

**BOARD OF TRUSTEES
AGENDA**

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

Presenter(s):**Briefly describe the subject of the report or recognition presentation.**

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(B) ☒ **Action Item****Presenter(s): GILBERTO GONZALEZ, SUPERINTENDENT OF SCHOOLS****ISMAEL MIJARES, DEPUTY SUPERINTENDENT FOR BUSSINESS & FINANCE****LUIS VELEZ, PURCHASING DIRECTOR****Briefly describe the action required**

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

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

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

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Community Development Institute
Head Start
Serving Multi-State
Migrant and Seasonal Head Start Program
10065 E. Harvard Ave., Suite 700
Denver, CO 80231

July 2, 2018
EAGLE PASS INDEPENDENT SCHOOL DISTRICT
1420 Edison Road Eagle Pass, TX 78852

Re: Eagle Pass Infant Toddler, 302 Balcones Blvd Eagle Pass, TX 78853 ("Facility")

Dear Sir or Madam:

Community Development Institute Head Start (CDI HS) has recently been designated by the Office of Head Start as the interim manager for the local Head Start program serving the Multi-State Migrant and Seasonal Head Start Program. Program operations by the prior grantee, Texas Migrant Council (aka Teaching, Mentoring Communities), have been suspended by the Office of Head Start, effective May 16, 2018. Currently, CDI HS is in the process of beginning delivery of Head Start services in the community.

We understand that Texas Migrant Council (aka Teaching, Mentoring Communities) occupies the above referenced Facility under a lease agreement with you. During the suspension period discussed above, CDI HS will provide Head Start services and therefore wishes to utilize the Facility to continue services. CDI HS would like to begin working with you towards a lease agreement and pay rent directly to you.

In accordance with the existing lease agreement between you and Texas Migrant Council, CDI HS has enclosed a rental payment in the amount of **\$1.00 (One Dollar and Zero Cents)** for the year of 2018. If required under the lease agreement, CDI HS will ensure that utilities for the location are paid. CDI HS has obtained insurance on the contents of the Facility, including both general liability and student accident coverage.

Please note, this payment **does not** represent an assumption of the lease previously executed between you and Texas Migrant Council, but is made on a good faith basis to compensate you for our occupancy of the premises during this transitional period.

Thank you in advance for your cooperation. This cooperation allows CDI HS to continue to serve Head Start children and families in your community. If you have any questions or concerns, please feel free to contact **Emma McCoy, Site Manager at (562) 650-9444**.

Sincerely,

Emma McCoy
EM



Community Development Institute
Head Start
Serving Multi-State
Migrant and Seasonal Head Start Program
10065 E. Harvard Ave., Suite 700
Denver, CO 80231

July 2, 2018
EAGLE PASS INDEPENDENT SCHOOL DISTRICT
1420 Edison Road Eagle Pass, TX 78852

Re: Eagle Pass 2, 2990 Diaz Street Eagle Pass, TX 78852 ("Facility")

Dear Sir or Madam:

Community Development Institute Head Start (CDI HS) has recently been designated by the Office of Head Start as the interim manager for the local Head Start program serving the Multi-State Migrant and Seasonal Head Start Program. Program operations by the prior grantee, Texas Migrant Council (aka Teaching, Mentoring Communities), have been suspended by the Office of Head Start, effective May 16, 2018. Currently, CDI HS is in the process of beginning delivery of Head Start services in the community.

We understand that Texas Migrant Council (aka Teaching, Mentoring Communities) occupies the above referenced Facility under a lease agreement with you. During the suspension period discussed above, CDI HS will provide Head Start services and therefore wishes to utilize the Facility to continue services. CDI HS would like to begin working with you towards a lease agreement and pay rent directly to you.

In accordance with the existing lease agreement between you and Texas Migrant Council, CDI HS has enclosed a rental payment in the amount of **\$1.00 (One Dollars and Zero Cents)** for the year of 2018. If required under the lease agreement, CDI HS will ensure that utilities for the location are paid. CDI HS has obtained insurance on the contents of the Facility, including both general liability and student accident coverage

Please note, this payment **does not** represent an assumption of the lease previously executed between you and Texas Migrant Council, but is made on a good faith basis to compensate you for our occupancy of the premises during this transitional period.

Thank you in advance for your cooperation. This cooperation allows CDI HS to continue to serve Head Start children and families in your community. If you have any questions or concerns, please feel free to contact **Emma McCoy, Site Manager at (562) 650-9444**.

Sincerely,

Emma McCoy
B

GROUND 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"). The parties agree as follows:

CDI HS AS INTERIM MANAGER: Landlord and CDI HS acknowledge that CDI HS is operating a Head Start/Early Head Start program in the local community as an interim manager. This Lease is intended to allow CDI HS to lease land necessary upon which a building of conventional construction and a modular building have been erected and placed for the 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 manager 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 land located at 302 Balcones Blvd. Eagle Pass, Texas 78853 (collectively, the "Premises") which is illustrated in the diagram attached hereto as **Exhibit "A"** (the "Premises").

2. ALTERATIONS, ADDITIONS and IMPROVEMENTS

CDI HS may, at its sole option and expense, make changes, additions, deletions, improvements, and alterations (collectively, "alterations") to the Premises. Landlord acknowledges that an 6,805 square foot building of conventional construction, a modular unit, and associated necessary improvements are located on the Premises for the operation of a Head Start program. Landlord further acknowledges that it will have no ownership or other interest in the building and modular unit that will be located on the Premises and that the building and modular unit will be subject to a Federal Interest as defined in and/or regulated by the Head Start Act, as amended, 42 U.S. C. §9801 et seq., 45 C.F. R. Parts 75 and 1303, and relevant decisions of the United States courts.

3. TERM.

- a. The term of this Lease shall begin on June 1, 2018 which is the date the Agreement becomes effective, even if it is signed at a later date and shall automatically renew annually unless terminated sooner.
- 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. Landlord may terminate this lease in its sole discretion upon 30 days written notice to CDI- HS.

4. RENT. Landlord agrees to provide the Premises for One Dollar (\$1.00) per year.

5. PROPERTY TAXES. Landlord is a political subdivision of the State of Texas and is exempt from State and Local property taxes.

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: Landlord shall not be responsible for any costs other than those costs specifically provided in this Lease.

7. DEPOSIT: 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 HS's Insurance. CDI HS shall, at its expense, at all times maintain:

1. Insurance with respect to CDI HS's alterations to the Premises, 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, naming Landlord as an additional insured.

b. General. Within ten (10) days after the execution of this Lease, and prior to the expiration of each policy, CDI HS shall furnish to Landlord 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, CDI HS hereby agrees, for itself and its respective insurers, successors and assigns, that it will not, either directly or by way of subrogation or otherwise, assert against the Landlord any claim that the Landlord is liable or responsible for any loss or damage that is covered by property or liability insurance maintained by CDI HS. 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 HS 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 untenantable, 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 CDI HS 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 untenantable until the date the Premises are restored to tenantability.

13. DEFAULT:

a. By CDI HS: In the event 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 (60) 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 Tenant selected to replace CDI HS as the Head Start/Early Head Start provider for the Program, with Landlord's 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. Any assignment shall require the assignee to agree in writing to accept and be bound by all of the terms and conditions of this Lease.

15. NOTICE:

a. 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, Texas 78852
(830) 773-5181
hmauricio@eaglepassisd.net

If to CDI HS:

NIM Site Manager
CDI HS Serving Wintergarden/Panhandle/NM/NV
POB 450355
Laredo, TX 78045

AND

NIM 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 (1) 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.

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

LANDLORD:

Eagle Pass Independent School District

By: _____

Its: _____

Taxpayer ID #: _____

CDI HS:

**Community Development Institute
Head Start, a Colorado
Nonprofit Corporation**

By: _____

Its: _____

Taxpayer ID #: 841548541

Appendix A

Premises



GROUND 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"). The parties agree as follows:

CDI HS AS INTERIM MANAGER: Landlord and CDI HS acknowledge that CDI HS is operating a Head Start/Early Head Start program in the local community as an interim manager. This Lease is intended to allow CDI HS to lease land necessary upon which a modular building has been placed for the 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 manager 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 land located at 2990 Diaz Street, Eagle Pass, Texas 78852 (collectively, the "Premises") which is illustrated in the diagram attached hereto as **Exhibit "A"** (the "Premises").

2. ALTERATIONS, ADDITIONS and IMPROVEMENTS

CDI HS may, at its sole option and expense, make changes, additions, deletions, improvements, and alterations (collectively, "alterations") to the Premises. Landlord acknowledges that a 10,500 square foot facility composed of modular units with integrated pre-engineered steel structure, and associated necessary improvements, are located on the Premises for the operation of a Head Start program. Landlord further acknowledges that it will have no ownership or other interest in the modular units and related structures that will be located on the Premises and that the modular units and related structures will be subject to a Federal Interest as defined in and/or regulated by the Head Start Act, as amended, 42 U.S. C. §9801 et seq., 45 C.F. R. Parts 75 and 1303, and relevant decisions of the United States courts.

3. TERM.

- a. The term of this Lease shall begin on June 1, 2018 which is the date the Agreement becomes effective, even if it is signed at a later date and shall automatically renew annually unless terminated sooner.
- 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. Landlord May terminate this lease in its sole discretion upon 30 days written notice to CDI- HS.

4. RENT. Landlord agrees to provide the Premises for One Dollar (\$1.00) per year.

5. PROPERTY TAXES. Landlord is a political subdivision of the State of Texas and is exempt from State and Local property taxes.

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: Landlord shall not be responsible for any costs other than those costs specifically provided in this Lease.

7. DEPOSIT: 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 HS's Insurance. CDI HS shall, at its expense, at all times maintain:

1. Insurance with respect to CDI HS's alterations to the Premises, 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, naming Landlord as an additional insured.

b. General. Within ten (10) days after the execution of this Lease, and prior to the expiration of each policy, CDI HS shall furnish to Landlord 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, CDI HS hereby agrees, for itself and its respective insurers, successors and assigns, that it will not, either directly or by way of subrogation or otherwise, assert against the Landlord any claim that the Landlord is liable or responsible for any loss or damage that is covered by property or liability insurance maintained by CDI HS. 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 HS 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 untenantable, 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 CDI HS 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 untenantable until the date the Premises are restored to tenantability.

13. DEFAULT:

a. By CDI HS: In the event 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 (60) 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 Tenant selected to replace CDI HS as the Head Start/Early Head Start provider for the Program, with Landlord's 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. Any assignment shall require the assignee to agree in writing to accept and be bound by all of the terms and conditions of this Lease.

15. NOTICE:

- a. 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, Texas 78852
(830) 773-5181
hmauricio@eaglepassisd.net

If to CDI HS:

NIM Site Manager
CDI HS Serving Wintergarden/Panhandle/NM/NV
POB 450355
Laredo, TX 78045

AND

NIM 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 (1) 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.

(rest of page intentionally left blank)

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

LANDLORD:

Eagle Pass Independent School District

By: _____

Its: _____

Taxpayer ID #: _____

CDI HS:

Community Development Institute

Head Start, a Colorado

Nonprofit Corporation

By: _____

Its: _____

Taxpayer ID #: 841548541

Appendix A

Premises

