

CITY OF LAREDO DEPARTMENT OF COMMUNITY DEVELOPMENT



April 12, 2017

Webb County Head Start C/O Aliza F. Oliveros P.O. Box 2397 Laredo, Texas 78044

Re: Head Start Lease Extension- (Jesus Garcia, Tatangelo & Villa Alegre Head Start)

Dear Ms. Oliveros,

The City of Laredo is in receipt of your letter regarding the Head Start lease extensions and confirms the acceptance of the lease renewal as identified in the original contract to include a rent increase based on the 2017 CPI rate of 3.2 %.

The consideration for the lease renewal is the following:

Effective Date:

June 01, 2017

Expiration Date:

May 31, 2018

Monthly Rental:

Jesus Garcia Head Start

2518 Cedar Avenue

\$928.00

Tatangelo Head Start

2200 Zacatecas Street

\$635.71

Villa Alegre Head Start

3501 Eagle Pass Avenue

\$921.58

All other terms and conditions of this lease will remain the same during any renewal term unless stated otherwise herein.

Furthermore, we would like to take this opportunity to request yearly proof of insurance for the property presently being rented to update your file.

Please note that this is your last renewal option and any further interest in maintain a lease contract will be thru a new negotiated agreement, provided 60 days before the expiration date of May 31, 2018, so that new terms may be established.

If you have questions or need additional information, please contact Ms. Celina Rivera, Real Manager or me at (956) 795-2675.

Sincerely,

Arturo Garcia

CD Director

LEASE AGREEMENT

THIS AGREEMENT, made effective <u>June 1, 2016</u> by and between the City of Laredo, a Municipal Corporation, hereinafter called "Lessor" and the Webb County Head Start Program, hereinafter called "Lessee", witnessed:

Lessor, for and in consideration of the rent hereinafter specified to be paid by Lessee, and the covenants and agreements hereinafter contained, by the Lessee to be kept and performed, lease to Lessee, the following properties:

Jesus Garcia Head Start	2518 Cedar Avenue	Lots 1,2,3 and 4, Block 321, Eastern Division, City of Laredo, Webb County, Texas	
Tatangelo Head Start 2200 Zacatecas Street		Lots 7,8,9,10,11 and 12, Block 1302, Eastern Division, City of Laredo, Webb County, Texas	
Villa Alegre Head Start	3501 Eagle Pass Avenue	Lots 6, 8, and the West ½ of Lots 5 & 7, the North 56' of Lot 4 & the West ½ of Lot 3, Block 912, Western Division City of Laredo, Webb County, Texas	

for use of the Lessee's Head Start Centers at the locations referenced above on the following terms and conditions:

- 1. TERM, RENTAL ESCALATION, OPTION & HOLDING OVER:
 - A. The term of this lease shall be for ONE (1) YEAR
 - B. The lease shall commence June 1, 2016, and shall terminate on May 31, 2017.
 - C. Lessor also grants Lessee an option to renew this lease for an additional one year period, provided that the Lessee gives Lessor written notice that it wishes to exercise said option. Not less than thirty days prior to the expiration of the primary term.
 - D. Any holding over after the expiration of the term of the lease, [or after expiration of term of lease as renewed, if it is renewed] shall be from month-to-month.
 - E. Without waiving other rental escalation provisions in this contract, monthly rentals shall be adjusted annually during the extension periods by an amount which is equivalent to the percent change in the Consumer Price Index (CPI) from the preceding calendar year's average, specifically defined as the Consumer Price Index (U.S. Average, All Urban Consumers, All Items) 1982-84 = 100 Base as compiled by the Bureau of Labor Statistics. This means that at the anniversary date of June 1, 2017 and annually thereafter, the rent will be adjusted according to the percent change in the CPI as of that date from that of the preceding calendar year (June-May).
- 2. <u>RENTAL:</u> Lessee covenants and agrees to pay to Lessor as rent for the said premises the sum of Two Thousand Four Hundred Nine Dollars (\$2,409.00) per month as described below, due and payable upon the first day of each month, commencing June 1, 2016.

Jesus Garcia Head Start	2518 Cedar Avenue	\$900.00
Tatangelo Head Start	2200 Zacatecas Street	\$616.00
Villa Alegre Head Start	3501 Eagle Pass Avenue	\$893.00

- 3. <u>PURPOSE</u>: Said premises should be used by the Lessee to provide such services as the Head Start Program for Child Development.
- 4. IMPROVEMENTS: Lessee may, at Lessee's sole cost and expense, make such changes, alternations or improvements (including the construction of buildings) as may be necessary to fix existing needs; provide however, that no change, alternation or improvement may be so made without the prior written approval of the City Manager; and all permanent buildings, fixtures and improvements of every kind and nature whatever installed by the Lessee shall remain the property of Lessor. Any improvements not permanent to nature made by Lessee can be removed in such a manner as not to injure or damage the demised premises; and provided further, that should Lessee fail to remove said building, fixtures or improvements as above provided, Lessor at its option, may require Lessee to remove the same, in the event that Lessee shall fail to remove said buildings, fixtures the same upon termination of the lease, provided that such removal shall be done in such a manner as not to injure or damage the demised premises; and provided further, that should Lessee fail to remove said buildings, fixtures or improvements as above provided, Lessor at its option, may require Lessee to remove the same, in the event that Lessee shall fail to remove said buildings, fixtures and improvements after receipt of notice from Lessor. Lessor may remove the same and dispose of the same as it sees fit, and Lessee agrees to sell, assign, transfer and set over to Lessor all of Lessee's right, title and interest in and to said buildings, fixtures, improvements and any personal property not removed by Lessee, for the sum of ONE DOLLAR (\$1.00). Lessee further agrees that should Lessor remove said buildings, fixtures and improvements as above provided that Lessee will pay Lessor upon demand the cost of such removal plus the cost of transportation and disposition, thereof.
- 5. RESERVATIONS BY LESSOR: The Lessor reserves the right to require and make modifications to the leased land for the benefit of the public as Lessor determines and for such purpose the Lessor shall have right of ingress to and egress from the leased land to make any such modification. The Lessor further reserves the right to maintain all current utility lines located in the leased premises. The Lessor further reserves the right to construct additional utility lines either by itself or my its licensees or franchises in and through the leased land, such construction or installation of any additional utility lines must be preceded by fifteen (15) days written notice to Lessee. Any maintenance or construction work done by Lessor or its licenses or franchises will be done with an effort to minimize any damage to or interference with any improvements hereinafter installed on the leased land by the Lessee; however, it is understood and agreed by Lessee, that in no event shall Lessor be responsible to Lessee for any damage to the leased premises or for any damage to the leased land or for any interference with its use by Lessee, arising out of any maintenance, construction or installation of utility lines on the leased land whether by Lessor or its licensees or franchisees.
- 6. <u>RESERVATIONS BY LESSEE:</u> The Lessee reserves right to terminate this lease at any time after giving written notice to the Lessor in accordance with notice provisions set forth in Paragraph 12.
- 7. <u>REPAIRS-MAINTENANCE</u>: Lessee represents that Lessee has inspected and examined the leased land and accepts them in the present condition, and agrees that Lessor shall not be required to make any improvements or repairs whatsoever in or upon the premises hereby leased; Lessee agrees to make any and all improvements and repairs at Lessee's sold cost and expense, and agrees to keep said land safe and in good order and condition at all times during the term hereof. And maintain seeded and/or sodded and well watered and mowed all those areas where erosion could occur, and upon termination of this Lease, the Lessee will quit and surrender possession of said premises quietly and peacefully; Lessee further agrees to lease said premises free from all nuisances and dangerous and defective conditions.
- 8. ASSIGNMENT AND MORTGAGE: Neither the leased premises nor any portion thereof, shall be sublet nor shall this Lease or any interest therein be assigned, hypothecated or mortgaged by Lessee, and any attempted assignment, subletting, hypothecation or mortgaging of this lease shall be no force or effect, and shall confer no rights upon any assignee, subleasee, mortgagee or pledge.

9. LIABILITY: To the extent permitted by the Laws of Constitution of the State of Texas and with the mutual understanding that Lessee is a political subdivision of the State of Texas and that an indemnity obligation cannot be paid from the current revenues and that no order, resolution, tax nor interest and sinking fund has been set, adopted or established for payment of this indemnity obligation, and without expanding the Lessee's liability beyond the statutory limits of the Texas Tort Claims Act or existing law, Lessee shall defend, indemnify and hold harmless Lessor, and all its officers, agents, employees and assigns from all suits, actions or other claims of any character brought for or on account of injury to persons and /or less, theft, damage to or destruction of property of whatever kind or nature sustained by any person or property on account of any intentional or negligent act committed by Webb County, its agents or employees, arising out of the performance of the services to be rendered under this contract. Lessee agrees to deliver to Lessor upon execution of this lease an executed copy of a continuing public liability and property insurance policy satisfactory to Lessor, indemnifying and holding Lessor harmless against any and all claims, in the amount of TWO HUNDRED FIFTY THOUSAND DOLLARS (\$250,000.00) for injury to any one person, and FIVE HUNDRED THOUSAND DOLLARS (\$500,000.00) for damages for each single occurrence for bodily injury or death, and ONE HUNDRED THOUSAND DOLLARS (\$100,000.00) for each single occurrence for injury to property, and shall keep the same in force during the term of the lease for each property.

Lessee shall save Lessor harmless from any loss, cost or damage that may arise out of or in connection with this lease or the use of leased land by Lessee, or its agents, or employees, or any other person using said land; and Lessee agrees to deliver to Lessor upon execution of this Lease an executed copy of a continuing public liability and property insurance policy satisfactory to Lessor, indemnifying and holding Lessor harmless against any and all claims, in the amount One Hundred Thousand Dollars (\$100,000.00) for injury to any one person, and Three Hundred Fifty Thousand Dollars (\$350,000.00) for property damages, and shall keep the same in force during the term of this lease for each property.

- 10. TERMINATION BY LESSOR: Lessor may terminate this lease at any time by serving upon Lessee in the manner hereinafter provided in Paragraph 12, a written notice of its election so to terminate, which said notice shall be served at least 60 days prior to the date in said notice named for such termination.
- 11. <u>DEFAULT:</u> In the event that Lessee shall be in default of any payment of rent or in the performance of any of the terms or conditions herein agreed to be kept and performed by Lessee, then in that event, Lessor may terminate and end this lease, within a 60-day notice and Lessor may enter the said premises and remove all persons and property there from; in the event Lessor shall bring a legal action to enforce any of the terms hereof, or to obtain possession of said premises by reason of any default of Lessee, or otherwise, Lessee agrees to pay Lessor all costs of such legal action, including reasonable attorney's fees and/or court costs.
- 12. NOTICES: Any notices which are required hereunder, or which either Lessor or Lessee may desire to serve upon the other, shall be in writing and shall be deemed served when delivered personally, or when deposited in the United States mail, postage prepaid, return receipt requested, addressed to Lessee as follows:

To Lessee:

Xerox copy to:

County Judge

Aliza Oliveros, Director.

County of Webb

Webb County Head Start Program

1000 Houston Street

5904 West Drive, Unit 6 & 7

Laredo, Texas 78040

Laredo, Texas 78041

To Lessor:

Xerox copy to:

The City Manager

City Attorney

City Hall

City Hall

1110 Houston St.

1110 Houston Street

Laredo, Texas 7800.

Laredo, Texas 78040

- 14. COMPLIANCE WITH LAWS: Lessee agrees to comply with all the laws, ordinances, rules and regulations, which may pertain or apply to the leased land and the use thereof.
- 15. <u>LESSOR MAY ENTER:</u> Lessee agrees that Lessor, its agents or employees, may enter upon said premises at any time during the life of this lease for the purpose of inspection and for the purposed Stated in Paragraph 5, above, with the understanding that said work will be performed in such a manner as to cause a minimum interference with the use of the property by the Lessee.
- 16. MECHANIC'S LIENS: Lessee agrees that at least five (5) days before any construction work, labor or materials are done, used or expended by Lessee or on Lessee's behalf by any person, firm or corporation or by any contractor, that Lessee will post and record, or cause to be posted and recorded, as provided by law, a notice of non-responsibility on behalf of Lessor, giving notice that the Lessor is not responsible for any work, labor or materials used or expended, or to be used or expended on the leased land.
- 17. ENTIRE AGREEMENT: This lease incorporates the entire agreement of the parties.
- 18. NO WAIVER: the failure on the party of either party to exercise or to delay in exercising, and no course of dealing with respect to any right hereunder, shall operate as a waiver thereof; nor shall any single or partial exercise of any other right. The remedied provide herein are cumulative or not exclusive of any remedies provided by law or in equity.
- 19. COMPLICANCE WITH ALL LAWS: The parties agree to comply with all applicable federal, state and local stautes, ordinances, rules and regulations with regard to the Head Start Program for which the leased premises are used by Lessee.

SIGNED, IN DUPLICATE ORGINALS, ON THE THIS 27 DAY OF JUNE, 2016.

LESSOR: CITY OF LAREDO

Jesus M. Olivares City Manager

LESSEE: WEBB COUNTY HEAD START-PROGRAM

Tano B. Tijerina Webb County-Judge

CITY SECRETARY

COUNTY CLERK

Helerto Humberto-L. Ramirez Acting City Secretary

APPROVED AS TO FORM:

By: Syliai (Onelia Molia)
Rayl Casso
City Attorney

APPROVED AS TO FORM:

By: ______ Marco Montemayor

Webb County Attorney*

*By law, the County Attorney's Office may only advise or approve contracts or legal documents on behalf of its clients. It may not advise or approve a contract or legal documents on behalf of other parties. Our review of this document was conducted solely from the legal perspective of our client. Our approval of this document was offered solely for the benefit of our client. Other parties should not rely on this approval, and should seek review and approval of their own respective attorney(s).