

C. Texas Government Code, Sec. 25A.0171 provides that the Texas Business Court is administratively attached to TOCA and Sec. 25A.0171(c) provides that TOCA may contract for the use of space with a county.

D. The Parties desire that Tenant lease space in Landlord's property for the use and benefit of the Office of Court Administration upon the mutual terms and conditions set forth in this Lease for the purpose of locating the Eleventh Business Court Division and its related administrative offices in the Premises (as defined below).

II. AGREEMENT

Landlord and Tenant agree as follows:

1. **Basic Lease Terms.**

1.1. Premises and Property. Landlord leases to Tenant the "**Premises**," which consist of:

Office: an agreed area of approximately 1,962 rentable square feet in the Courthouse and as depicted in purple on the attached **Exhibit A**. The Courthouse building, the land upon which it is situated, all other improvements located on such land, and all common areas appurtenant to the building are referred to as the "**Property**"; and

Hearing Rooms: Separate from the 1,962 square feet, Tenant shall have the right to use rooms 500 and 501 as depicted in green on the attached **Exhibit A**, provided Tenant has scheduled such use with the First and Fourteenth Courts of Appeals.

1.2 Initial Term.

The Initial Term will be for thirty-six (36) months commencing on September 1, 2024 (the "***Delivery Date***") and terminate at 11:59 p.m. on August 31, 2027 (the "***Initial Term***"). Both Tenant and Landlord agree that this term is not intended to act as a sale of real property. Upon the Delivery Date, Landlord shall deliver vacant possession of the Premises in broom clean condition free of any prior tenant or users' possessions, including cabling and wiring, to Tenant with keys and all utilities in working order. This Lease may be terminated by the TOCA without liability upon 30-day notice to the Lessor.

This Lease is made and entered into in accordance with and subject to the provisions of the Texas Constitution and Texas Government Code Sec. 25A.0171(c), and is made contingent upon the continuation of the availability of money appropriated by the legislature to pay for the Lease. In the event the Legislature or the Judicial Branch of the State of Texas cease to fund the Lease, or the Business Court ceases to exist as a result of Legislative action, then the Lessor may terminate this Lease.

1.3. Renewal Option. By mutual agreement between Tenant and Landlord, this Lease may be renewed up to two times for periods of 60 months each. Tenant shall give Lessor written notice of its intention to exercise this option at least 180 days prior to the expiration of this Lease.

1.4. Rent. The gross monthly rental for the Premises comprised of 1,962 square feet of space is \$25.00 annual rate per square foot for a total of \$4,087.50 per month. On each anniversary date of the Lease commencement, the total monthly rent of the Lease will be adjusted by changes in the Consumer Price Index (CPI) reflecting percentage increases. The percent escalation allowable will be based on the percentage change in the CPI for Urban Wage Earners and Clerical Workers, Current Series, (CPI-W, U.S. City Average, All Items, not seasonally adjusted) published by the United States Department of Labor, Bureau of Labor Statistics. The index may be obtained from the U.S. Bureau of Labor Statistics web site at www.bls.gov. The index month shall be three (3) months prior to the anniversary month for the current year and the previous year shall be used to determine the percent increase. A Base Factor of 100% of the monthly rent will be used in the calculation for the escalation.

1.5. Notice and Payment Addresses.

Landlord:

Harris County
Harris County Administration Building
ATTN: Harris County Judge
1001 Preston, 9th Floor
Houston, Texas 77002

With a Copy to:
Harris County Engineering Department
1111 Fannin St., 7th Floor
Houston, Texas 77002
Attn: Leasing Department

Tenant: Texas Office of Court Administration
Attn: Megan LaVoie/Administrative Director
P.O. Box 12066
Austin, Texas 78711-2066
Phone: 512-463-1625
Email: Megan.LaVoie@txcourts.gov

2. Utilities. Landlord shall furnish the following services to the Premises: water, electricity, sewer, and heating, ventilation and air conditioning ("**HVAC**") for the Premises. Heating and air conditioning to the premises are operated during regular business hours on weekdays from 6:30AM until 5:00PM. If Tenant requires heating or air conditioning outside regular business hours, Tenant must notify Landlord at least 72 hours prior and pay for the costs thereof as determined by Landlord.

3. Parking. Landlord shall provide, for Tenant's use, ten (10) reserved parking spaces in the parking garage located at 1019 Congress St., Houston, Texas, 77002. Tenant will pay the standard monthly rate that is charged by Landlord to Landlord's employees. Standard monthly rates may change from time to time. Landlord will provide Tenant with fourteen (14) days' notice of such change. Tenant will pay the new rates upon receiving such notice. The current standard monthly rate for reserved spaces is ninety dollars (\$90.00).

4. Common Areas. Tenant shall have the non-exclusive right to use the Common Areas. Tenant shall not materially interfere with the use of Common Areas by others. Landlord shall maintain the Common Areas in good order, condition and repair. Without limiting the foregoing, Landlord shall keep the Common Areas in clean, safe, and orderly condition and shall maintain any landscaping on the Property in neat condition. As used in this Section, "**Common Areas**" means all areas, facilities and building systems that are provided for the general non-exclusive use and convenience of Tenant with other occupants of the Property. Common Areas include without limitation hallways, stairs, elevators, driveways, walkways, terraces, loading areas, restrooms, trash facilities, kitchens, parking areas and garages, roadways, pedestrian sidewalks, landscaped areas, common heating, ventilating and air conditioning systems, common electrical service, equipment and facilities, and common mechanical systems, equipment and facilities. Landlord reserves the use of exterior walls and the roof, and the right to install, maintain, use, repair and replace pipes, ducts, conduits, and wires leading through the Premises in areas which will not materially interfere with Tenant's use thereof. Landlord shall be responsible, throughout the Lease term, for ensuring that the building (excluding the Premises) and the Common Areas comply with all Applicable Laws, including but not limited to the ADA, whether existing as of the Effective Date or as enacted, supplemented or modified from time to time.

5. Repairs and Maintenance. Tenant shall, at its sole expense, maintain the Premises in good condition and promptly make, subject to Landlord approval, all non-structural repairs and replacements necessary to keep the Premises safe and in good condition. Tenant shall notify Landlord prior to making such repairs and seek Landlord approval for same.

Landlord shall, at its sole expense, maintain in good condition, repair, and replace as necessary the building structure, HVAC systems, plumbing, windows, foundation, slab, flashings, exterior walls, roof (including roof membrane, roof decking, roof gutters and drains), awnings, all utilities and other systems serving the Premises, and the Common Areas (including parking and landscaped areas located on the Property). The Parties shall not be responsible for any repairs to the Premises or Property made necessary by the negligence or willful misconduct of the other Party or its agents, employees, contractors, or invitees.

6. Surrender. Upon expiration of the Lease term or earlier termination of this Lease, Tenant shall surrender the Premises to Landlord in as is condition, reasonable wear and tear and casualty excepted. Landlord shall be deemed the owner of all improvements as of the expiration of this Lease except for personal property, furniture, equipment, and removable trade fixtures. Should Tenant fail to remove any personal property, furniture, equipment, or trade fixtures within thirty (30) days following the expiration of the Lease, the property so left shall become Landlord's property with Tenant forfeiting all rights and claims to same, and Landlord may retain, remove, sell or otherwise dispose of the abandoned property in such manner as it shall elect in its sole discretion.

7. Entry into Premises. Landlord shall have reasonable access to the Premises for purposes of inspecting the Premises and performing maintenance and repairs as may be required or permitted under this Lease.

8. Destruction or Condemnation. If the Premises or a portion thereof, or a portion of the Property necessary for Tenant's occupancy, are damaged by fire or other casualty, or taken by a governmental authority (or conveyed in lieu of condemnation), then Tenant's sole remedy is to terminate this Lease by giving written notice to Landlord, in which case the Lease will terminate as of the date of termination specified in such notice.

9. Insurance. Landlord is self-insured pursuant to Tex. Government Code § 2259.031 and its statutory liability is limited under the Texas Tort Claims Act (Chapter 101, et seq., Tex. Civ. Prac. & Rem. Code Ann.) to a maximum amount of \$250,000 per person and \$500,000 for each single occurrence for bodily injury or death and \$100,000 for each single occurrence for injury to or destruction of property. Under its status as a political subdivision, Landlord does not provide or purchase insurance for Commercial General Liability, including blanket contractual liability, broad form property damage, personal and advertising injury, completed operations/products liability, medical expenses, and interest of employees as additional insureds. Additionally, as a political subdivision, Landlord provides Workers' Compensation benefits to Landlord's employees under a self-insurance plan pursuant to Tex. Labor Code Ann § 504.011, as amended. Landlord is a political subdivision of the State of Texas and has only such authority to obtain insurance from third parties as is granted to Landlord by state law or as may reasonably be implied by such law. Landlord shall have no obligation under this Lease to obtain policies of insurance and shall have the right, in Landlord's sole discretion, to determine whether Landlord will maintain policies of insurance, operate programs of self-insurance, or utilize any other program of risk protection in connection with Landlord's use and occupancy of the Premises.

10. Hazardous Substances. Tenant shall not cause or permit any storage, use, sale, release, generation or disposal of any Hazardous Materials (as defined below) in, on or about the Premises or the building; provided, however, Tenant shall be permitted without notice or Landlord's written consent to handle, store, use, or dispose of products containing small and lawful quantities of Hazardous Materials, such as ordinary cleaning and ordinary maintenance products used by Tenant for cleaning and maintenance. Landlord represents to Tenant that the Property does not as of the Effective Date contain and is free from all hazardous substances or wastes, toxic and nontoxic pollutants and contaminants including, but not limited to, petroleum products and asbestos ("*Hazardous Substances*").

11. Quiet Enjoyment. Landlord covenants and agrees that Tenant, upon performance of all of Tenant's obligations under this Lease, and for so long as Tenant is not in default under this Lease, shall lawfully and quietly hold, occupy, and enjoy the Premises during the Term of this Lease without disturbance by Landlord or by any person having title paramount to Landlord's title or by any person claiming under Landlord except in cases where emergency circumstances arise.

12. Legal Compliance. All use of the Premises and Property by the Parties shall comply with all applicable Federal, State, and local (e.g., County, City or other local jurisdiction) laws, regulations, or binding directives (collectively, "*Applicable Laws*").

13. Default. Either Party shall be deemed to be in default under this Lease if such Party (the "*Defaulting Party*") fails to perform any of its obligations under this Lease, and such failure continues for thirty (30) days following receipt of written notice from the other Party (the "*Non-Defaulting Party*") of such failure to perform; provided, however, that if the nature of such failure is such that the Defaulting Party cannot reasonably cure it within such thirty (30) day period, then the cure period shall be extended as reasonably necessary so long as the Defaulting Party commences its cure within such period and diligently pursues cure to completion, which must occur within a reasonable period of time not to exceed ninety (90) days. Notwithstanding the preceding sentence, if other provisions of this Lease provide for a longer or shorter cure period for a particular type of breach, such other cure period will apply. In the event of default beyond the applicable cure period, the Non-Defaulting Party may exercise all rights and remedies available at law and/or in equity.

14. Notices. Wherever any notice is required or permitted hereunder, such notice shall be in writing. Any notice or document required or permitted to be delivered hereunder shall be deemed to be delivered when deposited in the United States mail, postage prepaid, Certified or Registered Mail, Return Receipt Requested, addressed to the Parties hereto at their respective addresses as set forth in section 1.8 or at such other address as they may have hereinafter specified by written notice.

15. Publicity; Written Consent. Neither Party shall, without the other Party's prior written consent, issue or release any announcement, statement, press release, or other publicity or marketing materials relating to the other Party or any services performed for the other Party, or otherwise use the name, logo, trademarks, service marks, or other trade names of the other Party or any individual associated with the other Party in publicity releases, promotional material, customer lists, advertising, or other marketing. The restrictions in this Section apply

to posts on a Party's website and social media sites and platforms, including without limitation Facebook, Instagram, YouTube, Twitter, and LinkedIn. This Section shall survive the termination of this Lease.

16. Confidentiality.

16.1. The Parties expressly acknowledge that this Lease is subject to the Texas Public Information Act, Tex. Gov't Code Ann. §§ 552.001 et seq., as amended (the "Act") and Rule 12 of the Rules of Judicial Administration. The Parties expressly understand and agree that the Landlord and Tenant shall release any and all information necessary to comply with Texas law and Supreme Court of Texas Rules of Judicial Administration without the prior written consent of the other.

16.2. It is expressly understood and agreed that the County, its officers and employees may request advice, decisions and opinions of the Attorney General of Texas ("Attorney General") in regard to the application of the Act to any software, or any part thereof, or other information or data furnished to the County, whether or not the same are available to the public. It is further understood that the County, its officers and employees shall have the right to rely on the advice, decisions, and opinions of the Attorney General, and that the County, its officers, and employees shall have no liability or obligations to Tenant for the disclosure to the public, or to any person or persons, of any software, or a part thereof, or other information or data furnished to the County in reliance on any advice, decision or opinion of the Attorney General.

16.3. In the event the County receives a written request for information pursuant to the Act that affects Tenant's rights, title to, or interest in any information or data or a part thereof, furnished to the Landlord by Tenant under this Lease, then the Landlord will promptly notify Tenant of such request. Tenant may, at its own option and expense, prepare comments and submit information directly to the Attorney General stating why the requested information is exempt from disclosure pursuant to the requirements of the Act. Tenant is solely responsible for submitting the memorandum brief and information to the Attorney General within the time period prescribed by the Act. Tenant is solely responsible for seeking any declaratory or injunctive relief regarding the disclosure of information that it deems confidential or privileged.

17. Electronic Mail Addresses. Tenant affirmatively consents to the disclosure of its e-mail addresses that are provided to Landlord, including any agency or department of Landlord. This consent is intended to comply with the requirements of the Act and shall survive termination of this Agreement. This consent shall apply to e-mail addresses provided by Tenant and agents acting on behalf of Landlord and shall apply to any e-mail address provided in any form for any reason whether related to this Agreement or otherwise.

18. General Provisions.

18.1. Successors and Assigns. This Lease shall apply to and be binding upon Landlord and Tenant and their respective successors and assigns. Tenant may not assign all or part of this Lease without the prior written consent of Landlord.

18.2. Entire Agreement. This Lease contains all the covenants and agreements between Landlord and Tenant relating to the Premises. No prior or contemporaneous agreements or understanding pertaining to the Lease shall be valid or of any force or effect and the covenants and agreements of this Lease shall not be altered, modified, or added to except in writing signed by Landlord and Tenant.

18.3. Waiver. Nothing in this Lease shall be construed as creating any personal liability on the part of any officer, director, employee, or agent of any public body that may be a Party to the Lease. The Parties expressly agree that the execution of this Lease does not create any personal liability on the part of any officer, director, employee, or agent of either Party. The Parties further agree that no provision of this Lease extends either Party's liability beyond the liability provided in the Texas Constitution and the laws of the State of Texas. Neither the execution of this Lease nor any other conduct of either Party relating to the Lease shall be considered a waiver by Landlord or Tenant of any right, defense, or immunity under the Texas Constitution or the laws of the State of Texas.

18.4. Governing Law. This Lease shall be governed by the laws of the State of Texas. The exclusive venue for any cause of action or claim arising out of this Lease is in a state or federal court of competent jurisdiction in Houston, Harris County, Texas.

18.5. Effective Date. The "Effective Date" of this Lease means the last date upon which both Tenant and Landlord have executed this Lease as shown beneath their signatures on the signature pages below.

18.6. Landlord and Tenant's Title and Authority. Landlord represents and warrants as follows: (a) Landlord has fee simple title to the Property; (b) Landlord has full right, power and authority to execute, deliver and perform this Lease, and all required action and approvals therefore have been duly taken and obtained; (c) no other person or entity is required to sign this Lease to make it binding and enforceable against Landlord in accordance with its terms; and (d) this Lease will not result in a breach of or constitute a default of any instrument or agreement to which Landlord or the Property is subject or bound. The individual(s) executing this Lease on behalf of Landlord represent and warrant that they are duly authorized to do so and that, by their execution of this Lease, Landlord is bound by the terms of this Lease. Tenant represents and warrants as follows: (a) Tenant has full right, power and authority to execute, deliver and perform this Lease, and all required action and approvals therefore have been duly taken and obtained; (b) no other person or entity is required to sign this Lease to make it binding and enforceable against Tenant in accordance with its terms; and (c) this Lease will not result in a breach of or constitute a default of any instrument or agreement to which Tenant or the Property is subject or bound. The individual(s) executing this Lease on behalf of Tenant represent and warrant that they are duly authorized to do so and that, by their execution of this Lease, Tenant is bound by the terms of this Lease.

18.7. Counterparts; Electronic Signatures. This Lease may be executed in any number of identical counterparts, each of which for all purposes shall be deemed an original document and all of which together shall constitute but one and the same document. The Parties agree to accept electronic signatures and/or remotely notarized documents and intend to be bound by them.

LANDLORD:

COUNTY OF HARRIS, a body corporate and politic under the laws of the State of Texas

By: _____
Lina Hidalgo, County Judge

Date: _____

APPROVED AS TO FORM:

CHRISTIAN D. MENEFE
County Attorney

By: Raychel Johnson
Raychel Johnson
Assistant County Attorney
CA File No: 24RPD0065

TENANT:

TEXAS OFFICE OF COURT ADMINISTRATION, an agency of the State of Texas

By: Megan LaVoie
Megan LaVoie, Administrative Director
4/10/2025

Date: _____

ORDER OF COMMISSIONERS COURT

Authorizing execution of a Lease and Facilities Use Contract Agreement between
Harris County and Texas Office of Court Administration

The Commissioners Court of Harris County, Texas convened at a meeting of said Court at the Harris County Administration Building in the City of Houston, Texas, on the ____ day of _____, 2025, with all members present except _____.

A quorum was present. Among other business, the following was transacted:

**ORDER AUTHORIZING EXECUTION OF A LEASE AND FACILITIES USE
CONTRACT AGREEMENT BETWEEN HARRIS COUNTY AND TEXAS OFFICE OF
COURT ADMINISTRATION**

Commissioner _____ introduced an order and made a motion that the same be adopted. Commissioner _____ seconded the motion for adoption of the order. The motion, carrying with it the adoption of the order, prevailed by the following vote:

Vote of the Court	<u>Yes</u>	<u>No</u>	<u>Abstain</u>
Judge Hidalgo	___	___	___
Comm. Ellis	___	___	___
Comm. Garcia	___	___	___
Comm. Ramsey	___	___	___
Comm. Briones	___	___	___

The County Judge thereupon announced that the motion had duly and lawfully carried and that the order had been duly and lawfully adopted. The order thus adopted follows:

IT IS ORDERED that County Judge Lina Hidalgo be, and she is hereby, authorized to execute for and on behalf of Harris County, a Lease and Facilities Use Contract Agreement between Harris County and Texas Office of Court Administration. The Lease and Facilities Use Contract Agreement is incorporated here as though fully set forth word for word.

All Harris County officials and employees are authorized to do any and all things necessary or convenient to accomplish the purpose of this Order.

