
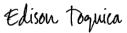
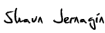





## SHERIFF ED GONZALEZ

SHERIFF'S OFFICE 1200 Baker Street, Houston, Texas 77002 ★ (346) 286-1600 ★ www.sheriff.hctx.net

**TO:** Ed Gonzalez, Sheriff   
**THRU:** Edison Toquica, Chief Deputy   
**THRU:** Michael Lanham, Director of Finance  
**THRU:** Shaun Jernagin, Financial Administrator   
**THRU:** Brian Schmitz, Grant Manager   
**FROM:** LaStacia Spencer, Grant Analyst  
**DATE:** Thursday, September 08, 2022  
**SUBJECT:** Texas Anti-Gang (TAG) Center Lease Agreement

The Grants Management Office requests approval to submit to Commissioners Court a lease agreement with 2500 TC Jester Property, LLC. This agreement will cover a ten-year period (September 1, 2022 - August 31, 2032) for use of the space where the Texas Anti-Gang (TAG) Center is located. Funding for this agreement has been awarded through the GY '23 Texas Anti-Gang Center grant from the Texas Office of the Governor (OOG).

Your consideration in this matter is greatly appreciated.

Regards,



LaStacia Spencer  
Grant Analyst



### THIRD AMENDMENT TO OFFICE LEASE

This Third Amendment to Office Lease (this “Third Amendment”) is made and entered into by and between **2500 TC Jester Property, LLC** (“Landlord”), and **Harris County, a body corporate and politic under the laws of the State of Texas** (“Tenant” or the “County”), to be dated effective on and as of the date on which both the Landlord and Tenant have executed this Third Amendment (the “Effective Date”).

#### WITNESSETH:

WHEREAS, Landlord and Tenant heretofore executed and entered into that certain Office Lease dated January 5, 2016 (“Original Lease”), that certain First Amendment to Office Lease approved by the Commissioners Court on July 31, 2018 (the “First Amendment”), and that certain Second Amendment to Office Lease approved by the Commissioners Court on August 27, 2019 (the “Second Amendment”; together with the Original Lease and First Amendment referred to herein as the “Lease”) pursuant to which Tenant currently leases from Landlord a total of approximately 38,561 rentable square feet, comprised of Suite 334 (150 RSF), Suite 335 (608 RSF), Suite 345 (11,951 RSF) and Suite 400 (25,852 RSF) (the “Premises”) on the third and fourth floors of 2500 E TC Jester Blvd., Houston, Harris County, Texas 77008 (the “Building”) and being depicted on the attached **Exhibit “A”**; and

WHEREAS, Landlord and Tenant desire to amend the Lease to, among other things, expand the Premises, all as more particularly described below;

NOW, THEREFORE, for and in consideration of the Premises, the mutual covenants of the undersigned parties, and other good and valuable consideration contained herein, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant agree that the Lease is hereby ratified and amended as follows:

1. With the exception of the terms specifically amended herein, the Lease shall remain in full force and effect in accordance with all its terms. In the event of any conflict between the terms of this Third Amendment and the terms of the Lease, the terms of this Third Amendment shall supersede and control.
2. Landlord and Tenant hereby agree to expand the Premises an additional 5,297 rentable square feet (the “Third Amendment Expansion Premises” as depicted on the attached **Exhibit “A”**) to a total of 43,858 rentable square feet commencing on the “Third Amendment Commencement Date” subject to the terms set forth herein. The Third Amendment Commencement Date shall be September 1, 2022. The Term shall be one hundred twenty (120) months and shall end August 31, 2032 (the “Third Amendment Expiration Date”).
3. **Pre-Paid Rent.** Within sixty (60) business days of the Effective Date, Tenant shall tender to Landlord Pre-Paid Rent in the amount of Ten-Million Three-Hundred Fifty-Thousand and No/100 Dollars (\$10,350,000.00). Notwithstanding anything to the contrary contained herein, any delay of thirty (30) days or less in Tenant’s tender of Pre-Paid Rent to Landlord shall not be considered a breach of the Lease, an event of default, or Tenant’s Default (as defined in herein).

<b>Rent Schedule</b>					
From	To	Months	\$/SF-YR	Monthly	Cumulative
9/1/2022	8/31/2032	120	\$ 23.60	\$ 86,250.00	\$10,350,000.00

4. **Acceptance of Premises.** Paragraph 2 of the Original Lease is hereby deleted. Notwithstanding anything to the contrary contained herein, as of the Third Amendment Commencement Date, Tenant shall have full use of and access to the Third Amendment Expansion Premises. Landlord may commence and/or continue any additional work or construction as set forth on the attached Work Letter necessary to provide Tenant full use and enjoyment of the Third Amendment Expansion Premises without interruption to Tenant’s use and occupancy of the same.
5. **Tenant Improvements.** Landlord shall provide Tenant with a Tenant Improvement Allowance (the “Improvement Allowance”) up to Two-Hundred Sixty-Thousand and No/100 Dollars (\$260,000.00) using building standard materials and finishes or better according to plans to be mutually agreed upon by Landlord and Tenant. Construction supervision and management of contractors performing work on the Improvements shall be provided by Landlord at no additional cost and

as further described in the attached Exhibit "W-2". Landlord, at its option, may separate and utilize up to \$260,000.00 of the Pre-Paid Rent towards the Improvement Allowance further described in Exhibit "W-2".

6. Generator. Landlord shall provide Generator Allowance of One-Million and No/100 Dollars (\$1,000,000.00) for the installation of a 600 KW generator for Tenant's sole and exclusive use. The supervision of installation, construction, and management of the installation of the generator and all necessary maintenance for the generator will be provided by Landlord at no additional cost, and as further described in "Exhibit W-2". Landlord, at its option, may separate and utilize up to \$1,000,000.00 of the Pre-Paid Rent towards the Generator Allowance further described in Exhibit "W-2". The generator shall be for the sole and exclusive use of Tenant during the Term of the Lease. Tenant shall be responsible for providing fuel for generator use as necessary to provide emergency power. Any use of the generator for emergency power provision for use in the Building outside of the Premises occupied and used by Tenant, or by the Landlord and/or Landlord employees, agents, or contractors, or by Landlord's other tenants shall be accounted for by the Landlord and Landlord shall immediately reimburse Tenant for any and all such usage.

7. Landlord Obligations.

- a. HVAC. Section 3(a)2 of the Original Lease shall be replaced with the following:

2) heated and refrigerated air conditioning from Monday through Friday 7:00 am to 6:00 pm, Saturday 8:00 am to 2:00 pm at such temperatures and in such amounts as reasonably considered necessary by Landlord and considered standard with all other similar class buildings in the submarket; service on Sundays, and holidays are optional on the part of the Landlord (there is an additional \$25.00 per hour after hours HVAC usage charge). EXCEPT FOR AFTER HOURS CHARGES INCURRED AT TENANT'S REQUEST AS STATED HEREIN, NO UTILITY ESCALATION, NO ADDITIONAL RENT, OR ESCALATION OF RENT FOR HVAC SHALL BE INCURRED BY TENANT DURING THE TERM OF THE LEASE.

- b. Paragraph 3(b) of the Original Lease is hereby deleted and replaced with the following:

Landlord shall furnish electrical current required for normal office use of the Premises during normal business hours as outlined in this Section.

- c. Paragraph 3(c) of the Original Lease is hereby deleted and replaced with the following:

Failure to furnish, stoppage, or interruption of these services resulting from any cause shall not render Landlord liable in any respect for damages to either person, property or business, or be construed as an eviction of Tenant, work an abatement of rent, or relieve Tenant from performance of its obligations. Should any equipment furnished by Landlord cease to function properly, Landlord shall use reasonable diligence to repair the same promptly. Landlord shall not be obligated to furnish these services if Tenant is in monetary default under this Lease. Notwithstanding any other provisions to the contrary in this lease, should stoppage of any services render substantially all of the Premises untenantable for more than fifteen (15) consecutive days and be the result of a cause other than force majeure or the failure of utilities to the building, and within the control of the Landlord, Tenant shall have the right to terminate the Lease upon written notice to Landlord after the fifteenth (15<sup>th</sup>) day by giving written notice to Landlord prior to full restoration of service. As used herein, "untenantable" means the Premises is in a condition not reasonably usable or accessible by Tenant or its employees for the conduct of business.

8. Use of Premises. Paragraph 5 of the Original Lease is hereby deleted and replaced with the following:

Tenant will use the Premises for office purposes only. Tenant shall not: use or occupy the Building for any purpose which is unlawful or dangerous; permit the maintenance of any nuisance, disturb the quiet enjoyment for all of the Building, emit offensive odors or conditions into other portions of the Building or use any apparatus which might create undue noise or vibrations. Tenant shall not permit anything to be done which would increase any insurance rates on the Building or its contents; however, any such payment shall not waive Tenant's duty to comply with this Lease. Landlord and any agent thereof does not represent or warrant that the Premises or Building conforms to applicable restrictions, ordinances, requirements, or other matters that may relate to Tenant's intended use, or with respect to the presence on, in or near the Premises or Building of hazardous substances, biological matter (including, but not limited to, mold, mildew and fungi) or materials which are categorized as hazardous or toxic. Notwithstanding anything contained in the Lease or Third Amendment to the contrary, Landlord approves Tenant's use of the Premises for any and all legal purposes.

9. Assignment. Paragraph 10 of the Original Lease is hereby deleted and replaced with the following:

Tenant shall not assign this Lease by operation of law or otherwise (including without limitation by transfer of stock, merger, or dissolution), mortgage or pledge the same, or sublet the Premises or any part thereof, without prior written consent of Landlord, which consent shall not be unreasonably withheld, delayed or conditioned. Landlord's consent to an assignment or subletting shall not release Tenant from any obligation hereunder, and Landlord's consent shall be required for any subsequent assignment or subletting. If Tenant desires to assign or sublet the Premises, it shall so notify Landlord at least thirty (30) days in advance, and shall provide Landlord with a copy of the proposed assignment or sublease and any additional information requested to allow Landlord to make informed judgments as to the proposed transferee. After receipt of notice, Landlord may elect to: (i) Consent to the proposed assignment or sublease; or (ii) Withhold its consent in writing. Acceptance shall be deemed to be elected unless Landlord gives Tenant written notice otherwise.

10. Taxes. Paragraph 14 of the Original Lease is hereby deleted.

11. Events of Default. Paragraph 16 of the Original Lease is hereby deleted and replaced in its entirety with the following:

Any of the following shall constitute an event of default by the Tenant ("Tenant's Default") hereunder: Tenant: (1) being declared insolvent according to any law, (2) having its property assigned for the benefit of its creditors, or (3) having a receiver or trustee appointed for itself or its property.

The following shall constitute an event of default by the Landlord ("Landlord's Default") hereunder: The failure of Landlord to perform one or more of the obligations set forth under the terms and provisions of the Lease, any Lease Amendments, and/or any Work Letters, but only to the extent that any failure by Landlord to observe and perform under any such term or provision continues for ten (10) business days after notice to Tenant or longer if Landlord has commenced to diligently cure and continues to make reasonable progress towards curing the same to Tenant's reasonable satisfaction.

12. Force Majeure. Paragraph 20 of the Original Lease is hereby deleted and replaced in its entirety with the following:

Whenever a period of time is prescribed for action to be taken by Landlord or Tenant, either shall not be liable or responsible for, and there shall be excluded from the computation for any such period of time, any delays due to strikes, riots, acts of God, shortages of labor or materials, war, governmental laws, regulations, or restrictions which are beyond the control of Landlord or Tenant.

13. Integrated Agreement. Paragraph 29 of the Original Lease is hereby deleted and replaced with the following:

14. No provision of this Lease may be amended or added to except by an agreement in writing signed by the parties or their respective successors in interest. No lease or other agreement by and between the Landlord and a third party, whether executed contemporaneously with or subsequent to the execution of this Lease, having as its subject matter the "Premises," as that term is used and defined herein, whether in whole or in part ("Third Party Lease"), or any provision thereof, shall be construed or interpreted, whether separately, or together with this Lease, as amending, supplementing, replacing, or otherwise modifying any provision of this Lease, including, but not limited to the "Term," as that term is defined and used herein. In no event shall this Lease and any Third Party Lease be construed or interpreted, whether separately or together, as constituting a single, integrated lease agreement.

15. Automatic Renewal. Paragraph 4 of the First Amendment is hereby deleted. Lease shall no longer automatically renew and Tenant has no option to terminate the Lease before the Third Amendment Expiration Date except as otherwise provided under the terms set forth herein.

16. Renewal Option. Tenant shall have the option to renew this Lease for an additional thirty-six (36) month period under the same terms and conditions contained in the Lease with the exception that the rental rate for the renewal term shall be based on the Prevailing Market Rental Rate. Tenant shall be required to give Landlord prior written notice of its intent to exercise the renewal option no less than six (6) months prior to the Third Amendment Expiration Date.

Prevailing Market Rental Rate shall be defined as the amount that a willing comparable, renewal tenant with a renewal right at market would pay and a willing, comparable, landlord of a comparable office building in the market area would accept at arm's length, giving appropriate consideration to tenant improvements, brokerage commissions, and applicable terms and conditions of the tenancy in question.

17. Holdover. If Tenant fails to vacate at the end of the Term, then Tenant shall be a tenant at will and subject to all terms and conditions of the Lease, and, in addition to all other damages and remedies to which Landlord may be entitled, Tenant shall pay a total daily Base Rent equal to Ninety-Five-Thousand and No/100 Dollars (\$95,000.00) per month, prorated daily for any partial month of holdover.
18. Landlord understands and agrees, said understanding and agreement also being of the absolute essence of this Lease, that the total maximum compensation that Landlord may become entitled to hereunder and the total maximum sum that County shall become liable to pay to Landlord under the terms and provisions of this Lease, the Third Amendment, and all amendments and supplements thereto, shall not under any conditions, circumstances, or interpretations thereof exceed Ten-Million Three-Hundred Fifty-Thousand and No/100 Dollars (\$10,350,000.00) to fulfill Tenant's obligations under the Lease. This amount represents the total maximum sum of funds certified available by the Harris County Auditor, as evidenced by the issuance of a Purchase Order by the Harris County Purchasing Agent to Landlord in this amount, for the purpose of fully satisfying and discharging any and all the County's obligations and liabilities which may be incurred by the County under the terms and provisions of this Lease. When and if all the funds so certified are expended for the purposes of satisfying Tenant's obligations pursuant to this Lease, Landlord's sole and exclusive remedy shall be to terminate this Lease. Landlord understands and agrees, the understanding and agreement being of the absolute essence of this Third Amendment, that the County may issue portions of the Limit of Appropriation from multiple fiscal years. Therefore, in accordance with Tex. Loc. Gov't Code § 271.903, Landlord understands and agrees that the County retains the right to terminate at the expiration of each fiscal year without default or damages as to the unexpired portions of this Lease. Failure to certify funds or to certify sufficient funding for any reason shall not be a breach of this Third Amendment. The County's fiscal year runs from March 1-February 28. The County's current fiscal year runs from March 1, 2022 to September 30, 2022. Beginning October 1, 2022, the County's fiscal year shall run from October 1 – September 30.
19. Notwithstanding anything to the contrary contained in the Lease, this Third Amendment or any Work Letter, Tenant shall not be subject to any changes or revisions to its use and occupancy of the Building and Premises on the basis of any Building Rules and Regulations ("Rules") attached to the Lease or subsequently provided to Tenant. The Tenant shall not be liable or responsible for, or obligated to any Rules previously attached to the Lease or subsequently provided to the Tenant in manner, and the same shall not apply to the Tenant, UNLESS AND UNTIL such Rules have been submitted for review and received approval from the Commissioner's Court of Harris County.
20. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THE LEASE OR IN THIS THIRD AMENDMENT THE UNDERSIGNED PARTIES ACCEPT AND AGREE TO TAKE ANY AND ALL LAWFUL STEPS TO ENSURE THAT THE TERMS AND CONDITIONS CONTAINED IN THE LEASE OR THIS THIRD AMENDMENT RELATED TO UNFUNDED OR CONTINGENT LIABILITIES (INCLUDING AND WITHOUT LIMITATION, INDEMNITY OBLIGATIONS) DON NOT CREATE A "DEBT" IN VIOLATION OF THE TEXAS CONSTITUTION, INCLUDING WITHOUT LIMINATION, TAKING SUCH STEPS TO THAT END AS ARE OUTLINED IN APPLICABLE CASE LAW (SEE *BROWN V. JEFFERSON COUNTY*, 406 S.W.2D 185 (TEX. 1966)).

Landlord's address for Rent payments: 2500 TC Jester Property, LLC  
P.O. Box 4737  
Houston, Texas 77210-4737

Landlord's address for all purposes other than rent payments: 720 N. Post Oak Rd., suite 500  
Houston, Texas 77024

All other provisions of the Lease shall remain the same unless expressly amended herein.

*[Remainder left blank. Signature page to follow]*

AGREED TO and ACCEPTED as of the final date of execution of the parties set forth below.

**TENANT OR COUNTY :**

**Harris County, 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. Menefee  
Harris County Attorney

**By:** \_\_\_\_\_  
Justina Daniel-Wariya  
Assistant County Attorney  
CAO File No.: 22RPD0146

**LANDLORD:**

**2500 TC Jester Property, LLC**

**BY: Boxer Property Management Corp., a Texas  
Corporation, as Management Company for Landlord**

**By:** \_\_\_\_\_  
**Name:** \_\_\_\_\_  
**Title:** Vice President & Gener

**Date:** 9/2/2022  
\_\_\_\_\_

AGREED TO and ACCEPTED as of the final date of execution of the parties set forth below.

**TENANT OR COUNTY :**

**Harris County, a body corporate and politic  
under the laws of the State of Texas**

**By:** \_\_\_\_\_  
**Lina Hidalgo**  
**County Judge**

**Date:** \_\_\_\_\_

**LANDLORD:**

**2500 TC Jester Property, LLC**

**BY: Boxer Property Management Corp., a Texas  
Corporation, as Management Company for Landlord**

**By:** \_\_\_\_\_  
**Name:** \_\_\_\_\_  
**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**APPROVED AS TO FORM:**

Christian D. Menefee  
Harris County Attorney


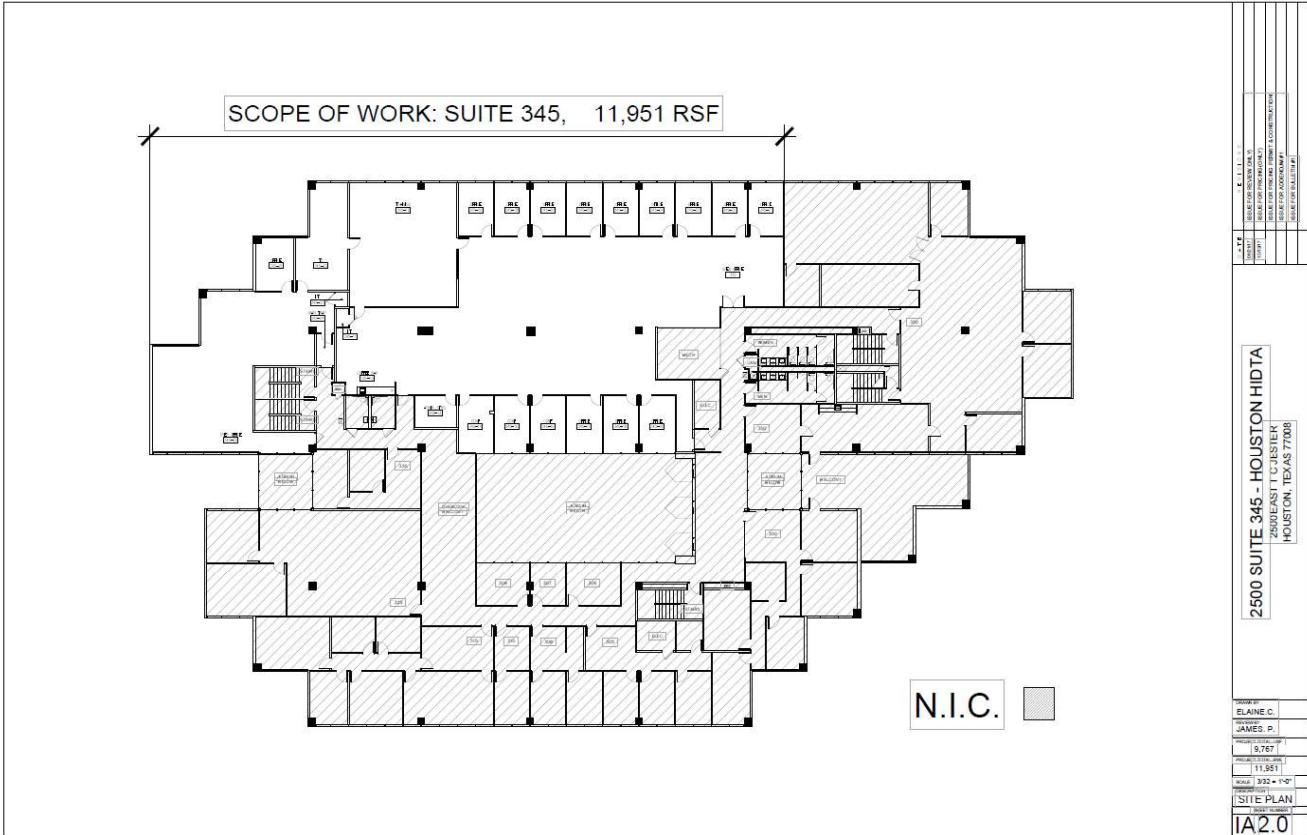
**By:**  \_\_\_\_\_  
Justina Daniel-Wariya  
Assistant County Attorney  
CAO File No.: 22RPD0146

Exhibit "A"  
4<sup>th</sup> Floor: 25,852 RSF



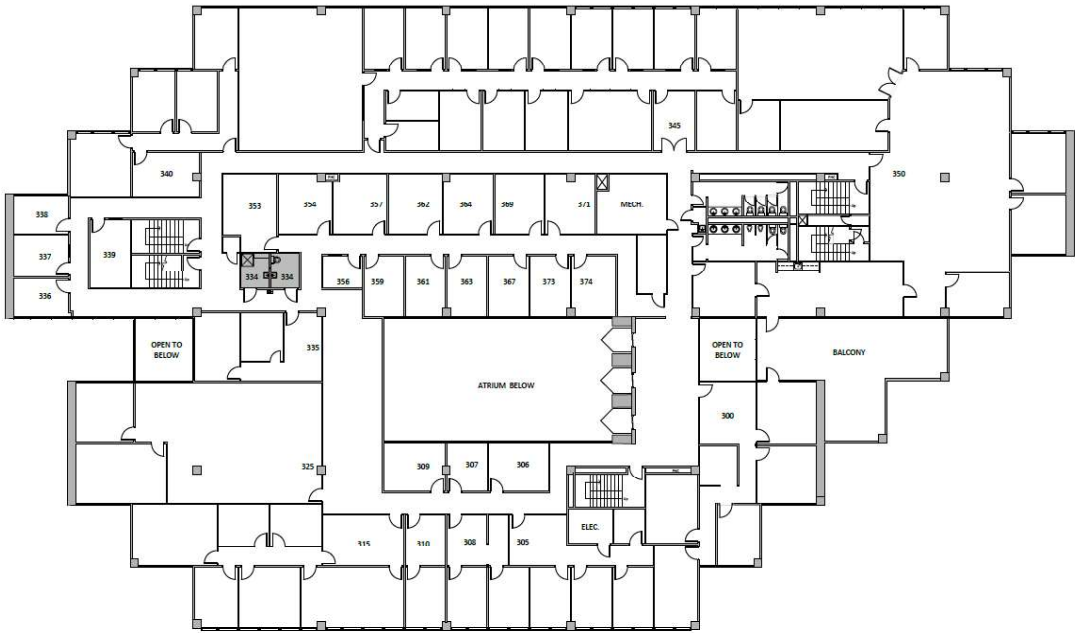
3<sup>rd</sup> Floor: 11,951 RSF



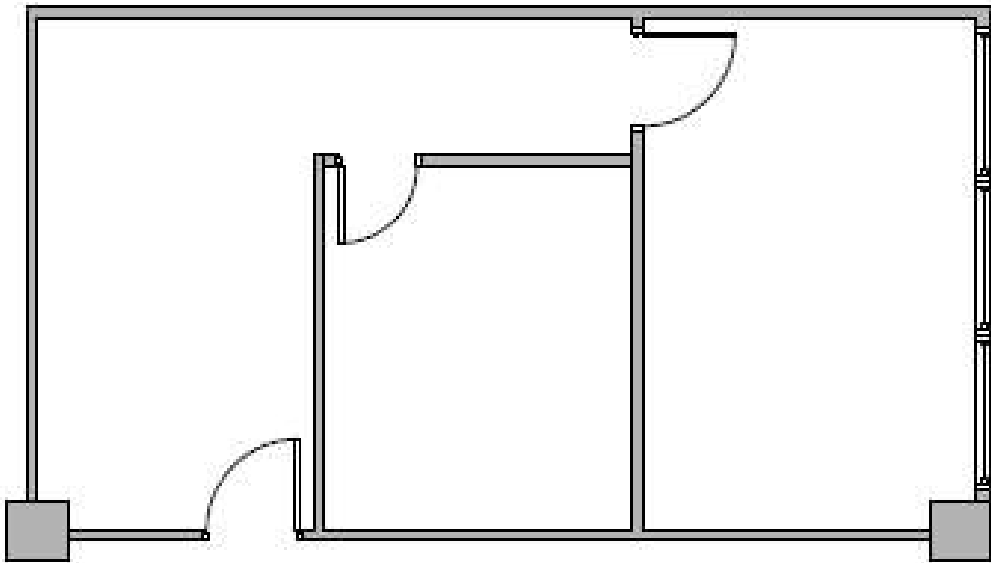


Suite 334  
150 RSF

2500 EAST TC JESTER  
THIRD FLOOR



Suite 335  
608 RSF



**Exhibit "B"**

**Third Amendment Expansion Premises**

**Suite 350 (5,297 RSF)**

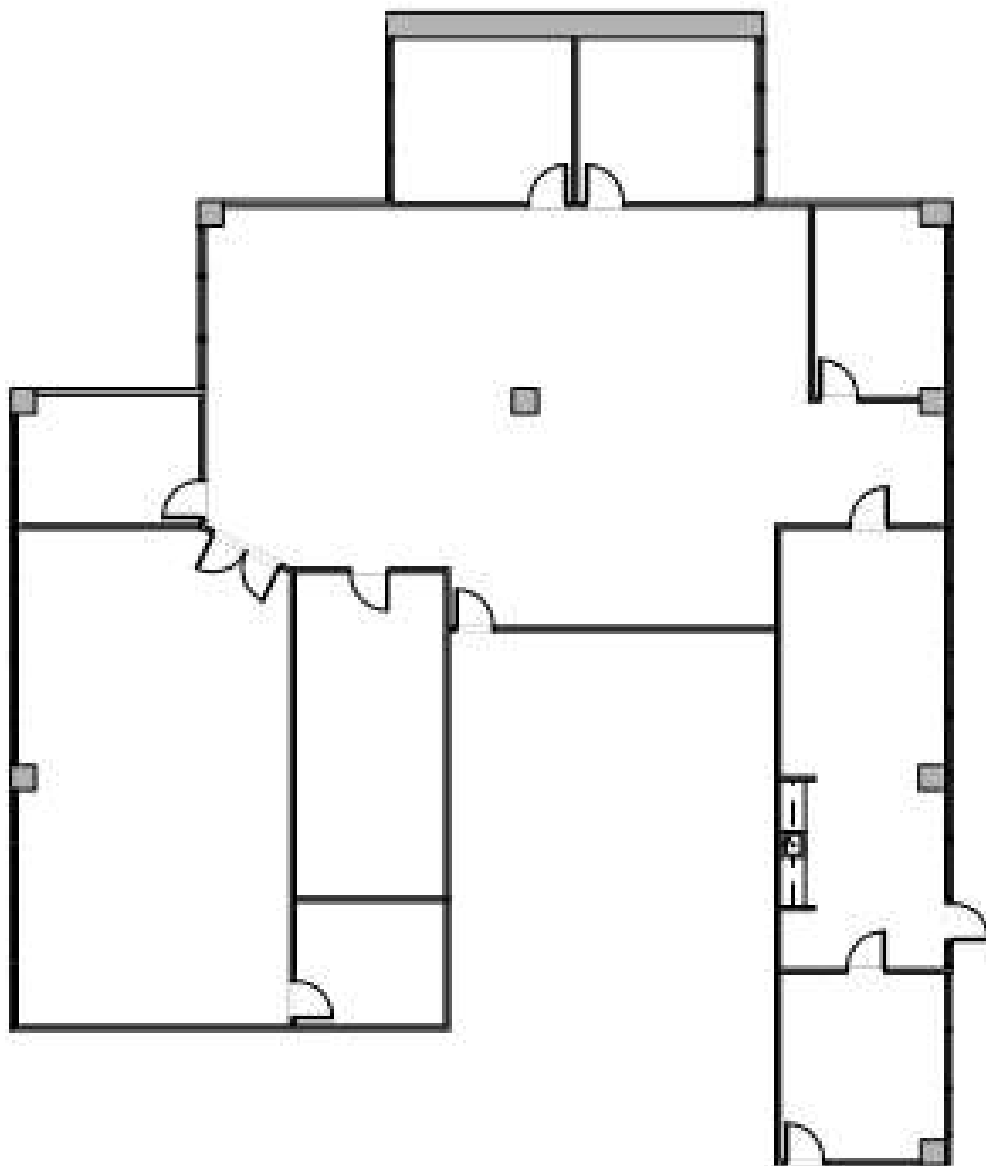


Exhibit "W-2"**Generator Work Letter**

This Generator Work Letter ("Work Letter") shall set forth the terms and conditions relating to the certain work to be done at or within the Premises subject to the terms of the Lease and the Third Amendment (together referred to in this Work Letter as the "Lease").

**Landlord and Tenant (each a "Party" and together the "Parties" for the purposes of this Work Letter) understand and agree that the generator will not be installed prior to the Third Amendment Commencement Date. Landlord shall select a third party contractor for its installation and together shall use commercially reasonable efforts to have generator operational on or before August 31, 2023.**

SECTION 1  
IMPROVEMENTS

1.1 Improvement Allowance.

1.1.1 Landlord agrees to provide Tenant with a one-time tenant improvement allowance (the "Improvement Allowance") in an amount up to Two-Hundred Sixty-Thousand and No/100 Dollars (\$260,000.00), for the costs relating to the design, architectural, permitting and construction of Tenant's improvements to be permanently affixed to or constructed within the Premises (the "Improvements"). If the Improvements cost less to complete than the Improvement Allowance or Tenant chooses not to use the full Tenant Improvement Allowance towards Tenant Improvements, it may not be credited towards Tenant's Rent.

1.1.2 Landlord shall provide Tenant with a Generator Allowance (the "Generator Allowance") up to One-Million and No/100 Dollars (\$1,000,000.00). Using funds from the Generator Allowance, Landlord shall employ, manage and supervise a general contractor for the installation of a 600 KW generator for Tenant's sole and exclusive use. Generator shall be new, unused, and fully warrantied brand to be mutually agreed upon by Landlord and Tenant. Landlord shall furnish and install all material, equipment, site and building modifications required to provide emergency power to Tenant. Scope of emergency power provision shall include, but not be limited to all working drawings and permitting, all work contained within engineered project plans and specifications and any architectural and structural modifications necessary to provide a complete and working system to provide emergency power to all Tenant receptacle power, equipment, lighting, and heating/cooling, pad and fencing. In the event that the total cost of the generator falls below the amount of the Generator Allowance, it may not be credited towards Tenant's Rent.

1.1.3 If the total cost of either the Generator Allowance or the Tenant Improvement Allowance falls below the maximum allowable amount, Tenant may utilize the remainder to cover an overage in either the Generator Allowance or the Tenant Improvement Allowance. Notwithstanding the foregoing, the combined total of the Generator Allowance and the Tenant Improvement Allowance shall not exceed One-Million Two-Hundred-Sixty Thousand and No/100 Dollars (\$1,260,000.00). All amounts under the Generator Allowance and the Tenant Improvement Allowance not utilized by August 31, 2023, shall be forfeited, save and except any and all amounts for services, materials, or anything related to the improvements or construction contemplated in this Work Letter that are incurred, performed, accepted, ordered, in progress, ongoing, invoiced or billed on or before August 31, 2023.

1.2 Application of the Improvement Allowance. The Improvement Allowance shall be applicable to hard costs in connection with the work performed pursuant to this Work Letter, including without limitation the following items and costs (collectively, the "**Improvement Allowance Items**");

1.2.1 Payment of all professional service fees (if applicable) including, but not limited to, the fees associated with the "Architect" and the "Engineers" as those terms are defined in Section 2 of this Work Letter;

1.2.2 The payment of permits and license fees relating to construction of the Improvements;

1.2.3 The cost of construction of the Improvements;

- 1.2.4 The cost of any changes to the Working Drawings or Improvements required by applicable building code or any other governmental law or regulation;
- 1.2.5 Sales and use taxes incurred and directly related to the Improvements; and
- 1.2.6 Costs associated with the purchase and installation of security, telephone and data cabling and equipment.

## SECTION 2 CONSTRUCTION DRAWINGS

2.1 Selection of Architect; Preliminary Drawings. Landlord has retained licensed engineers, **Telios Engineering** (the "**Engineer**") to prepare "Preliminary Drawings", the "Working Drawings" and the "Approved Working Drawings" as those terms are defined below in this Section. The Engineer shall prepare all plans and engineering working drawings relating to the structural, mechanical, electrical, plumbing, HVAC, life safety, and sprinkler work in the Premises. If necessary, Engineer shall also retain licensed architect as required to prepare said plans and drawings ("Architect"). Engineer and/or Architect shall submit the Preliminary Drawings to Landlord and Tenant for review, comment, and mutual approval. Landlord and Tenant must agree upon Preliminary Drawings within five (5) business days of receipt from Engineer and/or Architect.

2.2 Working Drawings. Engineer shall complete the architectural and engineering drawings for the Premises, and then shall compile a fully coordinated and stamped set of architectural, structural, mechanical, electrical and plumbing working drawings in a form which is sufficiently complete to allow subcontractors to bid on the work and to obtain all applicable permits (collectively, the "**Working Drawings**") and shall submit the same to Landlord for Landlord's approval or reasonable disapproval. Said Working Drawings shall also include a timeline for Substantial Completion of the construction of the Improvements. If Landlord disapproves of the Working Drawings, Landlord shall deliver sufficient details regarding the reasons for disapproval to enable Engineer to revise the Working Drawings for approval. Landlord and Tenant shall have five (5) business days from receipt of the Working Drawings to approve or disapprove of same. In the event Landlord and Tenant do not approve or disapprove within such time frame, Landlord and Tenant shall be deemed to have approved the Working Drawings.

2.3 Approved Working Drawings. The Working Drawings approved by Landlord and Tenant are referred to herein as the "**Approved Working Drawings**". Once approved by Landlord and Tenant, if required, Engineer shall submit the Approved Working Drawings to the Texas Department of Licensing and Regulation. Landlord shall submit the Approved Working Drawings to appropriate governmental entities for all applicable building permits necessary to allow "**Contractor**" as that term is defined in Section 3 of this Work Letter, to commence and fully complete the construction of the Improvements (the "**Permits**"). If Landlord or Tenant desires any change, modification or alteration in the Approved Working Drawings, Landlord or Tenant must first obtain the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned, or delayed. Prior to commencing any change requested by Landlord or Tenant to the Approved Working Drawings, Landlord or Tenant shall prepare and deliver to the other Party for prior approval, a change order ("**Change Order**") setting forth the additional time required to perform the change and the total cost of such change, which shall include associated architectural, engineering and Contractor's fees. If Landlord or Tenant fails to approve such Change Order in writing within five (5) business days after such delivery by the other Party, said Party shall be deemed to have approved the Change Order and the other Party may proceed to perform the change.

## SECTION 3 CONSTRUCTION OF THE IMPROVEMENTS

3.1 Contractor. A contractor chosen by Landlord and approved in writing by Tenant (the "**Contractor**"), shall construct the Improvements in a good and workmanlike manner; however, as between Landlord and Tenant, Landlord shall solely be responsible for the completion of the Improvements. Subject to prior review and approval by Tenant, Landlord shall enter into a written contract with the Contractor, and provide an executed copy to Tenant.

3.2 Construction of Improvements by Contractor. Landlord shall actively and timely pursue all required permits, and Construction shall begin promptly after issuance of any necessary permit(s). Landlord shall be solely responsible for performing and coordinating the build-out in accordance with terms and conditions of the Lease and this Exhibit "W-2". Landlord shall ensure that its contractors complete the Improvements in a good and workmanlike manner. Contractor must provide certificates of insurance pursuant to this Work Letter prior to work on the Improvements commencing, as well as a list of anticipated subcontractors.

3.3 Payment to Contractors. Landlord shall be solely responsible for payment of its Contractor, and any subcontractors, and any all third parties engaged to complete work on the Improvements contemplated in this Work Letter.

SECTION 4  
COMPLETION OF THE IMPROVEMENTS; LEASE COMMENCEMENT DATE

4.1 Ready for Occupancy. For purposes of this Lease, "**Substantial Completion**" of the Premises shall occur upon completion of construction of the Improvements in the Premises pursuant to the Approved Working Drawings, with the exception of any punch list items and any Tenant fixtures, work-stations, built-in furniture, or equipment to be installed by Tenant.

4.2 Intentionally Omitted.

4.3 Costs in Excess of the Improvement Allowance. Subject to the Limit of Appropriations, and Sections 18 and 20 of the Third Amendment, Tenant shall solely bear all costs in excess of the Improvement Allowance, including but not limited to any Change Orders requested by Tenant which increase the cost above the Improvement Allowance. Tenant shall pay to the Contractor the amount by which the costs exceed the Improvement Allowance as soon as the final accounting and all documentation is submitted. Notwithstanding anything herein to the contrary, Tenant shall have no obligation or responsibility to pay any such cost in excess of the Improvement Allowance as contemplated herein without the prior review and approval of the Harris County Commissioner's Court.

SECTION 5  
MISCELLANEOUS

5.1 Landlord's Representative. Landlord designates Boxer Property Management Corp. as its sole representative with respect to the matters set forth in this Work Letter, who, until further notice to Tenant, shall have full authority and responsibility to act on behalf of the Landlord as required in this Work Letter.

5.2 Tenant's Representative. Tenant designates George Rhyne as its designated representative with respect to the matters set forth in this Work Letter, who shall have full authority and responsibility to act on behalf of the Tenant as required in this Work Letter.

5.3 Time of the Essence in This Work Letter. Unless otherwise indicated, all references herein to a "number of days" shall mean and refer to calendar days.

5.4 Intentionally Omitted.

5.5 Insurance Requirements and Indemnity. Landlord's Architect, Engineers, Contractors and their agents shall carry Workers' Compensation insurance as required by applicable law and also general liability insurance, each in amounts not less than One Million Dollars (\$1,000,000.00) per incident, Two Million Dollars (\$2,000,000) in aggregate, and in form and with companies as are required to be carried by Landlord as set forth in the Lease, and the policies therefore shall insure Landlord and Tenant, as their interests may appear, and shall name as additional insureds all mortgagees of the Premises or any other party designated by Landlord. All insurance maintained by Landlord's Architect, Engineer, Contractors and their agents shall preclude subrogation claims by the insurer against anyone insured thereunder. Such insurance shall provide that it is primary insurance in respect to Landlord and any other insurance maintained by Landlord is excess and noncontributing with the insurance required.

5.6 Force Majeure. For purposes of this Work Letter, "Force Majeure " means any actual delay in the construction of the Improvements due to strikes, riots, acts of God, shortages of labor or materials, war, governmental laws, regulations, or restrictions beyond the control of Landlord or Tenant. Notwithstanding anything to the contrary contained in the Lease or any other agreement entered into by either Party in connection the completion of hereunder, if any such actual delay in the construction of the Improvements occurs at any time solely due to Force Majeure, for the Force Majeure to have an effect on any obligations of any Party under the Lease or this Work Letter, the Party exercising Force Majeure must provide written notice to the other Party within five (5) business days of the commencement of said Force Majeure event, and within five (5) business days after the Force Majeure event ceases to occur. Any period of obligation to perform under this Work Order or the Lease shall be tolled by the period of time between the receipt of the above-described notices by the other Party.

5.7 Notwithstanding anything herein to the contrary, Landlord, its Contractors, Agents, Architect, Engineer or any other third party engaged or contracted with to carry out work under this Work Letter and/or subject to the terms of the Lease shall not have the authority to enter into contracts or agreements on behalf of the County. The undersigned agree that the terms and conditions of this Exhibit "W-2" Work Letter are incorporated into and become part of the Lease.

*[Remainder left blank. Signature page to follow.]*

AGREED TO and ACCEPTED as of the final date of execution of the parties set forth below.

**TENANT OR COUNTY :**

**Harris County, 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. Menefee  
Harris County Attorney

**By:** \_\_\_\_\_

Justina Daniel-Wariya  
Assistant County Attorney  
CAO File No.: 22RPD0146

**LANDLORD:**

**2500 TC Jester Property, LLC**

**BY: Boxer Property Management Corp., a Texas  
Corporation, as Management Company for Landlord**

DocuSigned by:

John Rentz

Vice-President

**By:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** Vice President & General Manager

9/2/2022

**Date:** \_\_\_\_\_

AGREED TO and ACCEPTED as of the final date of execution of the parties set forth below.

**TENANT OR COUNTY :**

**Harris County, a body corporate and politic  
under the laws of the State of Texas**

**By:** \_\_\_\_\_  
**Lina Hidalgo**  
**County Judge**

**Date:** \_\_\_\_\_

**LANDLORD:**

**2500 TC Jester Property, LLC**

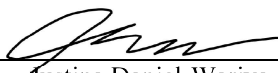
**BY: Boxer Property Management Corp., a Texas  
Corporation, as Management Company for Landlord**

**By:** \_\_\_\_\_  
**Name:** \_\_\_\_\_  
**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**APPROVED AS TO FORM:**

Christian D. Menefee  
Harris County Attorney

**By:**  \_\_\_\_\_  
Justina Daniel-Wariya  
Assistant County Attorney  
CAO File No.: 22RPD0146