

AN ORDINANCE 2014 - 01 - 30 - 0054

AUTHORIZING THE NEGOTIATION AND EXECUTION OF A LEASE AMENDMENT AND A SUB GROUND LEASE AGREEMENT RELATING TO THE COL. VICTOR FERRARI LEARNING CENTER WITH NORTH EAST INDEPENDENT SCHOOL DISTRICT; AND AUTHORIZING THE NEGOTIATION AND EXECUTION OF LEASE AGREEMENTS RELATING TO THE MARGARITA HUANTES LEARNING CENTER AND BOB AND JEANNE BILLA LEARNING CENTER WITH THE SAN ANTONIO INDEPENDENT SCHOOL DISTRICT.

* * * * *

WHEREAS, the construction of the City's adult learning centers were initially financed with proceeds derived from a \$46 million 1989 voter approved Libraries/Learning Centers bond issuance; and

WHEREAS, through collaborations with San Antonio Independent School District (SAISD), North East Independent School District (NEISD), and the Education Service Center, Region 20, adult education classes were provided by these three agencies at each of the seven learning centers operated by the Department of Human Services (DHS); and

WHEREAS, the City of San Antonio's Fiscal Year 2014 Adopted Budget included the transition of seven DHS operated Adult Learning Centers to other purposes; and

WHEREAS, DHS operations ended on December 20, 2013, after completion of the Fall 2013 semester; and

WHEREAS, after discussions with education partners, both NEISD and SAISD have requested lease agreements with the City of San Antonio for three facilities to continue delivering adult education instruction at the centers; and

WHEREAS, both parties agree to continue bond eligible activities; and

WHEREAS, in April 2002, City Council approved Ordinance 95614, a 25 year ground lease agreement with an option to renew for an additional 15 years with NEISD for the construction and operation of the Col. Victor J. Ferrari Learning and Leadership Development Center on NEISD owned property located at 103 E. Rampart for a base rental rate of \$1.00 a year; and

WHEREAS, upon completion, the City of San Antonio operated and maintained the Ferrari Center until December 20, 2013; and

WHEREAS, NEISD has expressed interest in operating the Ferrari center to continue providing adult education instruction at that location; and

WHEREAS, the City of San Antonio proposes to lease the Ferrari Center to NEISD to minimize disruption in services and remain in compliance with municipal bond requirements; and

WHEREAS, SAISD has expressed an interest in purchasing both the Margarita Huantes Learning Center and Bob and Jean Billa Learning Center; and

WHEREAS, until proposals for purchase can be fully considered, SAISD is requesting to lease the space to continue providing adult learning and minimize disruption for a period of one year;
NOW THEREFORE:

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City Manager, or her designee, or the Director of the Department of Human Services (DHS), or her designee, is authorized to negotiate and execute a lease amendment and a sub ground lease agreement relating to the Col. Victor Ferrari Learning Center with North East Independent School District (NEISD). A copy of the draft lease amendment and a draft subground lease agreement with NEISD are attached hereto and incorporated herein for all purposes as **Attachment I and II**, respectively.

SECTION 2. The City Manager, or her designee, or the Director of the Department of Human Services (DHS), or her designee, is authorized to negotiate and execute lease agreements relating to the Margarita Huantes Learning Center and the Bob and Jeanne Billa Learning Center with San Antonio Independent School District (SAISD). A copy of the draft lease agreements with SAISD are attached hereto and incorporated herein for all purposes as **Attachment III and IV**, respectively.

SECTION 3. Funds generated by this ordinance will be deposited into Fund 11001000, Internal Order 238000000085 and General Ledger 4401110.

SECTION 4. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

SS/vv
01/30/14
Item #13

SECTION 5. This ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

PASSED AND APPROVED this 30th day of January, 2014.



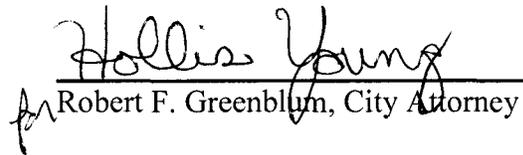
M A Y O R
Julián Castro

ATTEST:



Leicia M. Vacek, City Clerk

APPROVED AS TO FORM:



for Robert F. Greenblum, City Attorney

Agenda Item:	13
Date:	01/30/2014
Time:	11:59:28 AM
Vote Type:	Motion to Approve
Description:	An Ordinance authorizing the negotiation and execution of a lease amendment and a sub ground lease agreement relating to the Col. Victor Ferrari Learning Center with North East Independent School District; and the negotiation and execution of lease agreements relating to the Margarita Huantes Learning Center and Bob and Jeanne Billa Learning Center with San Antonio Independent School District. [Gloria Hurtado, Assistant City Manager; Melody Woosley, Director, Human Services]
Result:	Passed

Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Julián Castro	Mayor		x				
Diego Bernal	District 1		x				
Ivy R. Taylor	District 2		x				
Rebecca Viagran	District 3		x			x	
Rey Saldaña	District 4		x				
Shirley Gonzales	District 5		x				
Ray Lopez	District 6		x				
Cris Medina	District 7		x				
Ron Nirenberg	District 8		x				x
Joe Krier	District 9		x				
Michael Gallagher	District 10		x				

1st Amendment to Ground Lease Agreement
(North East Independent School District)

This 1st Amendment to Ground Lease is entered into between Lessor and Lessee as of the later of the two signatures at the end.

1. Identifying Information.

Authorizing Ordinance:

Lessor: North East Independent School District

Lessor's Address: 8961 Tesoro Drive, Suite 602, San Antonio, Texas 78217

Lessee: City of San Antonio

Lessee's Address: P.O. Box 839966, San Antonio, Texas 78283-39661

Lease: Lease Agreement between the North East Independent School District as Lessor and the City of San Antonio, as Lessee, for the operation and maintenance of a Learning and Leadership Center at 107 W. Rampart, San Antonio, Bexar County, Texas 78216, commonly referred to as the Col. Victor Ferrari Learning & Leadership Development Center, to combat illiteracy in the City of San Antonio and authorized by the Ordinance Authorizing Original Lease

Ordinance Authorizing Original Lease: 95614

2. Defined Terms.

All terms defined in the Lease and not otherwise defined in this amendment, when used in this amendment, have the meanings ascribed to them in the Lease. References to "Lease" in this amendment include both the original Lease and all previous amendments to it.

3. Change in description of Premises

The definition of the Premises is hereby amended to read as follows:

A parcel containing approximately 38,000 square feet of gross area and the facilities contained thereon located at 107 W. Rampart, San Antonio, Bexar County, Texas, 78216, commonly referred to as the Col. Victor Ferrari Learning & Leadership Development Center, and more particularly described on **Exhibit A**, which is incorporated herein for all purposes.

4. Change in Term.

4.1. Section 3.1 of the Lease is amended to read as follows:

The primary term of this Lease Agreement shall commence upon the execution date of this Lease Agreement and terminate the **later** of (i) September 27, 2030, twenty-five (25) years from the first date occupancy of September 28, 2005 as stated on the Certificate of Occupancy; or (ii) the Lessee's payment in full of the outstanding amount derived from the City's 1989 Library / Learning Center Bond proceeds and other City issued debt, the proceeds of which were used to construct and repair improvements at the Premises.

4.2. All sections of the Lease referencing the right to extend the Term for an additional fifteen (15) year term are amended to remove such references and the same sections are to be construed as if such right to extend had never been contained therein.

5. Notice

All sections of the Lease referencing notice to the Director of the Department of Community Initiatives or to the Department of Community Initiatives shall be amended to provide notice to the Director of the Department of Human Services or to the Department of Human Services, as applicable, at 107 S. Mary's St., 7th Floor, San Antonio, Texas, 78205.

6. No Default.

Neither Lessor nor Lessee is in default under the Lease and neither party is aware of a cause of action against the other arising out of or relating to the period before the date of the last party to sign this amendment.

7. Same Terms and Conditions.

This amendment is a fully- integrated expression of the changes the parties intend to make to the Lease, as previously amended. The parties acknowledge that, except as expressly set forth in this amendment, the Lease, as previously amended, remains in full force and effect according to its terms, and the parties reaffirm the obligations thereof. Both Lessor and Lessee are bound thereby. Neither party is in default under the Lease, as amended. There have been no amendments or other modifications to the Lease except as expressly described in this amendment.

8. Public Information.

Landlord acknowledges that this instrument is public information within the meaning of Chapter 552 of the Texas Government Code and accordingly may be disclosed to the public.

In Witness Whereof, the parties have caused their representatives to set their hands.

Lessee

Lessor

City of San Antonio, a Texas municipal corporation

North East Independent School District

Signature: _____

Signature: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Approved as to Form:

City Attorney

Sub Ground Lease
(North East Independent School District)

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Authorizing Ordinance:

Sub-Landlord: City of San Antonio
Sub-Landlord’s Address: P.O. Box 839966, San Antonio, Texas 78283-3966
Address for Rent Payment: P.O. Box 839966, San Antonio, Texas 78283-3966
Sub-Tenant: North East Independent School District
Sub-Tenant’s Address: 8961 Tesoro Drive, Suite 602, San Antonio, Texas 78217
Premises: A parcel containing approximately 38,000 square feet of gross area and the facilities contained thereon

located at 107 W. Rampart, San Antonio, Bexar County, Texas, 78216, commonly referred to as the Col. Victor Ferrari Learning & Leadership Development Center, and more particularly described on **Exhibit A**, which is incorporated herein for all purposes.

Permitted Use: Operation and maintenance of an adult education / learning center. Adult education is defined as instruction in GED preparation, Adult Basic Education (ABE) and English as a Second Language (ESL).

Sub Ground Lease (hereinafter, the "Lease")

January 1, 2014

Commencement Date:

Term: January 1, 2014 to expiration coterminous with the Primary Ground Lease

Rent: \$1 per year

Primary Ground Lease: Lease whereby the City leases the Premises from North East Independent School District pursuant to Ordinance 95614 adopted on April 11, 2002

Background:

The North East Independent School District leases the Premises to the City of San Antonio, and the City of San Antonio leases the Premises from the North East Independent School District under the terms of the Primary Ground Lease.

Due to a shift in the City's operational and budgetary goals, the City will discontinue facilitating the provision of adult education activities at the Premises.

The City of San Antonio and North East Independent School District have agreed that it is in the best interest of the parties to enter into a leaseback of the Premises through a (Sub Ground) Lease.

The durations of the Primary Ground Lease and the (Sub Ground) Lease coincide.

At the expiration of both leases, neither of the leases are an encumbrance upon the fee title to the Premises.

Rights and Obligations:

1. Demise of Premises.

1.01. Sub-Landlord leases the Premises and its contents to Sub-Tenant as set out in Exhibit B, attached hereto and incorporated herein for all purposes as if copied at length, and Sub-Tenant leases the Premises and the listed contents from Sub-Landlord under the terms of this Lease. Sub-Tenant is to have and hold the Premises, together with all rights, privileges, easements, appurtenances, and immunities belonging to or in any way appertaining to them. The foregoing includes easements; rights, and privileges of Sub-Landlord, existing now or at any time during the Term, in, to, or under adjacent streets, sidewalks, alleys, party walls, and property contiguous to the Premises. The lease of Premises to Sub-Tenant does not create a merger of Sub-Tenant's interests as Landlord under the Primary Ground Lease and as Sub-Tenant of this Lease.

1.02. Prior to Sub-Tenant's occupancy of the Premises under this Lease, Sub-Landlord shall have the right remove all furniture, fixtures, equipment and furnishings or other items which are not the property of Sub-Tenant as Landlord under the Primary Ground Lease and which will not be leased back to Sub-Tenant under this Lease.

2. Lease Term.

2.01. The Term is as stated above.

2.02. This Lease terminates without further notice when the term of the Primary Ground Lease expires.

3. Rent.

3.01. The Rent is as stated above.

3.02. Sub-Tenant must pay rent to Sub-Landlord in advance on the first day of the Term. Payments must be in lawful money of the United States to the Address for Rent Payment, unless Sub-Landlord notifies Sub-Tenant to make payment to some other address.

4. Taxes.

4.01. Sub-Tenant agrees to pay all state, city and county taxes which may be assessed on the Improvements (regardless of whether the same are assessed as personal property) and personal property contained in and on the Leased Premises. Sub-Tenant, as owner of the fee, also agrees to continue paying any state, city and county taxes and assessments against the land. To the extent

permitted by law, Sub-Tenant must indemnify Sub-Landlord and hold it harmless from all loss, cost, liability, or expense arising from or relating to such taxes, charges, and assessments. Sub-Tenant may, in good faith at its own expense (in its own name or in that of Sub-Landlord, or both), contest taxes, charges, and assessments. But it must pay the contested amount, plus any penalties and interest imposed, if and when finally determined to be due.

4.02. If taxes, special assessments, or governmental charges remain unpaid and uncontested later than 15 days before delinquency, Sub-Landlord may give written notice of default, specifying the default. If Sub-Tenant continues to fail to pay the taxes, special assessments, or governmental charges, or to timely contest them in good faith, before delinquency, Sub-Landlord may pay the items specified in the notice. Sub-Tenant must then reimburse Sub-Landlord on demand for amounts paid or expended for such purpose, with interest at 18% per annum from the date of Sub-Landlord's payment until Sub-Tenant's reimbursement.

5. Utilities.

Sub-Tenant must pay or cause to be paid all charges for all utilities, custodial services and supplies required in operating the Premises throughout the Lease Term, including any new connection fees.

6. Use of Premises.

6.01. The proceeds from the 1989 Library / Learning Center Bond issuance and other City issued debt were utilized to fund the construction and repair of improvements at the Premises. Sub-Tenant must use the Premises only for the Permitted Use until the date on which the described debt obligations are discharged. Sub-Tenant shall not use, permit the use of, or fail to use, the Premises in a manner that would cause the interest on City's debt obligations to be includable in the gross income of the owners for federal income tax purposes.

6.02. Sub-Tenant must not use or store, or permit to be used or stored, on the Premises any hazardous or toxic substances or materials. Sub-Tenant must not use or permit the Premises to be used for any activity violating any applicable local, state, or federal law, rule, or regulation.

6.03. Sub-Tenant shall, upon reasonable request of Sub-Landlord, provide copies of, or reasonable inspection by Sub-Landlord, its employees or agents, all such records related to Sub-Tenant's use of the Premises in accordance with the Permitted Use.

7. Encumbrance of Leasehold Estate.

7.01. Sub-Tenant may encumber its leasehold interest without obtaining Sub-Landlord's consent, but no such encumbrance is or can be a lien on the fee title or Sub-Landlord's Primary Leasehold. The indebtedness secured by the encumbrance will at all times be and remain inferior and subordinate to all the conditions; covenants, and obligations of this Lease and to all Sub-Landlord's rights under this Lease. References in this Lease to "Lender" refer to any person to whom Sub-Tenant has encumbered its leasehold interest.

7.02. At any time after execution and recordation in Bexar County, Texas, of any mortgage or deed of trust encumbering Sub-Tenant's leasehold interest, Lender may notify Sub-Landlord in writing that the mortgage or deed of trust has been given. On Lender's request, Sub-Landlord will deliver duplicate notices under this Lease to Lender at an address or agent it specifies.

7.03. Sub-Landlord and Sub-Tenant will neither modify nor terminate this Lease by mutual consent without Lender's written consent.

7.04. Lender may do any act required of Sub-Tenant to prevent forfeiture of Sub-Tenant's leasehold interest. All such acts are as effective to prevent a forfeiture of Sub-Tenant's rights under this Lease as if done by Sub-Tenant.

7.05. Lender may realize on the security afforded by the leasehold estate by exercising foreclosure proceedings or power of sale or other remedy afforded in law or equity or by the security documents. In so doing, it may transfer, convey, or assign Sub-Tenant's title to the leasehold estate created by this Lease to any purchaser at a foreclosure sale. Lender also may acquire and succeed to Sub-Tenant's interest under this Lease by virtue of a foreclosure sale. Any buyer at a foreclosure sale, including Lender, becomes obligated to Sub-Landlord as the Sub-Tenant under the lease.

8. Repairs, Maintenance, Restoration and Security.

8.01. Sub-Tenant shall be responsible for all repair and maintenance obligations of the Sub-Landlord under the Primary Ground Lease. Sub-Tenant must keep and maintain all buildings and improvements on the Premises in a good state of appearance and repair (except for reasonable wear and tear) at Sub-Tenant's own expense.

8.02. If any building or improvement constructed on the Premises is damaged or destroyed by fire or any other casualty, regardless of the extent of the damage or destruction, Sub-Tenant must within one year from the date of the damage or destruction, begin to repair, reconstruct, or replace the damaged or

destroyed building or improvement. Sub-Tenant must pursue the repair, reconstruction, or replacement with reasonable diligence and restore the building to substantially the condition it was in before the casualty. But if beginning or completing this restoration is prevented or delayed by war, civil commotion, acts of God, strikes, fire or other casualty, or any other reason beyond Sub-Tenant's control, the time for beginning or completing the restoration (or both) will automatically be extended for the period of each such delay.

8.03. Sub-Tenant shall be responsible for security of the interior of the Leased Premises during the term of the Lease.

9. Mechanic's Liens.

9.01. Sub-Tenant must not cause or permit any mechanic's or other liens to be filed against the fee of the Premises or against Sub-Tenant's leasehold interest (excluding any leasehold mortgage). If such a lien is recorded, Sub-Tenant must either cause it to be removed, or if Sub-Tenant in good faith wishes to contest the lien, take timely action to do so at Sub-Tenant's sole expense. If Sub-Tenant contests the lien, Sub-Tenant must indemnify Sub-Landlord and hold it harmless from all loss, cost, liability, or expense arising from the lien contest. If Sub-Tenant loses the contest, Sub-Tenant must cause the lien to be discharged and removed before any judgment is executed.

9.02. Despite the preceding subsection, mechanic's liens caused by act or omission of Sub-Landlord are Sub-Landlord's responsibility and are handled under the terms of the Primary Ground Lease.

10. Condemnation.

Condemnation is handled according to the Primary Ground Lease.

11. Insurance

11.01. Sub-Landlord disclaims any employee, agent, or invitee relationship with any person whose presence on the Premises is through Sub-Tenant. Any and all claims resulting from any obligation for which Sub-Tenant may be held liable under any workers' compensation, unemployment compensation, disability benefits, similar statutory scheme, or common law negligence is the sole obligation and responsibility of Sub-Tenant.

11.02. Sub-Tenant must provide and maintain in full force and effect with respect to the Premises from the Commencement Date of this Lease and for the duration of this Lease and any extensions thereof, insurance coverage written on an occurrence form, by companies authorized and admitted to do business in the State of Texas and rated A or better by A.M. Best Company and/or otherwise acceptable to Sub-Landlord, in the following types and amounts:

Type:	Amount:
1. Worker's Compensation	Statutory, with a Waiver of subrogation in favor of Sub-Landlord
2. Employer's Liability	\$500,000/\$500,000/\$500,000 with a Waiver of Subrogation in favor of Sub-Landlord
3. Commercial General Public Liability Insurance to include (but not be limited to coverage for) coverage for the following:	For Bodily Injury, Death, and Property Damage of \$1,000,000 per occurrence; \$2,000,000 general aggregate, or its equivalent in umbrella or excess liability coverage
(a) Premises/Operations	
(b) Independent Contractors	
(c) Products/Completed Operations	
(d) Contractual Liability	
(e) Personal Injury Liability	
(f) Broad-Form Property Damage, to include Fire Legal Liability	Coverage for replacement cost of Sub-Tenant's improvements
4. Business Automobile Liability to include coverage for:	Combined Single Limit for Bodily Injury, Death, and Property Damage of \$1,000,000.00 per occurrence
(a) Owned/Leased Automobiles	
(b) Non-owned Automobiles	
(c) Hired Automobiles	
5. Property Insurance for Premises	During the Term, SUB-TENANT shall maintain, at its sole cost and expense, commercial property insurance covering the building, fixtures, equipment, tenant improvements and betterments. Commercial property insurance shall, at minimum, cover the perils insured under the ISO broad causes of loss form (CP 10 20). Commercial property insurance shall cover the replacement cost of the property insured. The amount insured shall equal the full estimated replacement cost of the property insured.

11.03. Each insurance policy required by this Lease must contain the following clauses:

“This insurance is not canceled, limited in scope or coverage, or non-renewed until after 30 days’ prior written notice has been given to:

(a) City Clerk, City of San Antonio
City Hall/2nd Floor
P. O. Box 839966
San Antonio, Texas 78283-3966
Attention: Risk Manager

and

(b) Department of Capital Improvement Management Services
City of San Antonio
P.O. Box 839966
San Antonio, Texas 78283-3966
Attention: Director”

”The insurance provided by Sub-Tenant is primary to any insurance or self-insurance maintained by the City of San Antonio.”

“Any insurance or self-insurance maintained by the City of San Antonio applies in excess of, and does not contribute with, insurance provided by this policy.”

Each insurance policy required by this Lease, excepting policies for Workers’ Compensation and Employer’s Liability, must contain the following clause:

“The City of San Antonio, its officials, employees, representatives and volunteers are added as additional insureds as respects operations and activities of, or on behalf of, the named insured performed under this Lease with the City of San Antonio.”

11.04. Sub-Tenant must require its insurance carrier(s) to deliver to Sub-Landlord’s Risk Manager and City Clerk, upon request and without expense, copies of policies and endorsements pertinent to the limits required by Sub-Landlord. Sub-Landlord may request changes in policy terms, conditions, limitations, or exclusions (except where established by law). If Sub-Landlord does so and the changes would increase premiums, Sub-Landlord will provide 30 days’ prior notice to Sub-Tenant and an opportunity to discuss the changes. If Sub-Landlord still wants the changes after discussion, Sub-Tenant must make the changes and pay the cost thereof.

11.05. Within 30 days after the Sub Ground Lease Commencement Date, Sub-Tenant must deliver certificates to Sub-Landlord’s Risk Manager and the City Clerk from Sub-Tenant’s insurance carrier, reflecting all required insurance

coverage. All endorsements and certificates must be signed by an authorized representative of the insurance company and must include the signatory's company affiliation and title. If requested by Sub-Landlord, Sub-Tenant must send Sub-Landlord documentation acceptable to Sub-Landlord that confirms that the individual signing the endorsements and certificates is authorized to do so by the insurance company.

11.06. The Notices and Certificates of Insurance must be provided to the same addresses as the notices of cancelation.

11.07. Nothing herein contained limits in any way Sub-Tenant's liability for damages to persons or property resulting from Sub-Tenant's activities or the activities of Sub-Tenant's agents, employees, sublessees, or invitees under this Lease.

12. Indemnification

Sub-Landlord and the Sub-Tenant acknowledge they are political subdivisions of the State of Texas and are subject to, and comply with the applicable provisions of the Texas Tort Claims Act, as set out in the Texas Civil Practice and Remedies Code, Section 101.001 et. seq. and the remedies authorized therein regarding claims or causes of action that may be asserted by third parties for accident, injury or death.

13. Reserved.

14. Assignment and Subletting

14.01. Any attempt at transfer, assignment, or subletting of Sub-Tenant's rights, duties, and obligations hereunder, without the Sub-Landlord's prior written consent, is void and terminates the Lease. Sub-Tenant must, upon such termination, immediately and peacefully vacate the Premises within three days after Sub-Landlord's notice to Sub-Tenant.

14.02. Sub-Landlord's consent on one occasion does not waive need for consent to any later attempted transfer, assignment, or subletting.

15. Default and Remedies.

15.01. *Termination on Default.* If Sub-Tenant defaults in performing any obligation arising out of this Lease and does not correct the default within 10 days after receipt of written notice to Sub-Tenant and any lender, notice to whom is required by this Lease, Sub-Landlord may terminate this Lease. Bankruptcy, insolvency, assignment for the benefit of creditors, or the appointment of a

receiver is an event of default, entitling Sub-Landlord to terminate the Lease, subject to orders of the Bankruptcy Court. Upon termination, Sub-Landlord or its agent or attorney may resume possession of the Premises and relet them for the remainder of the Term, in accordance with the terms of the Primary Ground Lease at the best rent obtainable for the account of Sub-Tenant, who must make good any deficiency. For the purpose of posting the notice required by Property Code Section 93.002(f), the "front door" of the Lease Premises is at 107 W. Rampart, San Antonio, Bexar County, Texas, 78216.

15.02. Termination of this Lease does not relieve Sub-Tenant from paying (A) money owing to Sub-Landlord under the Lease at the time of termination, or (B) any claim for damages against Sub-Tenant under this Lease. Termination does not prevent Sub-Landlord from enforcing payment by any remedy provided for by law or from recovering from Sub-Tenant for any default. Sub-Landlord's rights, options, and remedies under this Lease are cumulative, and no one of them is exclusive of the other. Sub-Landlord may pursue any or all such remedies or any other remedy or relief provided by law, whether or not stated in this Lease. No waiver by Sub-Landlord of a breach of any covenant or condition of this Lease is a waiver of any succeeding or preceding breach of the same or any other covenant or condition of this Lease.

16. Dispute Resolution.

16.01. Before bringing any action arising out of this Lease, including an action for declaratory relief but not an action specifically excepted below, the disputants must first submit in good faith to mediation. The parties may not assert limitations, laches, waiver, and estoppel based upon attempts to mediate.

16.02. Filing suit on a claim that should be mediated hereunder waives the filer's right to demand mediation. But one party's waiver does not affect another party's right. A defendant does not waive mediation for so long as, within a reasonable time after appearing, the defendant gives written notice to the plaintiff or its counsel of intent to require compliance with this paragraph.

16.03. Mediation must be conducted in San Antonio, Bexar County, Texas.

16.04. The party desiring relief has the burden to initiate mediation. Waiting for another party to initiate mediation does not waive the right to it.

16.05. If the parties can otherwise agree on a mediator, they may do so. Alternatively, either party may petition any court of competent jurisdiction to appoint a mediator. The only predicate issues the court need consider before appointing a mediator are whether (i) the copy of the Lease before the court is authentic and (ii) the Lease was duly signed and delivered by all parties to be

bound to mediate. If neither of those issues is denied under oath, the court may appoint a mediator upon motion, without trial.

16.06. Mediator fees must be borne equally.

16.07. The parties need not mediate before going to court (i) for either party to seek emergency injunctive relief or (ii) for Sub-Landlord to seek forcible entry and detainer relief against Sub-Tenant.

17. Miscellaneous.

17.01. The rights and remedies under this Lease are cumulative, and either party's using any right or remedy does not preclude or waive its right to use any other remedy. The rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance, or otherwise.

17.02. Time is of the essence under this Lease.

17.03. Sub-Tenant will, upon termination, yield up the Premises peacefully to Sub-Landlord, in good order, condition, and repair, reasonable use and wear excepted.

17.04. This Lease is entered into in San Antonio, Bexar County, State of Texas. **The Construction Of This Lease And The Rights, Remedies, And Obligations Arising Thereunder Are Governed By The Laws of The State of Texas.** Nevertheless, the Texas conflicts of law rules must not cause the application of the laws of a jurisdiction other than Texas. The obligations performable hereunder by both parties are performable in San Antonio, Bexar County, Texas.

17.05. If any portion hereof is determined to be invalid or unenforceable, the determination does not affect the remainder hereof.

17.06. This Lease inures to the benefit of and binds the heirs, representatives, successors, and permitted assigns of each party. This clause does not authorize any assignment not otherwise authorized.

17.07. This Written Lease, Together With the Primary Ground Lease, Represents The Final Agreement Between The Parties And May Not Be Contradicted By Evidence Of Prior, Contemporaneous, Or Subsequent Oral Agreements Of The Parties. There Are No Oral Agreements Between The Parties.

17.08. This Lease may not be changed orally but only by a written agreement, signed by the party against whom enforcement of any modification is sought. No such modification, express or implied, affects the right of the modifying party to require observance of either (i) any other term or (ii) the same term or condition as it applies on a subsequent or previous occasion.

17.09. This Lease benefits only the parties hereto and their successors and permitted assigns. There are no third party beneficiaries.

17.10. Any notice provided for or permitted hereunder must be in writing and delivered by certified mail, return receipt requested, addressed to the other party at its respective address set forth in the preamble. In the case of notice to the Sub-Landlord, Sub-Tenant shall also provide a copy of the notice to:

City of San Antonio
Department of Human Services
ATTN: Director
107 S. Mary's St., 7th Floor
San Antonio, Texas 78205

Notice is complete three days after deposit, properly addressed and postage prepaid, with the United States Postal Service. Failure to use certified mail does not defeat the effectiveness of notice actually received, but such notice is effective only on actual receipt. Address for notice may be changed by giving notice hereunder.

17.11. Paragraph captions in this Lease are for ease of reference only and do not affect the interpretation hereof.

17.12. This Lease may be executed in multiple counterparts, each of which is an original, whether or not all parties sign the same document. Regardless of the number of counterparts, they constitute only one agreement. In making proof of this Lease, it is not necessary to produce or account for more counterparts than are necessary to show execution by or on behalf of all parties.

17.13. The parties must execute and deliver such additional documents and instruments as may be required to effect fully the provisions hereof. No such additional document(s), however, may alter the rights or obligations of the parties as contained in this Lease.

17.14. Sub-Tenant must permit Sub-Landlord or its agents, representatives, or employees to enter the Premises to (A) inspect, (B) determine whether Sub-Tenant is complying with this Lease, (C) maintain, repair, or alter the Premises, or (D) show the Premises to prospective Sub-Tenants, purchasers, mortgagees, or beneficiaries under trust deeds.

17.15. The relationship between Sub-Landlord and Sub-Tenant is at all times solely that of Sub-Landlord and Sub-Tenant, not that of partners or a joint venturers.

17.16. The Director of Building and Equipment Services may, without further council action, agree to, sign, and deliver on behalf of the City all consents, certificates, memoranda, estoppels, attornments, and modifications of nonmaterial rights and obligations arising under this Lease and may declare defaults and pursue remedies for such defaults. This paragraph does not authorize lease amendments or renewals without council consent.

17.17. Whenever this Lease states a number more than one way, either by using both words and numerals or by stating a fixed amount and a calculation for arriving at an amount, and there is a conflict, the highest number controls.

18. Public Information.

Sub-Tenant acknowledges that this instrument is public information within the meaning of Chapter 552 of the Texas Government Code and accordingly may be disclosed to the public.

19. Appropriations.

All obligations of the City of San Antonio under this instrument are subject to the discretion of City Council whether to appropriate funding. If the City Council fails to appropriate money for any obligation under this Lease, the City may terminate this Lease and have no further liability.

In Witness Whereof, the parties have hereunto caused their representatives to set their hands.

Sub-Landlord

City of San Antonio, a Texas
municipal corporation

Signature: _____

Printed
Name: _____

Title: _____

Date: _____

Sub-Tenant

North East Independent School
District

Signature: _____

Printed
Name: _____

Title: _____

Date: _____

Approved as to Form:

City Attorney

Exhibit A

All of the buildings and improvements situated on a 38,000 square foot lot legally described as Lot 127, New City Block 12025, Col. Victor Ferrari Subdivision as shown on Book 9557 Page 94 of the Plat and Deed Records of Bexar County Texas

Exhibit B
(Contents in Premises)

Ferrari Community Learning Center
Contents at Premises

Exhibit B

Room	Description	Serial #	Model #	City Tag#	Make
Lobby	Chair - Blue	None	374 NPP	812516	HON CO
Lobby	Chair - Blue	None	374 NPP	812515	HON CO
Lobby	Chair - Blue	None	374 NPP	812514	HON CO
Lobby	Chair - Blue	None	374 NPP	812519	HON CO
Lobby	Chair - Blue	None	374 NPP	812521	HON CO
Lobby	Chair - Blue	None	374 NPP	812517	HON CO
Lobby	Chair - Blue	None	374 NPP	812513	HON CO
Lobby	Chair - Blue	None	374 NPP	951509	HON CO
Lobby	Chair - Blue	None	374 NPP	812520	HON CO
Lobby	Chair - Blue	None	374 NPP	812518	HON CO
Lobby	Chair - Blue	None	374 NPP	951522	HON CO
Lobby	Chair - Blue	None	5702	890495	HON CO
Lobby	Chair - Blue	None	4003AB	868240	KINETICS
Lobby	Chair - Beige	CTDFZ3	IA52761	951559	HON CO
Lobby	Chair - Beige	CNQ48V	IA52761	None	HON CO
Lobby	Chair - Burgandy	None	69T7837	758397	KINETICS
Lobby	Chair - Burgandy	None	4565	None	KINETICS
Lobby	Chair - Burgandy	None	69T7837	758395	KINETICS
Lobby	Chair - Burgandy	None	69T7837	758396	KINETICS
Lobby	Tall Table - Square	None	None	951469	KIMBLE
Lobby	Round Table	None	None	797280	BEVIS
Lobby	Round Table	None	None	951507	BEVIS
Lobby	Round Table	None	None	951508	BEVIS
Lobby	Round Table	None	None	875019	TELLUS
Lobby	Chair Blue	DW044F	IA52761	797416	HON CO
Lobby	4 Shelve Bookcase	None	DFCU4Z	870635	HON CO
Room 102	Exec. Desk Chair - Burg	DMJRM4	1A52761	870514	HON CO
Room 102	Table Rectangular	MBOOCN	IA53761	951492	MUSCATINE
Room 102	Table Rectangular	M530S0	IA52761	951579	MUSCATINE
Room 102	Table Rectangular	M130S0	IA52761	951581	MUSCATINE
Room 102	Table Rectangular	MAA0J0	IA52761	951576	MUSCATINE
Room 102	Table Rectangular	MV40E0	IA52761	951578	MUSCATINE
Room 102	Table Rectangular	M230S0	IA52761	951582	MUSCATINE
Room 102	Table Rectangular	MRA0J0	IA52761	951566	MUSCATINE
Room 102	Table Rectangular	MUA0J0	None	951500	MUSCATINE
Room 102	Triangle Table	MLW0C0	IA52761	951572	MUSCATINE
Room 102	Triangle Table	MTW0C0	IA52761	951570	MUSCATINE
Room 102	Triangle Table	MC10E0	IA52761	951568	MUSCATINE
Room 102	Triangle Table	MYW0C0	IA52761	951564	MUSCATINE
Room 102	Triangle Table	MPW0C0	IA52761	951569	MUSCATINE
Room 102	Triangle Table	MSW0C0	IA52761	951563	MUSCATINE
Room 102	Triangle Table	MFW0C0	IA52761	951567	MUSCATINE
Room 102	Triangle Table	M6W0C0	IA52761	951573	MUSCATINE
Room 102	Triangle Table	MAW0C0	IA52761	951565	MUSCATINE
Room 102	Triangle Table	MHW0C0	IA52761	951571	MUSCATINE
Room 102	Triangle Table	M7A0J0	None	951520	MUSCATINE
Room 102	Projector Screen	None	None	951583	None
Room 102	Podium	None	None	825575	None
Room 102	Rectangular	MN30S0		951577	MUSCATINE
Room 102	Chair blue (38)				
Room 103	Desk	None	None	875514	WATERLOO
Room 103	TV Stand	None	None	871368	BRETFORD
Room 103	TV Panasonic	B1AA43256	PVC2541	870670	PANASONIC
Room 103	Podium	707579	None	825744	None
Room 103	Toshiba TV	14433241	32A42A	951519	TOSHIBA
Room 103	Large TV Stand	M7A050	BBUL4440-M5	951518	BRETFORD
Room 104	Table Rectangular	M2A0J0	IA52761	951488	MUSCATINE
Room 104	Table Rectangular	MNA0J0	IA52761	951487	MUSCATINE
Room 104	Table Rectangular	MGA0J0	IA52761	951486	MUSCATINE
Room 104	Table Rectangular	MW90MN	IA52761	951485	MUSCATINE
Room 104	Table Rectangular	MC3040	IA52761	951484	MUSCATINE
Room 104	Table Rectangular	MUOOCN	IA52761	951483	MUSCATINE
Room 104	Table Rectangular	MG40E0	IA52761	951482	MUSCATINE
Room 104	Table Rectangular	MX40E0	IA52761	951478	MUSCATINE
Room 104	Table Rectangular	M740E0	IA52761	951477	MUSCATINE
Room 104	Table Rectangular	MR40E0	None	951493	MUSCATINE
Room 104	Table Rectangular	Removed	None	951480	MUSCATINE
Room 104	Table Rectangular	MNOOCN	None	951481	MUSCATINE
Room 104	Small Table	Obstructed	IA52761	951489	MUSCATINE
Room 104	Chair - Beige	C2Z48V	None	951560	
Room 104	Chair - Beige	C2Q48V	None	No tag	
Room 104	Chair - Burgandy	NCGOHG	None	951596	
Room 104	Desk	None	None	870658	None
Room 104	4 Shelve Bookcase	DWCU4Z	None	870636	None
Room 104	Filing Cabinet		None	804942	PACO
Room 104	Chair light gray(13)				
Room 104	Chair dark gray(32)				

Ferrari Community Learning Center
 Contents at Premises

Exhibit B

Room	Description	Serial #	Model #	City Tag#	Make
Room 117	2 Dr. File Cab, Beige	None	None	790251	STEELCASE
Room 117	Desk	None	None	870582	GLOBAL CONCEPTS
Room 117	Chair - Burg. w/wheels	MMGOHG	IA52761	951558	HON CO
Room 117	Chair - Burg. w/wheels	MZGOHG	IA52761	951556	HON CO
Room 117	Chair - Burg. w/wheels	MDGOLG	IA52761	951551	HON CO
Room 117	Chair - Burg. w/wheels	MNGOHG	IA52761	951549	HON CO
Room 117	Chair - Burg. w/wheels	M9GOHG	IA52761	951555	HON CO
Room 117	Chair - Burg. w/wheels	MBGOHG	IA52761	951553	HON CO
Room 117	Chair - Burg. w/wheels	MUGOHG	IA52761	951554	HON CO
Room 117	Chair - Burg. w/wheels	MGGOHG	IA52761	951540	HON CO
Room 117	Chair - Burg. w/wheels	M1GOHG	IA52761	951550	HON CO
Room 117	Chair - Burg. w/wheels	MEGOHG	IA52761	951538	HON CO
Room 117	Chair - Burg. w/wheels	M5GOHG	IA52761	951539	HON CO
Room 117	Chair - Burg. w/wheels	M2GOHG	IA52761	951548	HON CO
Room 117	Chair - Burg. w/wheels	M3GOHG	IA52761	951537	HON CO
Room 117	Chair - Burg. w/wheels	MXGOHG	IA52761	951542	HON CO
Room 117	Chair - Burg. w/wheels	MCGOLG	IA52761	951543	HON CO
Room 117	Chair - Burg. w/wheels	MKGOHG	IA52761	951544	HON CO
Room 117	Chair - Burg. w/wheels	M7GOHG	IA52761	951545	HON CO
Room 117	Chair - Burg. w/wheels	MJGOHG	IA52761	951547	HON CO
Room 117	Chair - Burg. w/wheels	M8GOHG	IA52761	951546	HON CO
Room 117	Chair - Burg. w/wheels	MMGOLG	IA52761	951595	HON CO
Room 117	Triangle Table	MM10E0	IA52761	951521	HON CO
Room 117	Table	MP30KC	E03072G	951533	HON CO
Room 117	Table	M4AZNU	E03072G	951532	HON CO
Room 117	Table	M8307C	E03072G	951531	HON CO
Room 117	Table	MF30KC	E03072G	951530	HON CO
Room 117	Table	MQ30KC	E03072G	951529	HON CO
Room 117	Table	MT30KC	E03072G	951528	HON CO
Room 117	Table	MFAZNU	E03072G	951536	HON CO
Room 117	Table	no tag	E03072G	951535	HON CO
Room 117	Table	MPAZNU	E03072G	951523	HON CO
Room 117	Table	MS30KC	E03072G	951524	HON CO
Room 117	Table	M630KC	E03072G	951525	HON CO
Room 117	Table	M430KC	E03072G	951526	HON CO
Room 117	Triangle Table	MQW0C0	IA52761	951534	MUSCATINE
Room 117	Chair - Burg. w/wheels	MVGOHG	IA52761	951552	HON CO
Room 117	Chair Dark Gray(12)				

Ground Lease
(San Antonio Independent School District)

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Authorizing Ordinance:

Landlord: City of San Antonio, a Texas municipal corporation

Landlord’s Address: P.O. Box 839966, San Antonio, Texas 78283-3966

Address for Rent Payment: P.O. Box 839966, San Antonio, Texas 78283-3966

Tenant San Antonio Independent School District

Tenant’s Address: 141 Lavaca Street, San Antonio, Texas 78210-1095

Premises: A facility containing approximately 8,000 square feet of gross area located at 1411 Guadalupe St., San Antonio, Bexar County, Texas, 78207, commonly referred to as the Margarita R. Huantes Learning &

Leadership Center, and more particularly described on **Exhibit A**, which is incorporated herein for all purposes.

Permitted Use: Operation and maintenance of an adult education / learning center. Adult education is defined as instruction in GED preparation, Adult Basic Education (ABE) and English as a Second Language (ESL).

Lease Commencement Date: January 1, 2014

Term: January 1, 2014 through December 31, 2014

Term Rent: \$1.00

1. Demise of Premises.

Landlord leases the Premises and its contents to Tenant as set out in **Exhibit B**, attached hereto and incorporated herein for all purposes as if copied at length, and Tenant leases the Premises and the listed contents from Landlord under the terms of this Lease. Tenant is to have and hold the Premises, together with all rights, privileges, easements, appurtenances, and immunities belonging to or in any way appertaining to them. The foregoing includes easements; rights, and privileges of Landlord, existing now or at any time during the Lease term, in, to, or under adjacent streets, sidewalks, alleys, party walls, and property contiguous to the Premises and reversions that may later accrue to Landlord as owner of the Premises by reason of the closing of any street, sidewalk, or alley.

2. Lease Term.

Fixed Beginning and Termination Date

2.01. The initial Term is as stated above.

Termination

2.02. Unless renewed, this Lease terminates without further notice when the initial Term expires. If renewed, it terminates without further notice when the renewed term expires. Tenant's holding over expiration is not a renewal of the Lease and does not give Tenant rights under the Lease in or to the Premises.

Holdover

2.03. If Tenant holds over and continues in possession of the Premises after the initial Term expires, Tenant's occupancy will be at will, subject to all the terms of this Lease.

3. Rent.

Initial Rent

3.01. The initial Term Rent is as stated above.

Time and Manner of Payment

3.02. Tenant must pay rent to Landlord in advance on the first day of the Term. Payments must be in lawful money of the United States to the Address for Rent Payment, unless Landlord notifies Tenant to make payment to some other address.

Interest on Delinquent Payments.

3.03. Rent installments unpaid for 30 days bear interest at the maximum rate per annum allowed by law until paid, beginning on the day after each such installment was due.

4. Taxes.

Payment by Tenant

4.01. As a part of the rent due under this Lease, Tenant must pay and discharge all taxes, general and special assessments, and other charges of-any kind levied on or assessed against the Premises and all interests in the Premises and all improvements and other property on them during the Lease Term, if any, whether belonging to Landlord or to Tenant. Tenant must pay all the taxes, charges, and assessments directly to the public officer charged with their collection not fewer than 15 days before delinquency. Tenant must indemnify Landlord and hold it harmless from all loss, cost, liability, or expense arising from or relating to such taxes, charges, and assessments. Tenant may, in good faith at its own expense (in its own name or in that of Landlord, or both), contest taxes, charges, and assessments. But it must pay the contested amount, plus any penalties and interest imposed, if and when finally determined to be due.

Payment by Landlord

4.02. If taxes, special assessments, or governmental charges remain unpaid and uncontested later than 15 days before delinquency, Landlord may give written notice of default, specifying the default. If Tenant continues to fail to pay the taxes, special assessments, or governmental charges, or to timely contest them in good faith, before delinquency, Landlord may pay the items specified in the notice. Tenant must then reimburse Landlord on demand for amounts paid or expended for such purpose, with interest at the maximum rate per annum allowed by law from the date of Landlord's payment until Tenant's reimbursement.

5. Utilities.

Tenant must pay or cause to be paid all charges for water, heat, gas, electricity, sewers, and all other utilities used on the Premises throughout the Lease Term, including any connection fees.

6. Use of Premises.

Permitted and Prohibited Use of Premises

6.01. The proceeds from the 1989 Library / Learning Center Bond issuance and other City issued debt were utilized to fund the construction and repair of improvements at the Premises. Tenant may use the Premises only for the Permitted Use, unless Landlord otherwise consents in writing. Tenant shall not use, permit the use of, or fail to use, the Premises in a manner that would cause the interest on City's debt obligations to be includable in the gross income of the owners for federal income tax purposes. Tenant must not use or store, or permit to be used or stored, on the Premises any hazardous or toxic substances or materials. Tenant shall, upon reasonable request of Landlord, provide copies of, or reasonable inspection by Landlord, its employees or agents, all such records related to Tenant's use of the Premises in accordance with the Permitted Use.

Illegal Use Not Permitted

6.02. Tenant must not use or permit the Premises to be used for any activity violating any applicable local, state, or federal law, rule, or regulation.

7. Construction by Tenant.

General Conditions

7.01. Tenant may erect, maintain, alter, remodel, reconstruct, rebuild, replace, and remove improvements on the Premises, subject to the following:

- a. Tenant bears the cost of the work;
- b. Tenant keeps the Premises free of mechanics' and materialmen's liens;
- c. Except for routine maintenance of existing buildings and improvement, Tenant notifies Landlord, before work begins, of the time work will begin and the general nature of the work; and
- d. Tenant has secured Landlord's approval of all plans in the manner provided for later in this Lease.

Easements, Dedications, Zoning, and Restrictions

7.02. Landlord will offer reasonable cooperation to Tenant concerning easements, dedications, zoning, and restrictions of the Premises as follows:

- a. Easements and Dedications. On Tenant's request, Landlord will join with Tenant in executing and delivering the documents, from time to time and throughout the Lease Term, as may be reasonable, appropriate, necessary, or required by the several governmental agencies, public utilities, and companies to grant easements and make dedications consistent with Landlord's long-term plans for the Premises.
- b. Zoning. On Tenant's request, Landlord will execute the documents, petitions, applications, and authorizations as are appropriate or required to submit the Premises, or any part of them, for the purposes of obtaining

conditional use permits, zoning and rezoning, tentative and final tract approval, precise plan approval, and further, for the purposes of annexation to or the creation of districts and governmental subdivisions, if such actions are consistent with Landlord's long-term plan for the Premises.

c. Restrictions. At Tenant's request, Landlord will execute and deliver or join in the execution and delivery of the documents appropriate and necessary to impose on the Premises covenants, conditions, and restrictions (1) regulating use of the Premises, or any part of them, (2) establishing common and parking areas; establishing party walls; (3) providing for enlarging common and parking areas by mutual and reciprocal parking rights, (4) providing for rights of ingress and egress; and (5) providing for other matters. All such items must be conducive to orderly development of the Premises as a commercial unit and consistent with Landlord's long-term plan for the Premises.

d. Expenses. Tenant exclusively bears the cost and expense of any action required of Landlord under subparagraphs a through c above.

Landlord's Approval of Plans

7.03. The following rules govern Landlord's approving construction, additions, and alterations of buildings or other improvements on the Premises:

a. Written Approval Required. No building or other improvement may be constructed on the Premises unless the plans, specifications, and proposed location of the building or other improvement has received Landlord's written approval. All constructed buildings or other improvements must comply with the approved plans, specifications, and proposed location. Additionally, no material addition to or alteration of any building or structure erected on the Premises may commence until plans and specifications covering the exterior of the proposed addition or alteration have been first submitted to and approved by Landlord.

b. Submission of Plans. Tenant must, at its own expense, engage a licensed architect or engineer to prepare plans and specifications for constructing any buildings or improvements or additions or alterations to any buildings or, improvements that require Landlord's approval under subparagraph a above. Tenant must submit three copies of detailed working drawings, plans, and specifications for all improvements for Landlord's approval not later than 30 days before construction is to begin.

c. Landlord's Approval. Landlord will promptly review and approve all plans submitted to it or note in writing any required changes or corrections. Tenant must comply with changes or corrections required by Landlord, and Tenant must resubmit plans showing the changes and

corrections within 15 days after the corrections or changes have been noted. Landlord's failure to object to the resubmitted plans and specifications within 15 days constitutes its approval.

d. Exception to Landlord's Approval. The following items do not require submission to, and approval by, Landlord:

i. Minor repairs and alterations necessary to maintain existing structures and improvements in a useful state of repair and operation.

ii. Changes and alterations required by an authorized public official with authority or jurisdiction over the buildings or improvements to comply with legal requirements.

e. Effect of Approval. Landlord's approval of any plans and specifications applies only to the conformity of the plans and specifications to the general architectural plan for the Premises, and Landlord may not unreasonably withhold approval. It does not excuse Tenant from any governmental permits, licenses, or other requirements of general applicability. Further, Landlord's approval does not constitute approval of the architectural or engineering design. By approving the plans and specifications, Landlord assumes no liability or responsibility for the architectural or engineering design or for any defect in any building or improvement constructed from the plans or specifications.

Ownership of Buildings, Improvements, and Fixtures

7.04. Any buildings, improvements, additions, alterations, and fixtures (except furniture and trade fixtures) constructed, placed, or maintained on any part of the Premises during the Lease Term become part of the real property of the Premises and must remain on the Premises and become Landlord's property when the Lease terminates.

Right to Remove Improvements

7.05. Tenant may, at any time while it occupies the Premises, or within a reasonable time thereafter, remove any furniture, machinery, equipment, or other trade fixtures owned or placed by Tenant in, under, or on the Premises. Before the Lease terminates, Tenant must repair any damage to any buildings or improvements on the Premises resulting from removal. Any such items not removed by termination become Landlord's property.

8. Reserved.

9. Repairs, Maintenance, and Restoration.

Tenant's Duty to Maintain and Repair

9.01. Tenant must keep and maintain all buildings and improvements on the

Premises in a good state of appearance and repair (except for reasonable wear and tear) at Tenant's own expense.

10. Mechanic's Liens.

Tenant must not cause or permit any mechanic's or other liens to be filed against the fee of the Premises or against Tenant's leasehold interest (excluding any leasehold mortgage). If such a lien is recorded, Tenant must either cause it to be removed, or if Tenant in good faith wishes to contest the lien, take timely action to do so at Tenant's sole expense. If Tenant contests the lien, Tenant must indemnify Landlord and hold it harmless from all loss, cost, liability, or expense arising from the lien contest. If Tenant loses the contest, Tenant must cause the lien to be discharged and removed before any judgment is executed.

11. Condemnation.

Parties' Interests

11.01. If the Premises or any part of them are taken by condemnation as a result of any action or proceeding in eminent domain, or are transferred in lieu of condemnation to any authority entitled to condemn, this article governs Landlord's and Tenant's interests in the award or consideration for the transfer and the effect of the taking or transfer on this Lease.

Total Taking—Termination

11.02. If the entire Premises are taken or so transferred, this Lease and all of the rights, titles, and interests under it ceases on the date that title to the Premises vests in the condemning authority. All proceeds of condemnation are Landlord's.

Partial Taking—Termination

11.03. If only part of the Premises is taken or transferred, this Lease terminates if, in Tenant's opinion, the remainder of the Premises is in such a location, or is in such form, shape, or reduced size, that Tenant's business cannot be effectively and practicably operated on it. In such case, this Lease and all rights, title, and interest under it cease on the date that title vests in the condemning authority. All proceeds of condemnation are Landlord's.

Partial Taking—Continuation With Rent Abatement

11.04. If part of the Premises is taken or transferred and, in Tenant's opinion, the remainder of the Premises is in such that Tenant's business can be effectively and practicably operated on the remaining Premises, this Lease terminates only as to the portion of the Premises taken or transferred. The termination is as of the date title vests in the condemning authority. The Lease continues as to the portion not taken or transferred. As of the termination date, Tenant's rent is reduced during the unexpired portion of this Lease to that proportion of the annual rent that the value of the part of the Premises not taken bears to the value of the whole. Such values are to be determined as of the date immediately before any actual taking. All proceeds of condemnation are Landlord's.

Separate Condemnation Award

11.05. In any case, Tenant is free to seek a separate condemnation award for any loss of or diminishment to its leasehold.

12. Insurance*Allocation of Claims*

12.01. Landlord disclaims any employee, agent, or invitee relationship with any person whose presence on the Premises is through Tenant. Any and all claims resulting from any obligation for which Tenant may be held liable under any workers' compensation, unemployment compensation, disability benefits, similar statutory scheme, or common law negligence is the sole obligation and responsibility of Tenant.

Required Insurance

12.02. Tenant must provide and maintain in full force and effect with respect to the Premises from the Commencement Date of this Lease and for the duration of this Lease and any extensions thereof, insurance coverage written on an occurrence form, by companies authorized and admitted to do business in the State of Texas and rated A or better by A.M. Best Company and/or otherwise acceptable to Landlord, in the following types and amounts:

Type:	Amount:
1. Worker's Compensation	Statutory, with a Waiver of subrogation in favor of Landlord
2. Employer's Liability	\$500,000/\$500,000/\$500,000 with a Waiver of Subrogation in favor of Landlord
3. Commercial General Public Liability Insurance to include (but not be limited to coverage for) coverage for the following:	For Bodily Injury, Death, and Property Damage of \$1,000,000 per occurrence; \$2,000,000 general aggregate, or its equivalent in umbrella or excess liability coverage
(a) Premises/Operations	
(b) Independent Contractors	
(c) Products/Completed Operations	
(d) Contractual Liability	
(e) Personal Injury Liability	
(f) Broad-Form Property Damage, to include Fire Legal Liability	Coverage for replacement cost of Tenant's improvements
(g) Host Liquor Liability Insurance, if alcoholic beverages are served on the Premises	
(h) Liquor Legal Liability Insurance, if alcoholic beverages are sold on the	

Premises

4. Business Automobile Liability to Combined Single Limit for Bodily Injury, Death, and Property Damage of \$1,000,000.00 per occurrence include coverage for:
- (a) Owned/Leased Automobiles
 - (b) Non-owned Automobiles
 - (c) Hired Automobiles
5. Property Insurance for physical damage to the property of the Tenant, including improvements and betterments Coverage for replacement cost of Tenant's improvements.

Required Clauses

12.03. Each insurance policy required by this Lease must contain the following clauses:

"This insurance is not canceled, limited in scope or coverage, or non-renewed until after 30 days' prior written notice has been given to:

- (a) City Clerk, City of San Antonio
City Hall/2nd Floor
P. O. Box 839966
San Antonio, Texas 78283-3966
Attention: Risk Manager

and

- (b) Department of Capital Improvement Management Services
City of San Antonio
P.O. Box 839966
San Antonio, Texas 78283-3966
Attention: Director

"The insurance provided by Tenant is primary to any insurance or self-insurance maintained by the City of San Antonio."

"Any insurance or self-insurance maintained by the City of San Antonio applies in excess of, and does not contribute with, insurance provided by this policy."

Each insurance policy required by this Lease, excepting policies for Workers' Compensation and Employer's Liability, must contain the following clause:

"The City of San Antonio, its officials, employees, representatives and volunteers are added as additional insureds as respects operations and activities of, or on behalf of, the named insured performed under this Lease with the City of San Antonio."

Required Deliveries

12.04. Tenant must require its insurance carrier(s) to deliver to Landlord's Risk Manager and City Clerk, upon request and without expense, copies of policies and endorsements pertinent to the limits required by Landlord. Landlord may request changes in policy terms, conditions, limitations, or exclusions (except where

established by law). If Landlord does so and the changes would increase premiums, Landlord will provide 30 days' prior notice to Tenant and an opportunity to discuss the changes. If Landlord still wants the changes after discussion, Tenant must make the changes and pay the cost thereof.

Additional Insurance for Improvement Work

12.05. If Tenant makes leasehold improvements, Tenant must further provide Builder's Risk Insurance Coverage, Worker's Compensation and Employer's Liability Insurance Coverage, Professional Liability Insurance Coverage and any other liability or other insurance coverage in the amounts and types of coverage approved by Landlord's Risk Manager, covering all risks of physical loss during the term of any construction contract and until work is accepted by the City of San Antonio. Tenant must procure and maintain the insurance, as well as other insurance coverage enumerated above, in full force and effect during the construction phase. Also, payment and performance bonds naming Landlord as indemnitee must be provided by Tenant or its contractors or subcontractors. If the construction is minor, Tenant may send a written request to the City's Director of Capital Improvement Management Services to waive the requirements in this Section, but a waiver may be granted only by Landlord's Risk Manager, whose decision is final.

Certificates

12.06. Within 30 days after the Commencement Date, Tenant must deliver certificates to Landlord's Risk Manager and the City Clerk from Tenant's insurance carrier, reflecting all required insurance coverage. All endorsements and certificates must be signed by an authorized representative of the insurance company and must include the signatory's company affiliation and title. If requested by Landlord, Tenant must send Landlord documentation acceptable to Landlord that confirms that the individual signing the endorsements and certificates is authorized to do so by the insurance company.

Address for Delivery

12.07. The Notices and Certificates of Insurance must be provided to the same addresses as the notices of cancelation.

Liability Not Limited

12.08. Nothing herein contained limits in any way Tenant's liability for damages to persons or property resulting from Tenant's activities or the activities of Tenant's agents, employees, sublessees, or invitees under this Lease.

13. Indemnification

13.01. Landlord and the Tenant acknowledge they are political subdivisions of the State of Texas and are subject to, and comply with the applicable provisions of the Texas Tort Claims Act, as set out in the Texas Civil Practice and Remedies Code, Section 101.001 et. seq. and the remedies authorized therein regarding claims or causes of action that may be asserted by third parties for accident, injury

or death.

14. Assignment and Subletting

Consent Required

14.01. Any attempt at transfer, assignment, or subletting of Tenant's rights, duties, and obligations hereunder, without the Landlord's prior written consent, is void and terminates the Lease. Tenant must, upon such termination, immediately and peacefully vacate the Premises within three days after Landlord's notice to Tenant.

Limitations on Consent

14.02. Landlord's consent on one occasion does not waive need for consent to any later attempted transfer, assignment, or subletting.

15. Default and Remedies.

Termination on Default

15.01. If Tenant defaults in performing any obligation arising out of this Lease and does not correct the default within 30 days after receipt of written notice to Tenant and any lender, notice to whom is required by this Lease, Landlord may terminate this Lease. Landlord or its agent or attorney may resume possession of the Premises and relet them for the remainder of the term at the best rent obtainable for the account of Tenant, who must make good any deficiency. For the purpose of posting the notice required by Property Code Section 93.002(f), the "front door" of the Lease Premises is at 1411 Guadalupe St., San Antonio, Bexar County, Texas, 78207.

Other Remedies

15.02. Termination of this Lease does not relieve Tenant from paying (A) money owing to Landlord under the Lease at the time of termination, or (B) any claim for damages against Tenant under this Lease. Termination does not prevent Landlord from enforcing payment by any remedy provided for by law or from recovering from Tenant for any default. Landlord's rights, options, and remedies under this Lease are cumulative, and no one of them is exclusive of the other. Landlord may pursue any or all such remedies or any other remedy or relief provided by law, whether or not stated in this Lease. No waiver by Landlord of a breach of any covenant or condition of this Lease is a waiver of any succeeding or preceding breach of the same or any other covenant or condition of this Lease.

16. Reserved.

17. General Protective Provisions.

Right of Entry and Inspection

17.01. Tenant must permit Landlord or its agents, representatives, or employees to enter the Premises to (A) inspect, (B) determine whether Tenant is complying with this Lease, (C) maintain, repair, or alter the Premises, or (D) show the

Premises to prospective tenants, purchasers, mortgagees, or beneficiaries under trust deeds.

No Partnership or Joint Venture

17.02. The relationship between Landlord and Tenant is at all times solely that of landlord and tenant, not that of partners or a joint venturers.

Force Majeure

17.03. If constructing a building, curing any default (other than failure to pay rent, insurance premiums, or taxes), or performing any other obligation is delayed by war; civil commotion; act of God; fire or other casualty; or any other circumstance beyond the control of the party obligated to perform, each party so delayed is excused from performance during the delay period.

Termination on Bankruptcy

17.04. Bankruptcy, insolvency, assignment for the benefit of creditors, or the appointment of a receiver is an event of default.

Release of Landlord

17.05. If Landlord sells or transfers all or part of the Premises and as a part of the transaction assigns its interest in this Lease, Landlord has no further liability under this Lease, except with respect to matters that have accrued and are unsatisfied as of the effective date of the assignment. Landlord's covenants and obligations under this Lease will bind Landlord and its successors and assigns only during their respective, successive periods of ownership of the fee.

Joint and Several Liability

17.06. If the Lease names more than one Tenant or Landlord, the obligations of all Tenants and Landlords are joint and several.

18. Prohibited Interests in Contracts

Prohibited Interest

18.01. The Charter of the City of San Antonio and its Ethics Code prohibit a City officer or employee, as defined in Section 2-52 of the Ethics Code, from having a financial interest in any contract with the City or any City agency such as city owned utilities. An officer or employee has a "prohibited financial interest" in a contract with the City or in the sale to the City of land, materials, supplies or service, if any of the following individual(s) or entities is a party to the contract or sale:

- (i) a City officer or employee;
- (ii) his parent, child or spouse;
- (iii) a business entity in which the officer or employee, or his parent, child or spouse owns (i) 10% or more of the voting stock or shares of the

business entity, or (ii) 10% or more of the fair market value of the business entity;

(iv) a business entity in which any individual or entity above listed is a (i) subcontractor on a City contract, (ii) a partner, or (iii) a parent or subsidiary business entity.

Tenant's Warranties

18.02. Tenant warrants and certifies as follows:

(i) Tenant and its officers, employees and agents are neither officers nor employees of the City.

(ii) Tenant has tendered to the City a Discretionary Contracts Disclosure Statement in compliance with the City's Ethics Code.

City's Reliance is Reasonable

18.03. Tenant acknowledges that City's reliance on the above warranties and certifications is reasonable.

19. Miscellaneous.

Rights and Remedies Cumulative

19.01. The rights and remedies under this Lease are cumulative, and either party's using any right or remedy does not preclude or waive its right to use any other remedy. The rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance, or otherwise.

Time of Essence

19.02. Time is of the essence under this Lease.

Yielding Up

19.03. Tenant will, upon expiration or termination, yield up the Premises peacefully to Landlord, in good order, condition, and repair, reasonable use and wear excepted.

Applicable Law

19.04. This Lease is entered into in San Antonio, Bexar County, State of Texas. **The Construction Of This Lease And The Rights, Remedies, And Obligations Arising Thereunder Are Governed By The Laws Of The State Of Texas.** Nevertheless, the Texas conflicts of law rules must not cause the application of the laws of a jurisdiction other than Texas. The obligations performable hereunder by both parties are performable in San Antonio, Bexar County, Texas.

Severability

19.05. If any portion hereof is determined to be invalid or unenforceable, the determination does not affect the remainder hereof.

Successors

19.06. This Lease inures to the benefit of and binds the heirs, representatives, successors, and permitted assigns of each party. This clause does not authorize any assignment not otherwise authorized.

Integration

19.07. This Written Lease Represents The Final Agreement Between The Parties And May Not Be Contradicted By Evidence Of Prior, Contemporaneous, Or Subsequent Oral Agreements Of The Parties. There Are No Oral Agreements Between The Parties.

Modification

19.08. This Lease may not be changed orally but only by a written agreement, signed by the party against whom enforcement of any modification is sought. No such modification, express or implied, affects the right of the modifying party to require observance of either (i) any other term or (ii) the same term or condition as it applies on a subsequent or previous occasion.

Third Party Beneficiaries

19.09. This Lease benefits only the parties hereto and their successors and permitted assigns. There are no third party beneficiaries.

Notices

19.10. Any notice provided for or permitted hereunder must be in writing and delivered by certified mail, return receipt requested, addressed to the other party at its respective address set forth in the preamble. In the case of notice to the Landlord, Tenant shall also provide a copy of the notice to:

City of San Antonio
Department of Human Services
ATTN: Director
107 S. Mary's St., 7th Floor
San Antonio, Texas 78205

Notice is complete three days after deposit, properly addressed and postage prepaid, with the United States Postal Service. Failure to use certified mail does not defeat the effectiveness of notice actually received, but such notice is effective only on actual receipt. Address for notice may be changed by giving notice hereunder.

Captions

19.11. Paragraph captions in this Lease are for ease of reference only and do not affect the interpretation hereof.

Counterparts

19.12. This Lease may be executed in multiple counterparts, each of which is an original, whether or not all parties sign the same document. Regardless of the number of counterparts, they constitute only one agreement. In making proof of this Lease, it is not necessary to produce or account for more counterparts than are necessary to show execution by or on behalf of all parties.

Further Assurances

19.13. The parties must execute and deliver such additional documents and instruments as may be required to effect fully the provisions hereof. No such additional document(s), however, may alter the rights or obligations of the parties as contained in this Lease.

Authority

19.14. The Director of Building and Equipment Services may, without further council action, agree to, sign, and deliver on behalf of the City all consents, certificates, memoranda, estoppels, attornments, and modifications of nonmaterial rights and obligations arising under this Lease and may declare defaults and pursue remedies for such defaults. This paragraph does not authorize lease amendments or renewals without council consent.

In Witness Whereof, the parties have hereunto caused their representatives to set their hands.

City of San Antonio, a Texas municipal corporation **San Antonio Independent School District**

By: _____

By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Approved as to Form:

City Attorney

Exhibit A

(Premises)

PLAZA GUADALUPE UNIT-4

Lots 49, 50, 51 & 52, BLK D, NCB 2437, Being a 1.3791 acre tract of land formally known as arbitrary Lots 12, 13, 14, 15, 16, 23, 24, 25, 26 & 27, BLK D, NCB 2437, City of San Antonio, Bexar County, Texas. As recorded in Volume 9516, Page 82 of the Plat and Deed Records of Bexar County, Texas.

Exhibit B
(Contents in Premises)

Exhibit B

Bob & Jeanne Billa Community Learning Center
Contents at Premises

Room	Description	Serial #	Model #	City Tag #	Notes
Conference Room	Television w/VHS	6N001490	TVY2021	814971	Black
Workroom	Bookcase	N/A	N/A	920616	5 - shelf Medium Oak
Workroom	Desk	N/A	N/A	815052	Light Oak
Workroom	Swivel chair	N / A	N / A	920668	Blue Swivel Chair
Workroom	Swivel chair	N / A	N / A	920669	Blue Swivel Chair
Workroom	Swivel chair	N / A	N / A	920670	Blue Swivel Chair
Workroom	File Cabinet	N / A	N / A	920624	Small
Reception	Swivel chair	N/A	N/A	920622	Blue
Reception	Swivel chair	N/A	N/A	920620	Blue
Reception	File Cabinet	N/A	N/A	815069	5 - Drawer Grey Filing Cabinet
Reception	File Cabinet	N/A	N/A	920671	5 - Drawer Grey Filing Cabinet
Reception	File Cabinet	N/A	N/A	885007	5 - Drawer Black Filing Cabinet
Reception	File Cabinet	N/A	N/A	815058	2 - Drawer Grey Filing Cabinet
Reception	File Cabinet	N/A	N/A	815055	2 - Drawer Grey Filing Cabinet
Reception	Bookcase	N/A	N/A	815045	3 - shelf Medium Oak
Room # 103	Com.desk	N / A	N / A	920625	w/Attachment
Room # 103	Round Table	N / A	N / A	812527	White
Room # 103	Round Table	N / A	N / A	812523	White
Room # 103	Round Table	N / A	N / A	812561	White
Room # 103	Round Table	N / A	N / A	812525	White
Room # 103	Round Table	N / A	N / A	812526	White
Room # 103	Round Table	N / A	N / A	812565	White
Room # 103	Round Table	N / A	N / A	812524	White
Room # 103	Round Table	N / A	N / A	812562	White
Room # 103	Round Table	N / A	N / A	812566	White
Room # 103	sm file cab	N / A	N / A	815057	2 drawer
Room # 103	sm file cab	N / A	N / A	815056	2 drawer

Room # 103	Lg file cab	N / A	N / A	815064	Side by side
Room # 103	Lg file cab	N / A	N / A	815065	Side by side
Room # 103	Bookcase	N / A	N / A	885036	large brown
Room # 103	Bookcase	N / A	N / A	920628	large brown
Room # 103	Long Wood Table	N / A	N / A	920675	Large Wooden Table

Room	Description	Serial #	Model #	City Tag #	Notes
Room # 103	Long Wood Table	N / A	N / A	920629	Large Wooden Table
Room # 103	Swivel chair	N / A	N / A	885012	Dark Blue
Room # 103	Swivel chair	N / A	N / A	884988	Small with wheels
Room # 103	Swivel chair	N / A	N / A	920648	Small with wheels
Room # 103	Swivel chair	N / A	N / A	920649	Small with wheels
Room # 103	Swivel chair	N / A	N / A	920651	Small with wheels
Room # 103	Swivel chair	N / A	N / A	920652	Small with wheels
Room # 103	Swivel chair	N / A	N / A	920653	Small with wheels
Room # 103	Swivel chair	N / A	N / A	920654	Small with wheels
Room # 103	Swivel chair	N / A	N / A	920655	Small with wheels
Room # 103	Swivel chair	N / A	N / A	920676	Small with wheels
Room # 103	Swivel chair	N / A	N / A	920677	Small with wheels
Room # 103	Swivel chair	N / A	N / A	920678	Small with wheels
Room # 103	Swivel chair	N / A	N / A	920679	Burgandy
Room # 103	Swivel chair	N / A	N / A	920656	Small with wheels
Room # 103	sm desk	N / A	N / A	920664	small brown
Room # 103	Long wood table	N / A	N / A	815004	Large Wooden Table
Room # 103	chair	N / A	N / A	N/A	Light //Blue metal frame
Room # 103	chair	N / A	N / A	N/A	Light //Blue metal frame
Room # 103	chair	N / A	N / A	N/A	Light //Blue metal frame
Room # 103	chair	N / A	N / A	N/A	Light //Blue metal frame
Room # 103	chair	N / A	N / A	N/A	Light //Blue metal frame
Room # 103	chair	N / A	N / A	N/A	Light //Blue metal frame
Room # 103	chair	N / A	N / A	N/A	Light //Blue metal frame
Room # 103	chair	N / A	N / A	N/A	Light //Blue metal frame
Room # 103	chair	N / A	N / A	N/A	Light //Blue metal frame
Room # 103	chair	N / A	N / A	N/A	Light //Blue metal frame
Room # 103	chair	N / A	N / A	N/A	Light //Blue metal frame
Room # 103	chair	N / A	N / A	N/A	Light //Blue metal frame

Room # 103	chair	N / A	N / A	N/A	Light //Blue metal frame
Room # 103	chair	N / A	N / A	N/A	Light //Blue metal frame
Room # 103	chair	N / A	N / A	N/A	Light //Blue metal frame

Room	Description	Serial #	Model #	City Tag #	Notes
Room # 103	chair	N / A	N / A	N/A	Light //Blue metal frame
Room # 103	chair	N / A	N / A	N/A	Light //Blue metal frame
Room # 103	chair	N / A	N / A	N/A	Light //Blue metal frame
Room # 103	chair	N / A	N / A	919342	Light //Blue metal frame
Room # 105	2dr file cab	N / A	N / A	884990	white
Room # 105	Bookcase	N / A	N / A	920680	Brown (small)
Room # 105	Bookcase	N / A	N / A	920641	Brown (small)
Room # 105	Bookcase	N / A	N / A	920642	Brown
Room # 105	Bookcase	N / A	N / A	920642	Brown
Room # 105	Bookcase	N / A	N / A	920643	Brown
Room # 105	desk	N / A	N / A	920632	light brown no drawers
Room # 105	desk	N / A	N / A	920624	Computer desk
Room # 105	Long Wood Table	N / A	N / A	920634	Large Wooden Table
Room # 105	Long wood table	N / A	N / A	920635	Large Wooden Table
Room # 105	Long wood table	N / A	N / A	920636	Large Wooden Table
Room # 105	Long wood table	N / A	N / A	920637	Large Wooden Table
Room # 105	Long wood table	N / A	N / A	920638	Large Wooden Table
Room # 105	Long wood table	N / A	N / A	920681	Large Wooden Table
Room # 105	Long wood table	N / A	N / A	920682	Large Wooden Table
Room # 105	Chair	N / A	N / A	N / A	Blue hard back/seat
Room # 105	Chair	N / A	N / A	N / A	Blue hard back/seat
Room # 105	Chair	N / A	N / A	N / A	Blue hard back/seat
Room # 105	Chair	N / A	N / A	N / A	Blue hard back/seat
Room # 105	Chair	N / A	N / A	N / A	Blue hard back/seat
Room # 105	Chair	N / A	N / A	N / A	Blue hard back/seat
Room # 105	Chair	N / A	N / A	N / A	Blue hard back/seat
Room # 105	Chair	N / A	N / A	N / A	Blue hard back/seat
Room # 105	Chair	N / A	N / A	N / A	Blue hard back/seat
Room # 105	Chair	N / A	N / A	N / A	Blue hard back/seat

Room # 105	Chair	N / A	N / A	N / A	Blue hard back/seat
Room # 105	Chair	N / A	N / A	N / A	Blue hard back/seat
Room # 105	Chair	N / A	N / A	N / A	Blue hard back/seat
Room # 105	Chair	N / A	N / A	N / A	Blue hard back/seat

Computer Room	Chair	N / A	N / A	N / A	Blue hard back/seat
Computer Room	Chair	N / A	N / A	N / A	Blue hard back/seat
Computer Room	desk	N/A	N/A	920687	Metal/Wood
Computer Room	File Cabinet	N/A	N/A	920688	2 - Door
Computer Room	Swivel chair	N / A	N / A	N / A	Blue Swivel Chair
Computer Room	Swivel chair	N / A	N / A	N / A	Blue Swivel Chair
Computer Room	Swivel chair	N / A	N / A	N / A	Blue Swivel Chair
Computer Room	Swivel chair	N / A	N / A	N / A	Blue Swivel Chair
Computer Room	Swivel chair	N / A	N / A	N / A	Blue Swivel Chair
Computer Room	Swivel chair	N / A	N / A	N / A	Blue Swivel Chair
Computer Room	Swivel chair	N / A	N / A	N / A	Blue Swivel Chair
Computer Room	Swivel chair	N / A	N / A	N / A	Blue Swivel Chair

Break room	Refrigerator	LR67369	N/A	920621	White
Break room	Locker	N/A	N/A	815078	4 - Dark Gray (hallway)
Break room	Locker	N/A	N/A	884992	4 - Dark Gray
Break room	Microwave	RCS820	N/A	884998	Black
Break room	Cabinet	N/A	N/A	815076	2 - Door Gray
Break room	Small Refrigerator	TAX65NXAR	N/A	884999	White

Ground Lease
(San Antonio Independent School District)

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Authorizing Ordinance:

Landlord: City of San Antonio, a Texas municipal corporation

Landlord’s Address: P.O. Box 839966, San Antonio, Texas 78283-3966

Address for Rent Payment: P.O. Box 839966, San Antonio, Texas 78283-3966

Tenant: San Antonio Independent School District

Tenant’s Address: 141 Lavaca Street, San Antonio, Texas 78210-1095

Premises: A facility containing approximately 8,000 square feet of gross area located at 1033 Ada St., San Antonio, Bexar County, Texas, 78223, commonly referred to as the Bob & Jeanne Billa Learning &

Leadership Center, and more particularly described on **Exhibit A**, which is incorporated herein for all purposes.

Permitted Use: Operation and maintenance of an adult education / learning center. Adult education is defined as instruction in GED preparation, Adult Basic Education (ABE) and English as a Second Language (ESL).

Lease Commencement Date: January 1, 2014

Term: January 1, 2014 through December 31, 2014

Term Rent: \$1.00

1. Demise of Premises.

Landlord leases the Premises and its contents to Tenant as set out in **Exhibit B**, attached hereto and incorporated herein for all purposes as if copied at length, and Tenant leases the Premises and the listed contents from Landlord under the terms of this Lease. Tenant is to have and hold the Premises, together with all rights, privileges, easements, appurtenances, and immunities belonging to or in any way appertaining to them. The foregoing includes easements; rights, and privileges of Landlord, existing now or at any time during the Lease term, in, to, or under adjacent streets, sidewalks, alleys, party walls, and property contiguous to the Premises and reversions that may later accrue to Landlord as owner of the Premises by reason of the closing of any street, sidewalk, or alley.

2. Lease Term.

Fixed Beginning and Termination Date

2.01. The initial Term is as stated above.

Termination

2.02. Unless renewed, this Lease terminates without further notice when the initial Term expires. If renewed, it terminates without further notice when the renewed term expires. Tenant’s holding over expiration is not a renewal of the Lease and does not give Tenant rights under the Lease in or to the Premises.

Holdover

2.03. If Tenant holds over and continues in possession of the Premises after the initial Term expires, Tenant’s occupancy will be at will, subject to all the terms of this Lease.

3. Rent.

Initial Rent

3.01. The initial Term Rent is as stated above.

Time and Manner of Payment

3.02. Tenant must pay rent to Landlord in advance on the first day of the Term. Payments must be in lawful money of the United States to the Address for Rent Payment, unless Landlord notifies Tenant to make payment to some other address.

Interest on Delinquent Payments.

3.03. Rent installments unpaid for 30 days bear interest at the maximum rate per annum allowed by law until paid, beginning on the day after each such installment was due.

4. Taxes.

Payment by Tenant

4.01. As a part of the rent due under this Lease, Tenant must pay and discharge all taxes, general and special assessments, and other charges of any kind levied on or assessed against the Premises and all interests in the Premises and all improvements and other property on them during the Lease Term, if any, whether belonging to Landlord or to Tenant. Tenant must pay all the taxes, charges, and assessments directly to the public officer charged with their collection not fewer than 15 days before delinquency. Tenant must indemnify Landlord and hold it harmless from all loss, cost, liability, or expense arising from or relating to such taxes, charges, and assessments. Tenant may, in good faith at its own expense (in its own name or in that of Landlord, or both), contest taxes, charges, and assessments. But it must pay the contested amount, plus any penalties and interest imposed, if and when finally determined to be due.

Payment by Landlord

4.02. If taxes, special assessments, or governmental charges remain unpaid and uncontested later than 15 days before delinquency, Landlord may give written notice of default, specifying the default. If Tenant continues to fail to pay the taxes, special assessments, or governmental charges, or to timely contest them in good faith, before delinquency, Landlord may pay the items specified in the notice. Tenant must then reimburse Landlord on demand for amounts paid or expended for such purpose, with interest at the maximum rate per annum allowed by law from the date of Landlord's payment until Tenant's reimbursement.

5. Utilities.

Tenant must pay or cause to be paid all charges for water, heat, gas, electricity, sewers, and all other utilities used on the Premises throughout the Lease Term, including any connection fees.

6. Use of Premises.

Permitted and Prohibited Use of Premises

6.01. The proceeds from the 1989 Library / Learning Center Bond issuance and other City issued debt were utilized to fund the construction and repair of improvements at the Premises. Tenant may use the Premises only for the Permitted Use, unless Landlord otherwise consents in writing. Tenant shall not use, permit the use of, or fail to use, the Premises in a manner that would cause the interest on City's debt obligations to be includable in the gross income of the owners for federal income tax purposes. Tenant must not use or store, or permit to be used or stored, on the Premises any hazardous or toxic substances or materials. Tenant shall, upon reasonable request of Landlord, provide copies of, or reasonable inspection by Landlord, its employees or agents, all such records related to Tenant's use of the Premises in accordance with the Permitted Use.

Illegal Use Not Permitted

6.02. Tenant must not use or permit the Premises to be used for any activity violating any applicable local, state, or federal law, rule, or regulation.

7. Construction by Tenant.

General Conditions

7.01. Tenant may erect, maintain, alter, remodel, reconstruct, rebuild, replace, and remove improvements on the Premises, subject to the following:

- a. Tenant bears the cost of the work;
- b. Tenant keeps the Premises free of mechanics' and materialmen's liens;
- c. Except for routine maintenance of existing buildings and improvement, Tenant notifies Landlord, before work begins, of the time work will begin and the general nature of the work; and
- d. Tenant has secured Landlord's approval of all plans in the manner provided for later in this Lease.

Easements, Dedications, Zoning, and Restrictions

7.02. Landlord will offer reasonable cooperation to Tenant concerning easements, dedications, zoning, and restrictions of the Premises as follows:

- a. Easements and Dedications. On Tenant's request, Landlord will join with Tenant in executing and delivering the documents, from time to time and throughout the Lease Term, as may be reasonable, appropriate, necessary, or required by the several governmental agencies, public utilities, and companies to grant easements and make dedications consistent with Landlord's long-term plans for the Premises.
- b. Zoning. On Tenant's request, Landlord will execute the documents, petitions, applications, and authorizations as are appropriate or required to submit the Premises, or any part of them, for the purposes of obtaining

conditional use permits, zoning and rezoning, tentative and final tract approval, precise plan approval, and further, for the purposes of annexation to or the creation of districts and governmental subdivisions, if such actions are consistent with Landlord's long-term plan for the Premises.

c. Restrictions. At Tenant's request, Landlord will execute and deliver or join in the execution and delivery of the documents appropriate and necessary to impose on the Premises covenants, conditions, and restrictions (1) regulating use of the Premises, or any part of them, (2) establishing common and parking areas; establishing party walls; (3) providing for enlarging common and parking areas by mutual and reciprocal parking rights, (4) providing for rights of ingress and egress; and (5) providing for other matters. All such items must be conducive to orderly development of the Premises as a commercial unit and consistent with Landlord's long-term plan for the Premises.

d. Expenses. Tenant exclusively bears the cost and expense of any action required of Landlord under subparagraphs a through c above.

Landlord's Approval of Plans

7.03. The following rules govern Landlord's approving construction, additions, and alterations of buildings or other improvements on the Premises:

a. Written Approval Required. No building or other improvement may be constructed on the Premises unless the plans, specifications, and proposed location of the building or other improvement has received Landlord's written approval. All constructed buildings or other improvements must comply with the approved plans, specifications, and proposed location. Additionally, no material addition to or alteration of any building or structure erected on the Premises may commence until plans and specifications covering the exterior of the proposed addition or alteration have been first submitted to and approved by Landlord.

b. Submission of Plans. Tenant must, at its own expense, engage a licensed architect or engineer to prepare plans and specifications for constructing any buildings or improvements or additions or alterations to any buildings or, improvements that require Landlord's approval under subparagraph a above. Tenant must submit three copies of detailed working drawings, plans, and specifications for all improvements for Landlord's approval not later than 30 days before construction is to begin.

c. Landlord's Approval. Landlord will promptly review and approve all plans submitted to it or note in writing any required changes or corrections. Tenant must comply with changes or corrections required by Landlord, and Tenant must resubmit plans showing the changes and

corrections within 15 days after the corrections or changes have been noted. Landlord's failure to object to the resubmitted plans and specifications within 15 days constitutes its approval.

d. Exception to Landlord's Approval. The following items do not require submission to, and approval by, Landlord:

i. Minor repairs and alterations necessary to maintain existing structures and improvements in a useful state of repair and operation.

ii. Changes and alterations required by an authorized public official with authority or jurisdiction over the buildings or improvements to comply with legal requirements.

e. Effect of Approval. Landlord's approval of any plans and specifications applies only to the conformity of the plans and specifications to the general architectural plan for the Premises, and Landlord may not unreasonably withhold approval. It does not excuse Tenant from any governmental permits, licenses, or other requirements of general applicability. Further, Landlord's approval does not constitute approval of the architectural or engineering design. By approving the plans and specifications, Landlord assumes no liability or responsibility for the architectural or engineering design or for any defect in any building or improvement constructed from the plans or specifications.

Ownership of Buildings, Improvements, and Fixtures

7.04. Any buildings, improvements, additions, alterations, and fixtures (except furniture and trade fixtures) constructed, placed, or maintained on any part of the Premises during the Lease Term become part of the real property of the Premises and must remain on the Premises and become Landlord's property when the Lease terminates.

Right to Remove Improvements

7.05. Tenant may, at any time while it occupies the Premises, or within a reasonable time thereafter, remove any furniture, machinery, equipment, or other trade fixtures owned or placed by Tenant in, under, or on the Premises. Before the Lease terminates, Tenant must repair any damage to any buildings or improvements on the Premises resulting from removal. Any such items not removed by termination become Landlord's property.

8. Reserved.

9. Repairs, Maintenance, and Restoration.

Tenant's Duty to Maintain and Repair

9.01. Tenant must keep and maintain all buildings and improvements on the

Premises in a good state of appearance and repair (except for reasonable wear and tear) at Tenant's own expense.

10. Mechanic's Liens.

Tenant must not cause or permit any mechanic's or other liens to be filed against the fee of the Premises or against Tenant's leasehold interest (excluding any leasehold mortgage). If such a lien is recorded, Tenant must either cause it to be removed, or if Tenant in good faith wishes to contest the lien, take timely action to do so at Tenant's sole expense. If Tenant contests the lien, Tenant must indemnify Landlord and hold it harmless from all loss, cost, liability, or expense arising from the lien contest. If Tenant loses the contest, Tenant must cause the lien to be discharged and removed before any judgment is executed.

11. Condemnation.

Parties' Interests

11.01. If the Premises or any part of them are taken by condemnation as a result of any action or proceeding in eminent domain, or are transferred in lieu of condemnation to any authority entitled to condemn, this article governs Landlord's and Tenant's interests in the award or consideration for the transfer and the effect of the taking or transfer on this Lease.

Total Taking—Termination

11.02. If the entire Premises are taken or so transferred, this Lease and all of the rights, titles, and interests under it ceases on the date that title to the Premises vests in the condemning authority. All proceeds of condemnation are Landlord's.

Partial Taking—Termination

11.03. If only part of the Premises is taken or transferred, this Lease terminates if, in Tenant's opinion, the remainder of the Premises is in such a location, or is in such form, shape, or reduced size, that Tenant's business cannot be effectively and practicably operated on it. In such case, this Lease and all rights, title, and interest under it cease on the date that title vests in the condemning authority. All proceeds of condemnation are Landlord's.

Partial Taking—Continuation With Rent Abatement

11.04. If part of the Premises is taken or transferred and, in Tenant's opinion, the remainder of the Premises is in such that Tenant's business can be effectively and practicably operated on the remaining Premises, this Lease terminates only as to the portion of the Premises taken or transferred. The termination is as of the date title vests in the condemning authority. The Lease continues as to the portion not taken or transferred. As of the termination date, Tenant's rent is reduced during the unexpired portion of this Lease to that proportion of the annual rent that the value of the part of the Premises not taken bears to the value of the whole. Such values are to be determined as of the date immediately before any actual taking. All proceeds of condemnation are Landlord's.

Separate Condemnation Award

11.05. In any case, Tenant is free to seek a separate condemnation award for any loss of or diminishment to its leasehold.

12. Insurance

Allocation of Claims

12.01. Landlord disclaims any employee, agent, or invitee relationship with any person whose presence on the Premises is through Tenant. Any and all claims resulting from any obligation for which Tenant may be held liable under any workers' compensation, unemployment compensation, disability benefits, similar statutory scheme, or common law negligence is the sole obligation and responsibility of Tenant.

Required Insurance

12.02. Tenant must provide and maintain in full force and effect with respect to the Premises from the Commencement Date of this Lease and for the duration of this Lease and any extensions thereof, insurance coverage written on an occurrence form, by companies authorized and admitted to do business in the State of Texas and rated A or better by A.M. Best Company and/or otherwise acceptable to Landlord, in the following types and amounts:

Type:	Amount:
1. Worker's Compensation	Statutory, with a Waiver of subrogation in favor of Landlord
2. Employer's Liability	\$500,000/\$500,000/\$500,000 with a Waiver of Subrogation in favor of Landlord
3. Commercial General Public Liability Insurance to include (but not be limited to coverage for) coverage for the following:	For Bodily Injury, Death, and Property Damage of \$1,000,000 per occurrence; \$2,000,000 general aggregate, or its equivalent in umbrella or excess liability coverage
(a) Premises/Operations	
(b) Independent Contractors	
(c) Products/Completed Operations	
(d) Contractual Liability	
(e) Personal Injury Liability	
(f) Broad-Form Property Damage, to include Fire Legal Liability	Coverage for replacement cost of Tenant's improvements
(g) Host Liquor Liability Insurance, if alcoholic beverages are served on the Premises	
(h) Liquor Legal Liability Insurance, if alcoholic beverages are sold on the	

Premises

4. Business Automobile Liability to Combined Single Limit for Bodily Injury, Death, and Property Damage of \$1,000,000.00 per occurrence include coverage for:
- (a) Owned/Leased Automobiles
 - (b) Non-owned Automobiles
 - (c) Hired Automobiles
5. Property Insurance for physical damage to the property of the Tenant, including improvements and betterments Coverage for replacement cost of Tenant's improvements.

Required Clauses

12.03. Each insurance policy required by this Lease must contain the following clauses:

"This insurance is not canceled, limited in scope or coverage, or non-renewed until after 30 days' prior written notice has been given to:

- (a) City Clerk, City of San Antonio
City Hall/2nd Floor
P. O. Box 839966
San Antonio, Texas 78283-3966
Attention: Risk Manager

and

- (b) Department of Capital Improvement Management Services
City of San Antonio
P.O. Box 839966
San Antonio, Texas 78283-3966
Attention: Director

"The insurance provided by Tenant is primary to any insurance or self-insurance maintained by the City of San Antonio."

"Any insurance or self-insurance maintained by the City of San Antonio applies in excess of, and does not contribute with, insurance provided by this policy."

Each insurance policy required by this Lease, excepting policies for Workers' Compensation and Employer's Liability, must contain the following clause:

"The City of San Antonio, its officials, employees, representatives and volunteers are added as additional insureds as respects operations and activities of, or on behalf of, the named insured performed under this Lease with the City of San Antonio."

Required Deliveries

12.04. Tenant must require its insurance carrier(s) to deliver to Landlord's Risk Manager and City Clerk, upon request and without expense, copies of policies and endorsements pertinent to the limits required by Landlord. Landlord may request changes in policy terms, conditions, limitations, or exclusions (except where

established by law). If Landlord does so and the changes would increase premiums, Landlord will provide 30 days' prior notice to Tenant and an opportunity to discuss the changes. If Landlord still wants the changes after discussion, Tenant must make the changes and pay the cost thereof.

Additional Insurance for Improvement Work

12.05. If Tenant makes leasehold improvements, Tenant must further provide Builder's Risk Insurance Coverage, Worker's Compensation and Employer's Liability Insurance Coverage, Professional Liability Insurance Coverage and any other liability or other insurance coverage in the amounts and types of coverage approved by Landlord's Risk Manager, covering all risks of physical loss during the term of any construction contract and until work is accepted by the City of San Antonio. Tenant must procure and maintain the insurance, as well as other insurance coverage enumerated above, in full force and effect during the construction phase. Also, payment and performance bonds naming Landlord as indemnitee must be provided by Tenant or its contractors or subcontractors. If the construction is minor, Tenant may send a written request to the City's Director of Capital Improvement Management Services to waive the requirements in this Section, but a waiver may be granted only by Landlord's Risk Manager, whose decision is final.

Certificates

12.06. Within 30 days after the Commencement Date, Tenant must deliver certificates to Landlord's Risk Manager and the City Clerk from Tenant's insurance carrier, reflecting all required insurance coverage. All endorsements and certificates must be signed by an authorized representative of the insurance company and must include the signatory's company affiliation and title. If requested by Landlord, Tenant must send Landlord documentation acceptable to Landlord that confirms that the individual signing the endorsements and certificates is authorized to do so by the insurance company.

Address for Delivery

12.07. The Notices and Certificates of Insurance must be provided to the same addresses as the notices of cancelation.

Liability Not Limited

12.08. Nothing herein contained limits in any way Tenant's liability for damages to persons or property resulting from Tenant's activities or the activities of Tenant's agents, employees, sublessees, or invitees under this Lease.

13. Indemnification

13.01. Landlord and the Tenant acknowledge they are political subdivisions of the State of Texas and are subject to, and comply with the applicable provisions of the Texas Tort Claims Act, as set out in the Texas Civil Practice and Remedies Code, Section 101.001 et. seq. and the remedies authorized therein regarding claims or causes of action that may be asserted by third parties for accident, injury

or death.

14. Assignment and Subletting

Consent Required

14.01. Any attempt at transfer, assignment, or subletting of Tenant's rights, duties, and obligations hereunder, without the Landlord's prior written consent, is void and terminates the Lease. Tenant must, upon such termination, immediately and peacefully vacate the Premises within three days after Landlord's notice to Tenant.

Limitations on Consent

14.02. Landlord's consent on one occasion does not waive need for consent to any later attempted transfer, assignment, or subletting.

15. Default and Remedies.

Termination on Default

15.01. If Tenant defaults in performing any obligation arising out of this Lease and does not correct the default within 30 days after receipt of written notice to Tenant and any lender, notice to whom is required by this Lease, Landlord may terminate this Lease. Landlord or its agent or attorney may resume possession of the Premises and relet them for the remainder of the term at the best rent obtainable for the account of Tenant, who must make good any deficiency. For the purpose of posting the notice required by Property Code Section 93.002(f), the "front door" of the Lease Premises is at 1033 Ada St., San Antonio, Bexar County, Texas, 78223.

Other Remedies

15.02. Termination of this Lease does not relieve Tenant from paying (A) money owing to Landlord under the Lease at the time of termination, or (B) any claim for damages against Tenant under this Lease. Termination does not prevent Landlord from enforcing payment by any remedy provided for by law or from recovering from Tenant for any default. Landlord's rights, options, and remedies under this Lease are cumulative, and no one of them is exclusive of the other. Landlord may pursue any or all such remedies or any other remedy or relief provided by law, whether or not stated in this Lease. No waiver by Landlord of a breach of any covenant or condition of this Lease is a waiver of any succeeding or preceding breach of the same or any other covenant or condition of this Lease.

16. Reserved.

17. General Protective Provisions.

Right of Entry and Inspection

17.01. Tenant must permit Landlord or its agents, representatives, or employees to enter the Premises to (A) inspect, (B) determine whether Tenant is complying with this Lease, (C) maintain, repair, or alter the Premises, or (D) show the

Premises to prospective tenants, purchasers, mortgagees, or beneficiaries under trust deeds.

No Partnership or Joint Venture

17.02. The relationship between Landlord and Tenant is at all times solely that of landlord and tenant, not that of partners or a joint venturers.

Force Majeure

17.03. If constructing a building, curing any default (other than failure to pay rent, insurance premiums, or taxes), or performing any other obligation is delayed by war; civil commotion; act of God; fire or other casualty; or any other circumstance beyond the control of the party obligated to perform, each party so delayed is excused from performance during the delay period.

Termination on Bankruptcy

17.04. Bankruptcy, insolvency, assignment for the benefit of creditors, or the appointment of a receiver is an event of default.

Release of Landlord

17.05. If Landlord sells or transfers all or part of the Premises and as a part of the transaction assigns its interest in this Lease, Landlord has no further liability under this Lease, except with respect to matters that have accrued and are unsatisfied as of the effective date of the assignment. Landlord's covenants and obligations under this Lease will bind Landlord and its successors and assigns only during their respective, successive periods of ownership of the fee.

Joint and Several Liability

17.06. If the Lease names more than one Tenant or Landlord, the obligations of all Tenants and Landlords are joint and several.

18. Prohibited Interests in Contracts

Prohibited Interest

18.01. The Charter of the City of San Antonio and its Ethics Code prohibit a City officer or employee, as defined in Section 2-52 of the Ethics Code, from having a financial interest in any contract with the City or any City agency such as city owned utilities. An officer or employee has a "prohibited financial interest" in a contract with the City or in the sale to the City of land, materials, supplies or service, if any of the following individual(s) or entities is a party to the contract or sale:

- (i) a City officer or employee;
- (ii) his parent, child or spouse;
- (iii) a business entity in which the officer or employee, or his parent, child or spouse owns (i) 10% or more of the voting stock or shares of the

business entity, or (ii) 10% or more of the fair market value of the business entity;

(iv) a business entity in which any individual or entity above listed is a (i) subcontractor on a City contract, (ii) a partner, or (iii) a parent or subsidiary business entity.

Tenant's Warranties

18.02. Tenant warrants and certifies as follows:

(i) Tenant and its officers, employees and agents are neither officers nor employees of the City.

(ii) Tenant has tendered to the City a Discretionary Contracts Disclosure Statement in compliance with the City's Ethics Code.

City's Reliance is Reasonable

18.03. Tenant acknowledges that City's reliance on the above warranties and certifications is reasonable.

19. Miscellaneous.

Rights and Remedies Cumulative

19.01. The rights and remedies under this Lease are cumulative, and either party's using any right or remedy does not preclude or waive its right to use any other remedy. The rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance, or otherwise.

Time of Essence

19.02. Time is of the essence under this Lease.

Yielding Up

19.03. Tenant will, upon expiration or termination, yield up the Premises peacefully to Landlord, in good order, condition, and repair, reasonable use and wear excepted.

Applicable Law

19.04. This Lease is entered into in San Antonio, Bexar County, State of Texas. **The Construction Of This Lease And The Rights, Remedies, And Obligations Arising Thereunder Are Governed By The Laws Of The State Of Texas.** Nevertheless, the Texas conflicts of law rules must not cause the application of the laws of a jurisdiction other than Texas. The obligations performable hereunder by both parties are performable in San Antonio, Bexar County, Texas.

Severability

19.05. If any portion hereof is determined to be invalid or unenforceable, the determination does not affect the remainder hereof.

Successors

19.06. This Lease inures to the benefit of and binds the heirs, representatives, successors, and permitted assigns of each party. This clause does not authorize any assignment not otherwise authorized.

Integration

19.07. This Written Lease Represents The Final Agreement Between The Parties And May Not Be Contradicted By Evidence Of Prior, Contemporaneous, Or Subsequent Oral Agreements Of The Parties. There Are No Oral Agreements Between The Parties.

Modification

19.08. This Lease may not be changed orally but only by a written agreement, signed by the party against whom enforcement of any modification is sought. No such modification, express or implied, affects the right of the modifying party to require observance of either (i) any other term or (ii) the same term or condition as it applies on a subsequent or previous occasion.

Third Party Beneficiaries

19.09. This Lease benefits only the parties hereto and their successors and permitted assigns. There are no third party beneficiaries.

Notices

19.10. Any notice provided for or permitted hereunder must be in writing and delivered by certified mail, return receipt requested, addressed to the other party at its respective address set forth in the preamble. In the case of notice to the Landlord, Tenant shall also provide a copy of the notice to:

City of San Antonio
Department of Human Services
ATTN: Director
107 S. Mary's St., 7th Floor
San Antonio, Texas 78205

Notice is complete three days after deposit, properly addressed and postage prepaid, with the United States Postal Service. Failure to use certified mail does not defeat the effectiveness of notice actually received, but such notice is effective only on actual receipt. Address for notice may be changed by giving notice hereunder.

Captions

19.11. Paragraph captions in this Lease are for ease of reference only and do not affect the interpretation hereof.

Counterparts

19.12. This Lease may be executed in multiple counterparts, each of which is an original, whether or not all parties sign the same document. Regardless of the number of counterparts, they constitute only one agreement. In making proof of this Lease, it is not necessary to produce or account for more counterparts than are necessary to show execution by or on behalf of all parties.

Further Assurances

19.13. The parties must execute and deliver such additional documents and instruments as may be required to effect fully the provisions hereof. No such additional document(s), however, may alter the rights or obligations of the parties as contained in this Lease.

Authority

19.14. The Director of Building and Equipment Services may, without further council action, agree to, sign, and deliver on behalf of the City all consents, certificates, memoranda, estoppels, attornments, and modifications of nonmaterial rights and obligations arising under this Lease and may declare defaults and pursue remedies for such defaults. This paragraph does not authorize lease amendments or renewals without council consent.

In Witness Whereof, the parties have hereunto caused their representatives to set their hands.

City of San Antonio, a Texas municipal corporation

San Antonio Independent School District

By: _____

By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Approved as to Form:

City Attorney

Exhibit A

(Premises)

UNIVERSITY HEALTH CENTER SUBDIVISION

Lots 33 and 34, New City Block 6075, University Health Center Subdivision, Bexar County, Texas and containing 3.8011 acres. As recorded in Volume 9532, Page 123 of the Plat and Deed Records of Bexar County, Texas.

Exhibit B
(Contents in Premises)

Bob and Jeanne Billa Community Learning Center
Contents at Premises

Exhibit B

<i>Room</i>	<i>Description</i>	<i>Serial #</i>	<i>Model #</i>	<i>City Tag #</i>	<i>Notes</i>
Conference Room	Television w/VHS	6N001490	TVY2021	814971	Black
Workroom	Bookcase	N/A	N/A	920616	5 - shelf Medium Oak
Workroom	Desk	N/A	N/A	815052	Light Oak
Workroom	Swivel chair	N / A	N / A	920668	Blue Swivel Chair
Workroom	Swivel chair	N / A	N / A	920669	Blue Swivel Chair
Workroom	Swivel chair	N / A	N / A	920670	Blue Swivel Chair
Workroom	File Cabinet	N / A	N / A	920624	Small
Reception	Swivel chair	N/A	N/A	920622	Blue
Reception	Swivel chair	N/A	N/A	920620	Blue
Reception	File Cabinet	N/A	N/A	815069	5 - Drawer Grey Filing Cabinet
Reception	File Cabinet	N/A	N/A	920671	5 - Drawer Grey Filing Cabinet
Reception	File Cabinet	N/A	N/A	885007	5 - Drawer Black Filing Cabinet
Reception	File Cabinet	N/A	N/A	815058	2 - Drawer Grey Filing Cabinet
Reception	File Cabinet	N/A	N/A	815055	2 - Drawer Grey Filing Cabinet
Reception	Bookcase	N/A	N/A	815045	3 - shelf Medium Oak
Room # 103	Com.desk	N / A	N / A	920625	w/Attachment
Room # 103	Round Table	N / A	N / A	812527	White
Room # 103	Round Table	N / A	N / A	812523	White
Room # 103	Round Table	N / A	N / A	812561	White
Room # 103	Round Table	N / A	N / A	812525	White
Room # 103	Round Table	N / A	N / A	812526	White
Room # 103	Round Table	N / A	N / A	812565	White
Room # 103	Round Table	N / A	N / A	812524	White
Room # 103	Round Table	N / A	N / A	812562	White
Room # 103	Round Table	N / A	N / A	812566	White
Room # 103	sm file cab	N / A	N / A	815057	2 drawer
Room # 103	sm file cab	N / A	N / A	815056	2 drawer
Room # 103	Lg file cab	N / A	N / A	815064	Side by side
Room # 103	Lg file cab	N / A	N / A	815065	Side by side
Room # 103	Bookcase	N / A	N / A	885036	large brown
Room # 103	Bookcase	N / A	N / A	920628	large brown
Room # 103	Long Wood Table	N / A	N / A	920675	Large Wooden Table

Bob and Jeanne Billa Community Learning Center
Contents at Premises

Exhibit B

<i>Room</i>	<i>Description</i>	<i>Serial #</i>	<i>Model #</i>	<i>City Tag #</i>	<i>Notes</i>
Room # 106	Bookcase	N/A	N/A	920619	5 - shelf Medium Oak
Computer Room	Bookcase	N/A	N/A	920618	5 - shelf Medium Oak
Computer Room	Chair	N / A	N / A	N / A	Blue hard back/seat
Computer Room	Chair	N / A	N / A	N / A	Blue hard back/seat
Computer Room	Chair	N / A	N / A	N / A	Blue hard back/seat
Computer Room	Chair	N / A	N / A	N / A	Blue hard back/seat
Computer Room	Chair	N / A	N / A	N / A	Blue hard back/seat
Computer Room	Chair	N / A	N / A	N / A	Blue hard back/seat
Computer Room	Chair	N / A	N / A	N / A	Blue hard back/seat
Computer Room	Chair	N / A	N / A	N / A	Blue hard back/seat
Computer Room	Chair	N / A	N / A	N / A	Blue hard back/seat
Computer Room	Chair	N / A	N / A	N / A	Blue hard back/seat
Computer Room	Chair	N / A	N / A	N / A	Blue hard back/seat
Computer Room	Chair	N / A	N / A	N / A	Blue hard back/seat
Computer Room	Chair	N / A	N / A	N / A	Blue hard back/seat
Computer Room	Chair	N / A	N / A	N / A	Blue hard back/seat
Computer Room	Chair	N / A	N / A	N / A	Blue hard back/seat
Computer Room	Chair	N / A	N / A	N / A	Blue hard back/seat
Computer Room	Chair	N / A	N / A	N / A	Blue hard back/seat
Computer Room	Chair	N / A	N / A	N / A	Blue hard back/seat
Computer Room	Chair	N / A	N / A	N / A	Blue hard back/seat
Computer Room	desk	N/A	N/A	920687	Metal/Wood
Computer Room	File Cabinet	N/A	N/A	920688	2 - Door
Computer Room	Swivel chair	N / A	N / A	N / A	Blue Swivel Chair
Computer Room	Swivel chair	N / A	N / A	N / A	Blue Swivel Chair
Computer Room	Swivel chair	N / A	N / A	N / A	Blue Swivel Chair
Computer Room	Swivel chair	N / A	N / A	N / A	Blue Swivel Chair
Computer Room	Swivel chair	N / A	N / A	N / A	Blue Swivel Chair
Computer Room	Swivel chair	N / A	N / A	N / A	Blue Swivel Chair
Computer Room	Swivel chair	N / A	N / A	N / A	Blue Swivel Chair
Computer Room	Swivel chair	N / A	N / A	N / A	Blue Swivel Chair
Computer Room	Swivel chair	N / A	N / A	N / A	Blue Swivel Chair

Bob and Jeanne Billa Community Learning Center
Contents at Premises

Exhibit B

Room	Description	Serial #	Model #	City Tag #	Notes
Computer Room	Swivel chair	N / A	N / A	N / A	Blue Swivel Chair
Computer Room	Swivel chair	N / A	N / A	N / A	Blue Swivel Chair
Computer Room	Swivel chair	N / A	N / A	N / A	Blue Swivel Chair
Computer Room	Swivel chair	N / A	N / A	N / A	Blue Swivel Chair
Computer Room	Swivel chair	N / A	N / A	N / A	Blue Swivel Chair
Computer Room	Swivel chair	N / A	N / A	N / A	Blue Swivel Chair
Computer Room	Swivel chair	N / A	N / A	N / A	Blue Swivel Chair
Computer Room	Swivel chair	N / A	N / A	N / A	Blue Swivel Chair
Computer Room	Swivel chair	N / A	N / A	N / A	Blue Swivel Chair
Computer Room	Swivel chair	N / A	N / A	N / A	Blue Swivel Chair
Computer Room	Swivel chair	N / A	N / A	N / A	Blue Swivel Chair
Computer Room	Swivel chair	N / A	N / A	N / A	Blue Swivel Chair
Computer Room	Chair	N / A	N / A	782461	Burgandy
Computer Room	Long wood table	N / A	N / A	815042	Large Wooden Table
Computer Room	Long wood table	N / A	N / A	815043	Large Wooden Table
Computer Room	Long wood table	N / A	N / A	815040	Large Wooden Table
Computer Room	Long wood table	N / A	N / A	920689	Large Wooden Table
Computer Room	Long wood table	N / A	N / A	920690	Large Wooden Table
Computer Room	Long wood table	N / A	N / A	920691	Large Wooden Table
Computer Room	Long wood table	N / A	N / A	920692	Large Wooden Table
Computer Room	Long wood table	N / A	N / A	920693	Large Wooden Table
Computer Room	Long wood table	N / A	N / A	920694	Large Wooden Table
Computer Room	Long wood table	N / A	N / A	815037	Large Wooden Table
Break room	Bookcase	N/A	N/A	920617	5 - shelf Medium Oak
Break room	Cabinet	N/A	N/A	884997	2 - Door Gray - Large
Break room	File Cabinet	N/A	N/A	884993	5 - Drawer Grey Filing Cabinet
Break room	File Cabinet	N/A	N/A	884994	5 - Drawer Grey Filing Cabinet
Break room	File Cabinet	N/A	N/A	884995	5 - Drawer Grey Filing Cabinet
Break room	File Cabinet	N/A	N/A	884996	5 - Drawer Grey Filing Cabinet
Break room	Refrigerator	LR67369	N/A	920621	White
Break room	Locker	N/A	N/A	815078	4 - Dark Gray (hallway)
Break room	Locker	N/A	N/A	884992	4 - Dark Gray
Break room	Microwave	RCS820	N/A	884998	Black
Break room	Cabinet	N/A	N/A	815076	2 - Door Gray
Break room	Small Refrigerator	TAX65NXAR	N/A	884999	White