

**BOARD OF TRUSTEES
AGENDA**

<input type="checkbox"/> Workshop	<input type="checkbox"/> Regular	<input type="checkbox"/> Special
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- (A) Report Only Recognition

Presenter(s):

Briefly describe the subject of the report or recognition presentation.

- (B) Action Item

Presenter(s):

Briefly describe the action required.

CONSIDER AND TAKE APPROPRIATE ACTION ON THE REQUEST TO APPROVE A LEASE AGREEMENT BETWEEN EAGLE PASS ISD AND COMMUNITY DEVELOPMENT INSTITUTE HEAD START.

- (C) **Funding source: Identify the source of funds if any are required.**

- (D) **Clarification: Explain any question or issues that might be raised regarding this item.**



Community Development Institute Head Start
Community Development Institute
Serving Wintergarden/Panhandle/NM/NV

LEASE AGREEMENT

THIS LEASE is entered into by Eagle Pass Independent School District (“Landlord”) and Community Development Institute Head Start, a Colorado nonprofit corporation (“CDI HS”) serving Community Development Institute Head Start. The parties agree as follows:

CDI HS AS INTERIM GRANTEE: Landlord and CDI HS acknowledge that CDI HS is operating a Head Start/Early Head Start program in the local community as an interim grantee. This Lease is intended to allow CDI HS to lease property necessary for operation of the local Head Start/Early Head Start program, with the understanding that the obligations of CDI HS with respect to this Lease and the Premises (defined below) will end when CDI HS is no longer funded as the interim grantee for the local Head Start/Early Head Start program.

1. PREMISES.

Landlord leases to CDI HS and CDI HS leases from Landlord, upon all of the terms and conditions hereof, the existing building and surrounding land commonly known as Eagle Pass Seco Mines center (10,500 sq ft) located at 2990 Diaz Street, Eagle Pass, TX 78852 including the exclusive right for CDI HS and its invitees to use all parking spaces and the outdoor play area(s) associated with the building (collectively, the “Premises”).

2. ALTERATIONS, ADDITIONS and IMPROVEMENTS

- b. CDI HS. CDI HS may, at its sole option and expense, make changes, additions, deletions, improvements, and alterations (collectively, “alterations”) to the Premises provided CDI HS shall not make any alterations other than decorative or cosmetic changes to the Premises, without Landlord’s prior written approval, which shall not be unreasonably withheld

3. TERM.

- a. The term of this Lease shall begin on June 1, 2019, which is the date the Agreement becomes effective, even if it is signed at a later date, and shall

continue, unless sooner terminated or extended as herein provided, until May 31, 2020.

- b. **Early Termination.** Notwithstanding anything to the contrary contained herein, CDI HS shall have the right to terminate this Lease by giving Landlord 30 days' written notice at any time during the term of this Lease. Upon such termination of this Lease, CDI HS shall have no further obligations or responsibilities under this Lease or relating to the Premises, and Landlord shall be deemed to have released CDI HS from any such further obligations or responsibilities without the need for further action on the part of Landlord or CDI HS.
4. **RENT.** Landlord agrees to provide the Premises for One Dollar (\$1.00) per year.
5. **PROPERTY TAXES.** Landlord shall be responsible for and shall pay when due all real estate taxes and special assessments which at any time during the term hereof may be assessed, levied, imposed upon or become due and payable with respect to the Premises.
6. **COSTS AND UTILITIES.**
 - a. **Paid by CDI HS:** In addition to the monthly rent set out in Paragraph 4, CDI HS shall be responsible for direct payment of the following costs: All.
 - b. **Paid by Landlord:** The Landlord shall not be responsible for any costs other than those costs specifically provided in this Lease.
7. **DEPOSIT:** Within ten (10) days of execution of this Lease, CDI HS shall pay a deposit to Landlord to secure CDI HS's performance of its obligations under the Lease. **No Deposit Required.**
8. **USE OF PROPERTY.** CDI HS shall use and occupy the Premises only for the purpose of providing Head Start/Early Head Start services, and directly related activities, and for no other purpose. Landlord makes no warranty as a term of this Lease that the Premises meets all federal, state and local standards applicable to the Head Start/Early Head Start activities taking place in the Premises.
9. **INSURANCE.**
 - a. **CDI Head Start Insurance.** CDI HS shall, at its expense, at all times maintain:
 1. Insurance with respect to CDI HS's alterations, if any, equipment, machinery, and personal property against loss or damage by fire,

lightning, windstorm, tornado, hail and other risks as are customarily covered by extended coverage; and

2. Commercial general liability insurance against claims for death and bodily injury arising on or about the Premises, with a limit of not less than \$1,000,000 per occurrence, \$3,000,000 in the aggregate.

- b. General. Within ten (10) days after the execution of this Lease, and prior to the expiration of each policy, each party shall furnish to the other a certificate of insurance evidencing the coverage required hereunder and upon request shall furnish a copy of any policy required hereunder.

10. WAIVER OF SUBROGATION. Notwithstanding any other provision in this Lease to the contrary, Landlord and CDI HS hereby agree, for themselves and their respective insurers, successors and assigns, that neither of them will, either directly or by way of subrogation or otherwise, assert against the other any claim that the other is liable or responsible for any loss or damage that is covered by property or liability insurance maintained by a party or that would be covered if each party maintained all insurance required to be maintained hereunder, even if such loss or damage shall have been caused by the fault or negligence of the other party, or of anyone for whom such party may be responsible. Each party shall take all necessary action to confirm that such party's insurer(s) has agreed to the foregoing limitation on recoveries by subrogation or otherwise.

11. REPAIRS AND MAINTENANCE.

CDI Head start shall, at its expense, perform all routine repairs and maintenance to the Premises.

12. DAMAGE OR DESTRUCTION OF PREMISES. In the event the Premises are damaged or destroyed by fire or other casualty to the extent that a substantial part of the Premises are rendered substantially untenable, CDI HS may terminate this Lease by written notice to Landlord given within 30 days after such damage or destruction. If CDI HS does not give such notice to terminate, then Landlord shall restore the Premises to a condition at least as good as exists on the date hereof, and rent shall abate hereunder from the date the Premises are rendered untenable until the date the Premises are restored to tenantability.

13. DEFAULT:

- a. By CDI HS: In the event that CDI HS defaults in the performance of any obligation under this Lease, including abandonment of the Premises, Landlord shall provide CDI HS and Administration of Children and Families ("ACF") with written

notice of the default. In the event that a default occurs under this lease, ACF or another party designated by ACF or ACF's designee for the Tenant may intervene to ensure the default is cured by CDI HS. If the default in performance by CDI HS for a rent payment due is not cured by CDI HS within fifteen (15) days after receipt of notice nor by the ACF or ACF's designee within sixty (60) days after receipt of written notice from Landlord, CDI HS shall vacate the Premises and return it to Landlord within the same sixty (60) day period. Subject to Paragraph 3 (b) and the duty of landlord to mitigate damages, Landlord shall retain the right to compensation for all amounts due and owed by CDI HS to Landlord under this Lease if Landlord re-takes possession of the Premises due to non-performance of this Lease by CDI HS.

In the event of a default under this lease, Landlord agrees that it shall not commence cancellation or termination of the Lease or any other remedies that affect possession of the premises until after ACF has been notified in accordance with Section 15 and one of the following events has occurred:

1. The responsible ACF official informs Landlord in writing that ACF has decided not to cure the default; or,
2. ACF fails to timely cure the default within the period of time set forth in this lease.

b. By Landlord: In the event that Landlord defaults in the performance of any obligation under this Lease, CDI HS shall provide Landlord with written notice of the default. In the event that the default is not cured within thirty (30) days, this Lease shall terminate, and CDI HS may vacate the Premises and shall have no further obligations under the Lease or relating to the Premises.

14. ASSIGNMENT.

a. Except as set forth in subparagraph (b) of this section, CDI HS shall not assign the Lease or sublet all or any part of the Premises without Landlord's prior written consent, which consent shall not be unreasonably withheld or delayed.

b. Landlord and CDI HS agree that, notwithstanding anything to the contrary contained in the Lease, CDI HS may assign all its rights, duties and obligations under the Lease at any time to a grantee selected to replace CDI HS as the Head Start/Early Head Start provider for the Program, without Landlord's further consent. Upon such assignment, CDI HS shall have no further obligations or responsibilities under the Lease or relating to the Premises and Landlord shall be deemed to have released CDI HS from any such further obligations or responsibilities without the need for further action on the part of Landlord.

15. NOTICE: Notice under this Lease shall be given in writing, U.S. Mail, postage pre-paid and addressed as noted below, and shall be effective three (3) days after the date upon which notice is given:

If to Landlord:

Eagle Pass Independent School District
1420 Edison Road, Eagle Pass, TX 78852
(830) 773-5181 hmauricio@eaglepassisd.net

If to CDI HS:

Emma McCoy, Site Manager
CDI Head Start Serving Wintergarden/Panhandle/NM/NV
P.O. Box 450355
Laredo, TX 78045

AND

NIC Project Director
CDI Head Start
10065 E. Harvard Avenue, Suite 700
Denver, CO 80231

b. In addition, Landlord shall send ACF a copy of all notices of default or notice that landlord intends to exercise its remedies of cancellation or termination which are sent to Tenant on the day that Landlord so notifies Tenant. Landlord shall also notify ACF promptly of any intention to mortgage the Premises or that a lien or other Encumbrances affecting title has been attached to the Premises. Such notices shall be provided in the same manner as provided in Section 15 (a) and shall be given to:

Administration for Children and Families
Region 6 (Dallas)
Regional Grants Management Officer
1301 Young Street, Suite 914
Dallas, TX 75202

AND

David Kadan
Mary E. Switzer Building
330 C Street, SW, Suite 3203
Washington, DC 20201

16. **LANDLORD WARRANTIES.** As of the date of execution of this Lease, Landlord represents and warrants to Tenant the following: 1) Landlord is the fee simple owner of and has access rights to the Premises; 2) Landlord warrants the Premises are free from liens/encumbrances; 3) Landlord has the right to make this Lease and perform the obligations herein; and 4) Tenant's intended use and occupancy of the Premises complies with all zoning laws and ordinances affecting the Premises.

17. **MISCELLANEOUS.**

a. **Severability; Amendment; Binding Effect; Etc.** If any term of this Lease or any application thereof shall be invalid or unenforceable, the remainder of this Lease and any other application of such term shall not be affected thereby. This Lease contains the entire agreement of the parties, and neither party is relying upon any representation not contained herein. This Lease may be amended only by an instrument in writing signed by the Landlord and CDI HS. This Lease shall be binding upon and inure to the benefit of and be enforceable by the respective successors and assigns of the parties hereto. The headings of this Lease are for purposes of reference only and shall not limit or define the meaning hereof.

b. **Option to Renew.** Landlord grants CDI HS the option, exercisable by written notice to Landlord at least 30 days prior to the expiration of the initial term of this Lease, to renew this Lease for an additional one year term immediately following the end of such initial term. All provisions of this Lease shall be applicable to any such renewal term, and CDI HS shall have the right to terminate this Lease on 30 days written notice to Landlord, at any time during such extended term, with or without cause, and, upon such termination, CDI HS shall have no further obligations to Landlord under the Lease or relating to the Premises.

c. **Holding Over.** If CDI HS holds over after the expiration of the term of this Lease, or any extended term, if applicable, without written agreement providing otherwise, then CDI HS shall be deemed to be a tenant from month to month, at a monthly rent equal to the last monthly rent payable under this Lease, and subject to all of the other provisions and conditions of this Lease.

d. **Release of Information.** Landlord hereby authorizes CDI HS to release information regarding (including without limitation, full reports and results) any and all environmental testing completed with regard to the Premises (including without limitation, lead, asbestos, and radon testing) as directed by the Department of Health and Human Services (DHHS)/the Office of Head Start (OHS).

e. This lease agreement shall be governed by the laws of the State of Texas and the venue of any dispute arising pursuant to this lease agreement shall be exclusive in the State District Courts of Maverick County, Texas.

IN WITNESS WHEREOF, the undersigned have executed this Lease effective as of the date set forth above.

LANDLORD:

Eagle Pass Independent School District

Taxpayer ID #: _____

SignedBy: _____
Its: _____

Address: _____

DATE: _____

CDI HS:

COMMUNITY DEVELOPMENT INSTITUTE HEAD START, a Colorado nonprofit corporation

Taxpayer ID #: 841548541

SignedBy: _____
Its: _____

Address: 10065 E. Harvard Ave,
Suite 700, Denver CO 80231

DATE: _____