SW/vv
04/30/15
Item #16B

AN ORDINANCE 2015-04-30-0344

AUTHORIZING THE EXECUTION OF TWO NO-COST LEASES WITH THE YMCA OF PORTIONS OF A BUILDING TO BE LOCATED AT 8765 HIGHWAY 151: (1) A 25 YEAR NO-COST LEASE OF APPROXIMATELY 38,121 SQUARE FEET TO BE USED AS A RECREATION CENTER; AND (2) A 26 YEAR NO-COST LEASE OF 5,000 SQUARE FEET PLUS SHARED COMMON AREAS TO BE USED AS THE DISTRICT 6 LIBRARY, AND AUTHORIZING A LICENSE OF APPROXIMATELY 38,121 SQUARE FEET OF THE BUILDING TO THE YMCA FOR THEIR OPERATIONS OF A RECREATION CENTER.

* * * * *

WHEREAS, in May of 2012, voters approved the 2012-2017 General Obligation Bond Program, $3 million was designated for a project titled the Northwest Area Recreation Center in Council District 6 and $1.4 million was designated for development of a Library in Council District 6; and

WHEREAS, in October 2014, the YMCA purchased a former grocery store building at the corner of Potranco Road and Highway 151 with the intent to collaborate with the City to repurpose the old grocery store into a new co-located recreation center and library; and

WHEREAS, in the first phase, the City will contract with the YMCA using the Bond funds to design and construct a 5,000 square foot San Antonio Branch Library and 49,000 square foot YMCA recreational center that will include a gymnasium, exercise rooms and locker room; and

WHEREAS, the Library Facilities Committee and Library Board have approved the co-location of the Council District 6 Branch Library with the YMCA; and

WHEREAS, the YMCA has agreed to lease the grocery store site to the City in exchange for receiving the bond funds to pay for the renovations, and the City has agreed to lease back a portion of the building to the YMCA for the YMCA to operate the recreational center; **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 Transportation and Capital Improvements Department or his designee, is authorized to execute two no-cost leases with the YMCA of portions of a building to be located at 8765 Highway 151: (1) a 25 year no-cost lease of approximately 38,121 square feet to be used as a recreation center; and (2) a 26 year no-cost lease of 5,000 square feet plus shared common areas to be used as the District 6 Library, and authorizing a license of approximately 38,121 square feet of the building to the YMCA for their operations of a

recreation center. A copy of the no-cost lease agreement, in substantially final form, is attached hereto and incorporated herein for all purposes as **Attachment I**.

SECTION 2. Funding in the amount of $1.00 for this ordinance is available for Fund 11001000, Cost Center 0401010004 and General Ledger 5206010, as part of the Fiscal Year 2015 Budget.

SECTION 3. Payment not to exceed the budgeted amount is authorized and should be encumbered with a purchase order.

SECTION 4. Funds generated by this ordinance will be deposited into Fund 11001000, Internal Order 256000000004 and General Ledger 4401110.

SECTION 5. 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.

SECTION 6. 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 April, 2015.

M A Y O R
Ivy R. Taylor

ATTEST:

Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:

for Martha G. Sepeda, Acting City Attorney

Agenda Item:	**16B (in consent vote: 6, 7, 8, 9, 11, 12, 13, 14, 15A, 15B, 16A, 16B, 16C, 16D, 17, 18, 19A, 19B, 20, 21, 22, 24, 25, 26, 27, 28, 29, 30)**
Date:	04/30/2015
Time:	11:00:22 AM
Vote Type:	Motion to Approve
Description:	An Ordinance authorizing the execution of two no-cost leases with the YMCA of portions of a building to be located at 8765 Highway 151: (1) a 25 year no-cost lease of approximately 38,121 square feet to be used as a recreation center; and (2) a 26 year no-cost lease of 5,000 square feet plus shared common areas to be used as the District 6 Library, and authorizing a license of approximately 38,121 square feet of the building to the YMCA for their operations of a recreation center.
Result:	Passed

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

Primary Lease Agreement
Northwest Area Library and Recreational Facility

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1. Basic Information, Definitions.

Authorizing Ordinance:

Landlord:	The Young Men's Christian Association of Greater San Antonio, a Texas non-profit corporation
Landlord's Address:	3233 N. St. Mary's Street, San Antonio, Texas 78214 (Attention: Ross Magsig)
Tenant:	City of San Antonio (sometimes referred to herein as the "City").
Tenant's Address:	P.O. Box 829966, San Antonio, Texas 78283-3966 (Attention: Ramiro S. Salazar, Library Department Director)

This space intentionally left blank.

Premises: A total of an approximate 43,121 square foot portion of a 55,663 square foot building located on a 5.96 acre lot, (the "Building"), located at 8765 State Highway 151, San Antonio, Texas 78251, and consisting of:

"Recreation Center Premises": an approximate 38,121 square foot area in the Building, which is subject to the license rights reserved by Landlord in accordance with Section 3 of this Lease. Notwithstanding such license rights, certain portions of Recreation Center Premises are designated Common Areas as that term is defined below and shall be available for Tenant's use in accordance with the terms and conditions hereof; and

"Library Premises": an approximate 5,000 square foot area in the Building for Tenant's exclusive use in accordance with the terms of this Lease.

Recreation Center Premises, Library Premises, and Common Areas are depicted on "**Exhibit A**," which is attached hereto and may sometimes be collectively referred to herein as the "Premises" meaning the entirety of Recreation Center Premises and Library Premises including the Common Areas or individually as Recreation Center Premises, Library Premises, or Common Areas, as defined herein.

Permitted Use: Any and all lawful uses during any time of day or night.

Lease Commencement Date: This Agreement shall commence and is binding on the Parties on the later of (a) the effective date of the Authorizing Ordinance or (b) the date of the later of the signatures of the two Parties.

Term: Subject to fulfillment of the terms of the Funding Agreement (defined below), the Term shall expire upon the expiration of 25 years from the Lease Commencement Date.

Upon the expiration of the Term (or any earlier termination in accordance with the provisions hereof), this Lease shall terminate in its entirety (except as to

	any obligations which survive expiration in accordance with the provisions hereof), and the Premises shall continue to be owned by Landlord free and clear of any and all rights and obligations hereunder.
Rent:	No Rent is due and payable under this Lease.
Asbestos Survey Deadline:	10 days prior to the Lease Commencement Date
Common Areas:	All facilities and areas of the Building and related adjoining land that are designated in Exhibit A as "Common Areas," which are intended for use by Landlord and Tenant for the common, general, and nonexclusive use of Landlord, Tenant, and the public. At a minimum, these areas include: (i) a parking lot large enough to accommodate both Landlord's and Tenant's needs; (ii) a common lobby leading to Library Premises and the Recreation Center Premises; (iii) common area bathrooms; (iv) a meeting room adjacent to the common lobby area not less than 1,200 square feet in size; (v) an area or areas outside Building for library programming purposes and; (vi) any other areas designated by Landlord for the common use of both Landlord and Tenant. Landlord has exclusive control over the Common Areas, provided however any rules imposed by Landlord must (a) recognize that Tenant has the right to use the Common Areas; (b) not inhibit Tenant's reasonable use of the Common Areas in a manner that is consistent with the policies set forth by the San Antonio Public Library Board of Trustees and; (c) not preclude Tenant's right to use the Common Areas during times that Tenant is open for business
Funding Agreement:	The Funding Agreement between City of San Antonio and the Landlord for renovation of Recreation Center Premises and Library Premises, including the Common Areas pursuant to the Authorizing Ordinance (a copy of which is attached hereof as "**Exhibit D**").

The following Exhibits to this Lease are attached and incorporated into it for all purposes:
Exhibit A: Description of Premises
Exhibit B: Cleaning and Maintenance Schedule

Exhibit C: Funding Agreement
Exhibit D: Authorizing Ordinance

2. Grant.

2.01. Landlord leases the Premises to Tenant, and Tenant takes the Premises from Landlord subject to (i) the license reserved by Landlord as described in Section 3 below and (ii) on the terms and conditions of this Lease.

2.02. Tenant's right of occupancy of the Library Premises and right to make use of the Common Areas begin on the Construction Completion Date (as defined in the Funding Agreement).

2.03. This Agreement is binding on the Parties on the Lease Commencement Date.

2.04 Subject to the terms and conditions hereof, Tenant will have access to the Premises before, during, and after any renovations, which Landlord is expected to undertake and complete during the Term as called for in the Funding Agreement.

3. Reservation of License for Landlord's Exclusive Use and Operation of the Recreation Center Premises and Joint Use of Common Areas.

3.01. Notwithstanding anything herein to the contrary, the Landlord hereby reserves a license to exclusively improve, operate, and maintain Recreation Center Premises and Common Areas located in the Building for the Term of this Lease.

3.02. In the event that this Lease expires, or is otherwise terminated, for any reason, the license reserved in Section 3.01 shall be automatically terminated on the date the Lease expires or is otherwise terminated.

3.03 Tenant hereby covenants and agrees not to interfere in any way with Landlord's use and operation of the Recreation Center Premises.

4. Rent.

4.01. Base Rent – No Rent is due and payable under this Lease.

5. Term.

5.01. The Term of this Lease is as defined in Section 1 of this Lease.

5.02. At any time after the Construction Completion Date, Tenant may terminate this Lease at any time without cause by delivering 30 days prior written notice to Landlord.

6. Tenant's Affirmative Promises.

Tenant will:

6.01. Obey (a) all applicable laws relating to the use, condition, and occupancy of the Premises and Building and (b) any requirements imposed by utility companies serving or insurance companies covering the Premises or Building.

6.02. Allow Landlord to enter any part of the Premises to perform Landlord's obligations, inspect the Premises, and show the Premises to prospective purchasers or tenants.

6.03. Submit in writing to Landlord any request for repairs, replacement, and maintenance that are obligations of Landlord.

6.04. Vacate the Premises and return all keys to the Premises promptly upon expiration of the Term, (or any earlier termination hereof).

6.05. On request, execute an estoppel certificate that states the Lease Commencement Date, and duration of the Lease, identifies any amendments to the Lease, describes any rights to extend the Term (if any), lists any defaults by Landlord, and provides any other information reasonably requested. Tenant need not sign any certificate that purports to modify Tenant's obligations hereunder in any respect, except for a change in the address for notice.

6.06 Operating Expenses – Commencing on the date that Tenant takes occupancy of Library Premises, Tenant shall pay to Landlord the Annual Operating Expenses. Such Annual Operating Expenses shall be paid in one lump sum on January 1 of each year of the term. The annual amount shall be prorated to the day for any period of occupancy that commences on a date other than January 1. The initial Annual Operating Expenses payable by Tenant to Landlord shall be $22,902.37, and Landlord acknowledges that this amount is an accurate initial assessment of costs Landlord will incur to provide all of the services that are Landlord's obligations to Tenant under this Lease. This amount shall be applicable to the first full calendar year (January 1 to December 31) of the Term and any partial calendar year of a Term which commences on a date other than January 1 prior to that initial calendar year. Commencing on the second January 1st of the Term, and each anniversary thereafter, the Annual Operating Expenses shall be subject to adjustment based on the Consumer Price Index—All Urban Consumers, All Items, in the US, Southwest, not seasonally adjusted, 1982-84=100. Adjustments are determined by multiplying the Operating Expenses by a fraction, the numerator being the index number published in December of the prior calendar year and the denominator being the index number published in November of the current calendar. If the product is greater than the previous year's Operating Expenses, Tenant will pay the difference between the product and the previous year's Operating Expenses until the next rental adjustment. If the Department of Labor ceases publishing the Consumer Price Index—All Urban Consumers, Not Seasonally Adjusted, Southwest, All items, 1982-84=100, Landlord and Tenant shall mutually and in good faith agree on an alternative index to be used. In no event shall the year over year increase exceed 5% per

year.

6.07 In addition to those repair, maintenance and replacement responsibilities allocated to Tenant in Section 10 below, Tenant will, at its own cost and expense, maintain, repair and replace the following components applicable to the Library Premises: (i) the furniture, fixtures and equipment used by the Tenant in its operations and use of the Library Premises, (ii) damages and repairs to any part of the Library Premises or Common Areas caused by the act of Tenant and/or its invitees/patrons, (iii) floors including carpeting and any other type of floor covering in the Library Premises (Landlord will retain left over carpet squares for Tenant's use in the repair/replacement of damaged or worn carpet), (vi) all light fixtures in the Library Premises (including the replacement of bulbs and tubes, and (v) all wiring, cable and other components of Tenant's IT system used in its operation at the Library Premises.

7. Tenant's Negative Promises.

Tenant will not:

7.01. Use the Premises for any purpose other than the Permitted Use.

7.02. Create a nuisance.

7.03. Interfere with any construction or renovations nor any of Landlord's normal business operations or management of the Building or the Common Areas.

7.04. Permit waste.

7.05. Use the Premises in any way that would increase insurance premiums or void insurance on the Building.

7.06. Alter the Premises without Landlord's prior written approval.

7.07. Allow a lien to be placed on the Premises.

8. Landlord's Affirmative Promises.

Landlord will:

8.01. Lease to Tenant the Premises for the entire Term, beginning on the Lease Commencement Date, subject to the license reserved by Landlord as described in Section 3 above.

8.02. Obey all applicable laws with respect to Landlord's operation of the Building and Common Areas.

8.03. Except for the repair, maintenance and replacement obligations allocated to Tenant under Section 6.07 above and Section 10 below, and subject to Tenants obligation to pay Operating Expenses under the terms of this Lease, repair, replace, and maintain the entirety of the Premises and the land on which it is situated on including but not limited to (a) roof, (b) foundation, (c) Common Areas, (d) structural soundness of the exterior and interior walls, doors, corridors, and windows, (e) HVAC systems, concealed and exposed wiring and electrical systems, and concealed and exposed plumbing, (f) floors including carpeting and any other type of floor covering, (g) damage to any improvements constructed pursuant to the Funding Agreement, (h) other structures or equipment serving the Premises including the Common Areas, and (i) all other parts of the Premises as none of the obligations to repair, replacement, and/or maintain the Premises has been allocated to Tenant, except as otherwise set forth above.

8.04. Except for the repair, maintenance and replacement obligations allocated to Tenant under Section 6.07 above and Section 10 below, and Tenant's obligation to pay Operating Expenses under the terms of this Lease, be responsible for procuring and paying for all utilities serving the Premises including all utility infrastructure or facilities serving the Premises.

8.05. Except as provided in Section 6.07 above and Section 10 below, provide the Cleaning and Maintenance Services to Library Premises and the Common Areas as detailed in **"Exhibit B."**

8.06. Provide the improvements to Library Premises and the Common Areas as detailed in, and subject to the terms of, the Funding Agreement.

8.07. Deliver to Tenant an Asbestos Survey of the Premises and the Building not later than Asbestos Survey Deadline, in accordance with the provisions of § 6-293 of the City Code of the City of San Antonio, Texas.

8.08. Landlord and Tenant have entered into this Lease under the assumption that the Premises, and Landlord's property adjacent to the Premises (and Landlord's and Tenant's personal property located on the Premises) are and will remain tax exempt for ad valorem tax purposes throughout the Term hereof. However, in the event that a taxing entity or tax appraisal district asserts that the claimed tax exemption is invalid for whatever reason, Landlord and Tenant shall cooperatively work together to dispute such assertion and defend the claimed tax exemption. Such cooperation shall include preparation of documents, collection of records, appearances in hearings and negotiating in good faith towards restricting the lease agreement all in support of maintaining the tax exemption; provided that under no circumstances will this lease be restructured in any manner to alter the Tenant's sole obligation to pay for Taxes (defined below) actually assessed, or in any manner to alter the Tenant's responsibilities under the remaining provisions of this Section 8.08, or to transfer any of the following obligations to the Landlord. To the extent taxes are assessed and made applicable, Tenant will pay any real estate taxes, general and special assessments, personal property taxes, and other charges of any kind levied on or assessed against the Premises (and/or any of Landlord's property adjacent to the

Premises) and all interests in the Premises, and all improvements, personal property and other property on the Premises (collectively the "Taxes") during the Term of this Lease. If any such Taxes are or become payable, Tenant must pay all such Taxes directly to the public officer charged with their collection not fewer than 15 days before delinquency. In the event there is any dispute or claim concerning the payment or non-payment of Taxes Tenant will be responsible, at its sole cost and expense, for all Tax payments, costs, claims, liens, expenses, fees, fines, penalties, proceedings, actions, demands, causes of action, legal defense costs, liability and suits of any kind and nature made upon the Tenant and/or the Landlord (or the Premises) directly or indirectly arising out of resulting from or related to any attempt by a public authority to impose and/or collect such Taxes.

8.09. Provide Tenant with a mutually acceptable location in the parking area near the Building for the purposes of installation of drive up book depository equipment including any required lighting, curbs and landscaping. The location of the book depository equipment is subject to Landlord's reasonable approval. The cost of the depository equipment and the related installation costs shall be paid for through the Funding Agreement.

8.10. Allow Tenant to install Landlord approved monument signage at the driveway entrances leading to the property of which the Premises is part including the 151 frontage road entrance and the Potranco Road entrance. Additionally, subject to Landlord's reasonable approval (and Landlord's approval of any applicable costs to be paid for with funds available under the Funding Agreement), Tenant shall have the right to install (i) prominent signage on the building of which the Library Premises is part and on any doors leading into the building of which the Premises is part, and (ii) Tenant's signage on the existing pylon signs on Landlords property adjacent to the Premises. All of Tenant's signage shall be compatible with any signage installed by Landlord and shall be designed pursuant to Tenant's needs, as reasonably approved by Landlord. However, in no event shall Tenant's signage be larger in size than any monument or Building signage installed to identify Landlord's business. The Landlord approved cost of Tenant's signage shall be paid for through the Funding Agreement.

8.11. Landlord agrees to comply with the Non-Discrimination Policy of the City of San Antonio contained in Chapter 2, Article X of the City Code and further, shall not discriminate on the basis of race, color, religion, national origin, sex, sexual orientation, gender identify, veteran status, age or disability, unless exempted by state or federal law, or as otherwise established herein.

8.12. Tenant shall reserve to itself the right to name the Library Premises in accordance with San Antonio Public Library Board of Trustees' policies. The Tenant will be allowed to include the name of the library branch in the signage erected by Landlord on Tenant's behalf at the time of initial occupancy, subject to the terms and conditions contained in Section 8.10 above. In the event that Tenant elects to name the Library Premises subsequent to Landlord's fulfillment of all obligations outlined in the Funding Agreement, then any modifications to the Tenant's signage as a result will be paid for by Tenant at its sole cost and expense.

8.13. Landlord agrees to use reasonable efforts to honor any reasonable request from the San Antonio Public Library or their designee to deny access to the Premises to any individual who has been found by the San Antonio Public Library to be in violation of library policies, and which has resulted in such person being denied access to Library Premises. Tenant agrees to notify Landlord in writing of any person prohibited from entering the Library. Landlord shall timely initiate whatever reasonable controls are necessary so that its staff are aware of prohibited persons and implement reasonable procedures to instruct its staff to take all reasonable and lawful actions to prohibit admittance by such persons to the Premises and Common Areas including any portions of the Building of which the Premises are part. Notwithstanding the foregoing, it is agreed that Landlord shall only be obligated to make reasonable lawful efforts to attempt to exclude such persons from the Premises; provided, however, that Landlord will not implement any procedures which would endanger it employees, or violate any applicable local, State or Federal laws. To the extent necessary, Landlord is entitled to defer to the recommendations of its counsel or any local law enforcement authorities in the conduct of any activity to exclude persons from the Premises, and Landlord will not be liable to Tenant for any action it takes or does not take under the provisions of this Section 8.13.

8.14. Subject to reasonable scheduling and time requirements imposed by Landlord from time to time, Tenant shall have the right to make scheduled use of the meeting room adjacent to the Common Area Lobby for the provision of Library programs and services, including both routine and occasional programs and events. Tenant shall use its best efforts to give Landlord written notice of such programs and services in writing at least two weeks in advance of such use to facilitate Landlord's scheduling of its own activities in the meeting room. Landlord shall allow Tenant to reserve and schedule Library programs and services in the meeting room up to six (6) months in advance of such programs and services. The provisions of this Section shall not be construed to block Tenant's use of the meeting room at all such times for which Landlord does not have an activity occurring in said room.

9. Landlord's Negative Promises.

Landlord will not:

9.01. Interfere with Tenant's possession of the Library Premises as long as Tenant is not in default.

9.02 Unreasonably withhold consent to a proposed assignment or sublease; provided that any assignee or sublessee agrees in writing to assume all of Tenant's obligations hereunder.

10. Repair, Maintenance and Replacement Responsibilities.

Landlord and Tenant each must repair, maintain, and replace, if necessary, any building component allocated to it in the table below:

Item	*Tenant Responsibility*	*Landlord Responsibility*
Janitorial Services to Premises	No	Yes
Janitorial Services to Common Areas	No	Yes
Utility Services	No	Yes
Parking Lot Maintenance	No	Yes
Landscaping	No	Yes
Exposed Electrical Systems including any illuminated exterior and interior signage.	No	Yes
Light bulbs and tubes	No	Yes
Concealed Electrical Systems	No	Yes
Exposed Plumbing Systems	No	Yes
Concealed Plumbing Systems including under slab drain lines	No	Yes
HVAC Systems	No	Yes
Pest Control Services	No	Yes
Fire Life Safety Systems including fire extinguishers	No	Yes
Low Voltage intrusion alarms, door access controls and closed circuit security cameras for Library Premises	Yes	No
IT Infrastructure	Yes	No

11. Condemnation.

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 Section 11 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.

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.

11.03. If only part of the Premises is taken or transferred, this Lease terminates if, in Tenant's opinion, the remainder of the Library 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.

11.04. If part of the Premises is taken or transferred and, in Tenant's opinion, the remainder of the Library Premises is such that Tenant's business can be effectively and practicably operated on the remaining Library Premises, this Lease terminates only as to the portion of the Library 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 Operating Expenses are reduced during the unexpired portion of this Lease to that proportion of the annual Operating Expenses that the value of the part of the Library 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.

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

12. Assignment and Subletting.

12.01. Tenant may not transfer, assign, or sublet Tenant's rights, duties, and obligations hereunder, without the Landlord's prior written consent.

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

13. Holdover.

13.01. If the Lease has not been earlier terminated according to its terms, after the end of the Term, Tenant may hold-over on a month-to-month basis, subject to all rights of Landlord to terminate the Lease and recover the Premises in accordance with applicable law. There shall be no rent due during a hold over, and all other terms of this Lease apply.

14. Default.

14.01 Upon default by Landlord in the performance of its obligations hereunder, Tenant shall give Landlord notice of the same, and Landlord shall have thirty (30) days following receipt of written notice of default from Tenant (or such reasonably longer time as may be necessary provided Landlord commences the cure within thirty (30) days and continuously and diligently pursues the cure to completion) to cure such default. If Landlord fails to timely cure such default, Tenant may pursue all remedies available in law or at equity and/or other rights Tenant may have in this Lease; provided that it is expressly agreed that neither Party hereto shall have the right to seek consequential or punitive damages against the other for any default under this Lease.

14.02. In no event shall this Agreement or Tenant's use of the Premises be terminated prior to the final payment or defeasement of the bonds issued by Tenant to pay for the improvements under the Funding Agreement. As long as such bonds have not been paid, the Tenant's failure to perform any required actions under this Agreement shall give rise to Landlord's right, upon sixty (60) days written notice to Tenant, to undertake to perform any such actions and to receive reimbursement from Tenant for the cost of performing such actions. After such bonds have been finally paid, any breach or violation by Tenant under this Agreement of the provisions herein contained shall give rise immediately to the right on the part of the Landlord, at its option, upon thirty (30) days' written notice to Tenant, unless such breach or violation is cured prior to the expiration of the notice period, to terminate this Lease or to seek any remedy which now is or may be provided by law, whether or not stated herein.

14.03. No waiver by either party of a breach or violation shall be construed or held to be a waiver of any succeeding or preceding breach or violation of the same or any other provision herein contained.

14.04. *Waiver of Liens.* As required by Article XI, § 9 of the Texas Constitution, Landlord waives all common law and statutory liens in the property of Tenant, including the lien that might otherwise arise under § 54.021 of the Texas Property Code; and likewise Tenant waives all common law and statutory liens against any of Landlord's property under the license reserved by Landlord herein.

15. Dispute Resolution.

15.01. Before bringing any action arising out of this Agreement, 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.

15.02. 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.

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

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

15.05. 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 contract before the court is authentic and (ii) the contract 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.

15.06. Mediator fees must be borne equally.

15.07. Parties need not mediate before going to court (i) for either Party to seek emergency injunctive relief or (ii) for Landlord to seek forcible entry and detainer relief against Tenant or (iii) limitations or repose will run upon the claim(s) to be filed before mediation can be conducted, in which case suit may be filed and served but no further action taken in the suit until mediation is concluded.

16. Insurance

16.01. Tenant will self-insure as it deems advisable against property loss for its personal property only. As a political subdivision of the State of Texas, Tenant is subject to the Texas Tort Claims Act, and the obligations of Tenant and the rights of persons claiming against Tenant are subject to that Act. Subject thereto, Tenant will self-insure or secure appropriate liability insurance for any such claims that may be brought against it with respect to its occupancy and use of the Library Premises.

Tenant disclaims any employee, agent, or invitee relationship with any person whose presence on the Premises is through Landlord. Any and all claims resulting from any obligation for which Landlord 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 Landlord.

16.02. Landlord 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-(VII) or better by A.M. Best Company and/or otherwise acceptable to Tenant, in the following types and amounts:

Type:	Amount:
1. Worker's Compensation	Statutory, with a Waiver of subrogation in favor of Tenant
2. Employer's Liability	$500,000/$500,000/$500,000 with a Waiver of Subrogation in favor of Tenant.
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 all improvements on the Premises
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 physical damage to the property of the Landlord, including improvements and betterments	Coverage for replacement cost of all improvements on the Premises.

16.03 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) City of San Antonio
Leasing Division Manager
P.O. Box 839966
San Antonio, Texas 78283-3966

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

"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 to the extent Tenant is covered by this insurance."

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

"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."

16.04. Landlord must require its insurance carrier(s) to deliver to Tenant's Risk Manager and City Clerk, upon request and without expense, copies of policies and endorsements pertinent to the limits required by Tenant. Tenant may request changes in policy terms, conditions, limitations, or exclusions (except where established by law). If Tenant does so and the changes would increase premiums, Tenant will provide 30 days prior notice to Landlord and an opportunity to discuss the changes. If Tenant still wants the changes after discussion, and Landlord disagrees, the request must be submitted to mediation before legal action may be taken pursuant to Section 15 of this Lease.

16.05. Within 30 days after the Lease Commencement Date, Landlord must deliver certificates to Tenant's Risk Manager and the City Clerk from Landlord's insurance carrier, broker, or agent 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 Tenant, Landlord must send Tenant documentation acceptable to Tenant that confirms that the individual signing the endorsements

and certificates is authorized to do so by the insurance company.

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

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

16.08. Release of Claims/Subrogation.

16.08.1 The insurance requirements of this Lease are a bargained-for allocation of risk of loss. Landlord and Tenant release each other from claims arising from injury or loss to either of them or to third parties to which they are liable, if and to the extent the injury or loss is covered by insurance the waiving party is required by this Lease to maintain ("Covered Claims"). This release is additional to and does not limit any other release contained in this Lease. Landlord and Tenant, to the maximum extent allowable without causing cancellation of a required policy, waive subrogation against each other for Covered Claims.

17. Indemnification

17.01 Landlord covenants and agrees to INDEMNIFY, DEFEND, and HOLD HARMLESS, the Tenant and the elected officials, employees, officers, directors, volunteers and representatives of the Tenant, individually and collectively, from and against any and all costs, claims, liens, damages, losses, expenses, fees, fines, penalties, proceedings, actions, demands, causes of action, liability and suits of any kind and nature, including but not limited to, personal or bodily injury, death and property damage, made upon the Tenant directly or indirectly arising out of resulting from or related to Landlord's activities under this Lease, including any acts or omissions of Landlord, any agent, officer, director, representative, employee, consultant or subcontractor of Landlord, and their respective officers, agents, employees, directors and representatives while in the exercise of performance of the rights or duties under this Lease. Except as set forth below, the indemnity provided for in this paragraph shall not apply to any liability resulting from the negligence or fault of Tenant, its officers or employees, in instances where such negligence or fault causes personal injury, death, or property damage. IN THE EVENT LANDLORD AND TENANT ARE FOUND JOINTLY LIABLE BY A COURT OF COMPETENT JURISDICTION, LIABILITY AND THE ATTENDANT DEFENSE COSTS AND INDEMNITY LIABILITY OBLIGATION SHALL BE APPORTIONED AND BORNE BETWEEN LANDLORD AND TENANT COMPARATIVELY IN ACCORDANCE WITH THE LAWS FOR THE STATE OF TEXAS, WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO THE TENANT UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW.

17.02 The provisions of this Section 17 are solely for the benefit of the parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity. Landlord and Tenant shall advise the other in writing within 24 hours of any claim or demand against the Tenant or Landlord known to Landlord or Tenant related to or arising out of Landlord's or Tenant's activities under this Lease, and the Parties shall see to the investigation and defense of such claim or demand as provided for in this Lease. The City shall have the right, at its option and at its own expense, to participate in such defense without relieving Landlord of any of its obligations under this paragraph.

18. Environmental

18.01. "Environmental Laws" means applicable federal, state, and local laws relating to protection of the public health, welfare, and the environment, including without limitation, those laws relating to the storage, handling, and use of chemicals and other hazardous substances, those relating to the generation, processing, treatment, storage, transport, disposal, or other management of waste materials of any kind, and those relating to the protection of environmentally sensitive areas.

18.02. "Hazardous Material" means "hazardous substance," "pollution or contaminant," "petroleum," and "natural gas liquids," as those terms are defined by or used in Environmental Laws, or that are regulated because of their effect or potential effect on human health and the environment.

18.03. "Release" means depositing, spilling, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing.

18.04. Landlord represents that, to its knowledge, the Premises comply with all applicable Environmental Laws. Landlord must cause its employees, agents, contractors, tenants, and other persons occupying or present on or about the property on which the Premises are located (other than the Premises) (collectively "Occupants") to comply with all applicable Environmental Laws.

18.05. Landlord represents and warrants that, to its knowledge, there has been no Release and there is no threat of Release of any Hazardous Materials on, onto, or from the Premises and that the Premises has not contained and does not contain any asbestos, underground or aboveground storage tanks, or "PCBs" or "PCB items," as defined in 40 CFR § 761.3.

18.06. Tenant must not allow the Release of any Hazardous Material from its use of the Library Premises on, onto, or from the Library Premises and/or other part of the Property. Tenant further must not handle, use, or otherwise manage any Hazardous Material on the Premises or the Property in violation of any Environmental Laws or in any but a reasonable and prudent manner.

18.07. Landlord represents and warrants that, (i) with regard to activities and conditions on the Property Landlord has not given, nor was it required to give, and Landlord has not received, any notice that: (a) the Property violates any Environmental Law; (b) there has been a Release, or threat of Release, of Hazardous Materials from the Property; (c) the Landlord may be or is liable, in whole or in part, for costs of cleaning up, remediating, removing, or responding to a Hazardous Materials release; or (d) the Property is subject to a lien under any Environmental Laws; and (ii) no conditions currently exist, or are reasonably foreseeable, that would give rise to such a notice. In case of receipt of such notice, Landlord must immediately provide Tenant a copy.

18.08. Before the Lease Commencement Date, and subject to Landlord's prior approval (not to be unreasonably withheld), Landlord will permit Tenant and its, representatives and contractors to enter upon the Premises at reasonable times and in a reasonable manner to investigate environmental matters. Subject to Landlord's prior written approval, Tenant may perform such tests, including without limitation, subsurface testing, soils, and groundwater testing, and any other tests, as the Tenant determines are necessary to identify environmental concerns. Any such investigation is at Tenant's sole cost. Tenant must minimize the intrusion upon and inconvenience to Landlord and the ongoing operations at the Premises. If Tenant performs any tests that disturb the Property, Tenant must restore the Property at its cost and expense. Tenant is responsible for damages arising from its testing on the Property and for the proper disposal of any wastes generated by its testing.

18.09. Landlord will indemnify Tenant and its officials, employees, and contractors from loss, cost, liability, or expense (including, but not limited to, attorneys' fees and expenses, including all attorney's fees and expenses incurred by Tenant in enforcing this indemnity) arising from or relating to breach of Landlord's environmental representations, warranties, and covenants.

19. Prohibited Interests in Contracts.

19.01. The City Charter 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.

19.02. Landlord warrants and certifies as follows:

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

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

19.03. Landlord acknowledges that City's reliance on the above warranties and certifications is reasonable.

20. Appropriations.

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

21. Alterations.

21.01 During the term, Tenant shall be allowed to make any non-structural alterations to Library Premises as Tenant deems appropriate. However, prior to making structural alterations to Library Premises, Tenant shall first advise Landlord of the extent of the proposed alterations, and Landlord shall approve or deny Tenant's request within not more than 30 days of the date of the request. In the event that Landlord does not expressly approve or deny Tenant's request within 30 days of the date that Landlord receives Tenant's alteration request, then the request shall be automatically approved, and Tenant shall be allowed to proceed. Structural alterations are limited to any alterations that would require a building permit be issued by the City of San Antonio.

21.02 At the end of the Term, Tenant may, at its sole option, remove any fixtures, furnishings telecommunication equipment and improvements, the "Personal Property", including any of its owned Personal Property installed in the Common Areas, regardless whether they were installed by Landlord as part of the improvements completed pursuant to the Funding Agreement or installed by Tenant, or leave such Personnel Property in place, in which case the Personal Property will become property of the Landlord. In order for the items located in the Common Areas to be considered Personal Property for purposes of this Section only, then the Personal Property must be owned by Tenant and exclusively for Tenant's use.

21.03 Landlord shall not make any material changes to the Common Areas without first consulting with Tenant and in no case shall make any changes which will unreasonably interfere with the provision of library services to the patrons of the Library.

22. Miscellaneous.

22.01. This Agreement is entered into in San Antonio, Bexar County, State of Texas. **Its Construction And The Rights, Remedies, And Obligations Arising Under It Are Governed by The Laws of The State Of Texas.** Both Parties' obligations under this Agreement are performable in San Antonio, Bexar County, Texas, and venue for any action arising under this Agreement is only in Bexar County, Texas.

22.02. If any part of this Agreement is found invalid or unenforceable, the finding does not affect the remainder.

22.03. This Agreement 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.

22.04. **This Written Agreement Together With the Funding Agreement 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.**

22.05. This Agreement 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. Notwithstanding the above, the Parties reserve the right to make administrative changes to this Agreement relating to cleaning and maintenance services provided by Landlord by written agreement signed by the Landlord and the Tenant.

22.06. This Agreement benefits the Parties and their successors and permitted assigns only. It has no third party beneficiaries.

22.07. *Notices.* Notices must be in writing and by certified mail, return receipt requested, or by independent delivery service addressed to the parties at their respective addresses set forth at the beginning. If sent by certified mail, notice is complete three days after deposit, properly addressed and postage prepaid, with the United States Postal Service. If sent other than by certified mail, notice is complete on the date shown on the receipt. Address for notice may be changed by giving notice.

22.08. Paragraph captions are for ease of reference only and do not affect the interpretation.

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

22.10. The Parties must execute and deliver such additional documents and instruments as may be necessary. No such additional documents can alter the rights or obligations of the Parties stated in this Agreement.

22.11. The Tenant hereby authorizes that the Director of the Library Department 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 relating to the Library Premises and Common Areas and may declare defaults and pursue remedies for such defaults. This paragraph does not authorize lease amendments or renewals without City Council consent.

22.12. As long as Tenant pays the Operating Expenses and other charges under this Lease and observes the covenants and terms of this Lease, Tenant will lawfully and quietly hold, occupy, and enjoy the Library Premises during the lease term without being disturbed by Landlord or any person claiming under Landlord, except for any portion of the Library Premises that is taken under the power of eminent domain.

22.13. Time is of the essence under this Agreement.

22.14. 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.

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

22.16. Force Majeure. If Landlord or Tenant is delayed or prevented from performing any of their respective obligations under this Lease by reason of strike, labor troubles, or any cause whatsoever beyond such party's reasonable control, the period of such delay or prevention shall be deemed added to the time herein provided for the performance of any such obligation by the delayed party.

23. 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. Nothing in this Agreement waives an otherwise applicable exception to disclosure.

(Signatures Appear on the Following Page)

(Signature Page-Lease)

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

Tenant	**Landlord**
City of San Antonio, a Texas municipal corporation	**Young Men's Christian Association of Greater San Antonio**, a Texas non-profit corporation
Signature:	Signature:
Printed Name: Ramiro S. Salazar	Printed Name: Sandra Marander
Title: Library Department Director	Title: President & CEO
Date: 7-31-15	Date: 6/25/15

Attest:

City Clerk

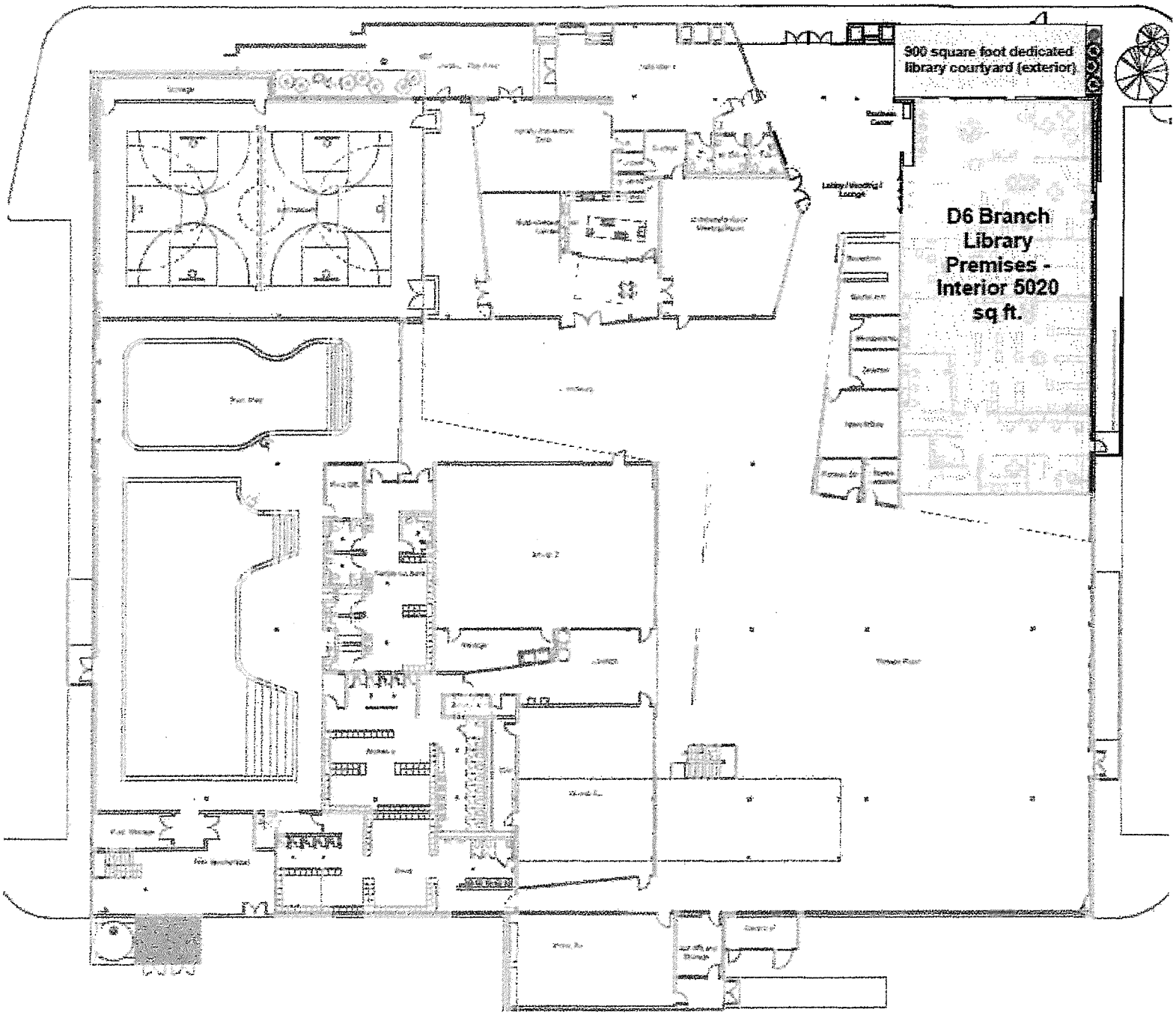
Approved as to Form:

for City Attorney

Exhibit A: Description of Premises

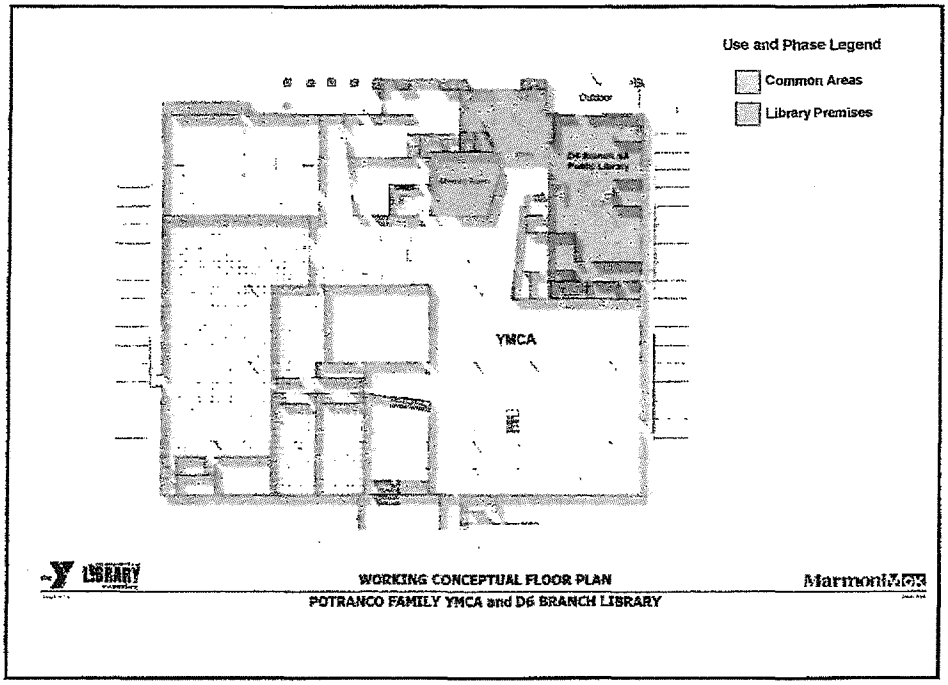
Potranco Family YMCA and D6 Library

These Plans are preliminary and are subject to change with the approval of both Parties by written agreement signed by Landlord and the Director of the Library Department.



FLOOR PLAN

POTRANCO FAMILY YMCA and D6 BRANCH LIBRARY


Use and Phase Legend
Common Areas
Library Premises
Outdoor
YMCA
LIBRARY
WORKING CONCEPTUAL FLOOR PLAN
POTRANCO FAMILY YMCA and D6 BRANCH LIBRARY
Marmon

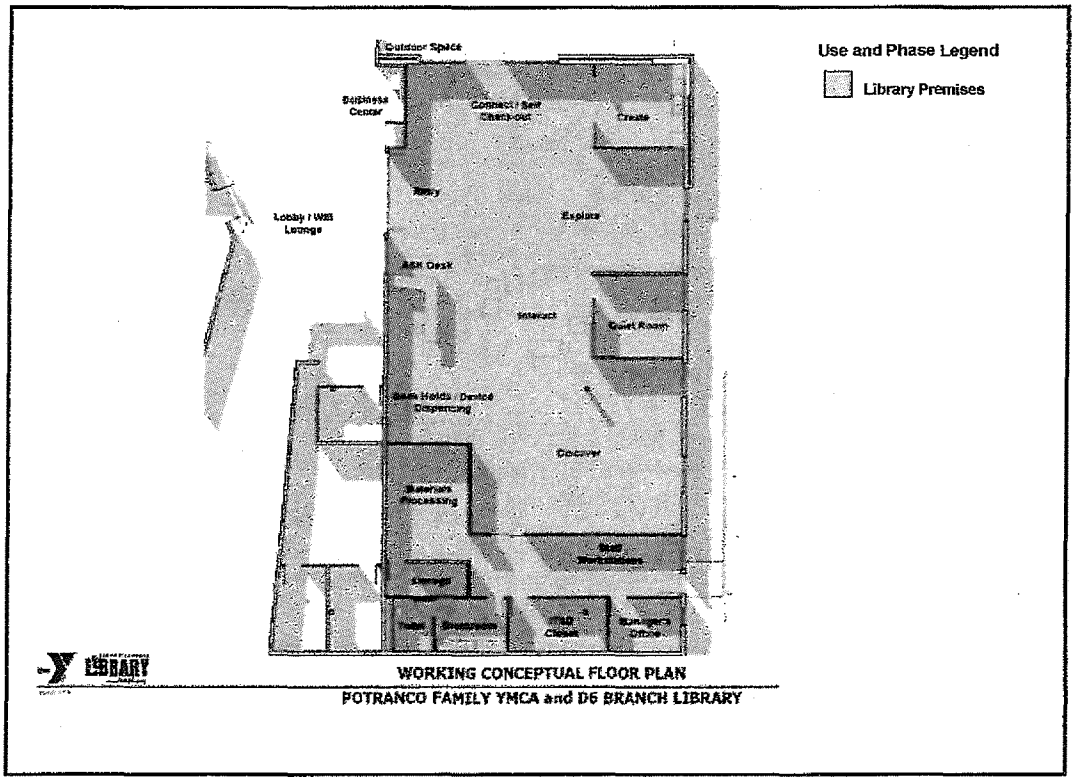

Use and Phase Legend
Library Premises
Outdoor Space
Lobby / Will Lounge
Explore
Ask Desk
Quiet Room
Discover
LIBRARY
WORKING CONCEPTUAL FLOOR PLAN
POTRANCO FAMILY YMCA and D6 BRANCH LIBRARY

Exhibit B: Cleaning and Maintenance Schedule

Daily

Carpets Vacuumed.

Composition floors dust-mopped and wet mopped. All other non-carpeted floors swept and washed.

Desks, desk accessories and office furniture dusted. Papers and folders left on desk, not to be disturbed.

Waste baskets and other trash receptacles emptied; trash removed from the building to an area designated outside of the Premises twice daily.

Chairs and wastebaskets returned to proper position.

Fingerprints removed from glass doors and partitions twice daily.

Drinking fountains cleaned, sanitized, and polished twice daily.

Staff lavatories, toilets, toilet rooms, and toilet partitions cleaned/swept/mopped and toilet supplies replenished twice daily.

Malfunctioning light bulbs and tubes replaced, as required.

Graffiti expunged as needed but no more than two business days after Tenant has given Landlord verbal notice of the existence of graffiti.

Kitchen/lunchroom supplies replenished including paper supplies and soap twice daily.

Upholstered furniture vacuumed and plastic and leather furniture cleaned.

Wood furniture polished.

Weekly

Low-reach areas such as, but not limited to, chair rungs, baseboards, and doorjambs dusted and cleaned.

Windowsills, ledges, and wood paneling and molding dusted.

All painted walls, walls covered in vinyl covering, and door surfaces washed/stains removed.

Monthly

Floors waxed in uncarpeted office areas.

High-reach areas, such as, but not limited to, door frames, tops of partitions and hanging light fixtures dusted.

Picture molding and frames dusted.

Wall vents and ceiling vents vacuumed.

Carpet professionally spot cleaned as required to remove stains.

Quarterly

Light fixtures cleaned and dusted, but not less frequently than Quarterly.

Draperies or mini-blinds cleaned as required, but not less frequently than Quarterly.

HVAC units serviced for preventative maintenance purposes, all filters changed.

Semi-Annually

Windows washed as required inside and outside but not less frequently than two times annually.

Annually

Furniture Systems and other fabric or upholstered surfaces, including chairs, couches, walls, etc., spot cleaned, or if determined to be necessary in Tenant's sole discretion, professionally cleaned in their entirety using a water extraction process.

Bathroom and any other ceramic tile surfaces professionally cleaned using a hand scrub process. All grout and porous surfaces resealed with a professional grade sealant.

Touch-up paint all interior painted surfaces in a color and finish to match existing.

As Needed

On call day porter services so that all bathrooms serving the Premises are checked every day in the morning by 10:30 AM and again in the afternoon by 2:00 PM to ensure cleanliness and adequate provision of paper supplies. The day porter shall clean glass surfaces of Premises, including glass doors and partitions, and empty trash receptacles at least once a day during operating hours. The day porter shall be available during business hours on 1 hour notice to handle any janitorial related issues within the building.

Premises and the sidewalks, driveways, parking areas and all means of ingress and egress serving the Premises should be free of standing water and maintained in good repair and in clean and safe condition at all times.

All lawns, shrubbery and foliage on the grounds of which the Premises is part should be maintained in good condition and neat in appearance. Grass and shrubbery must be replanted as needed to maintain the grounds in good appearance and condition.

All carpets to be cleaned using non-detergent, low moisture, soil encapsulation system as recommended by the carpet manufacturer. The following schedule will be maintained for carpet cleaning: (i) heavy traffic areas as needed with a minimum frequency of bi-monthly (six times per year); (ii) moderate traffic areas cleaned as needed with a minimum of once every six months (two times per year) and; (iii) clean light traffic areas a minimum of one time per year. Cleaning carpet via use of a bonnet cleaning system is not an acceptable method for cleaning carpets.

All walls repainted and wall coverings replaced throughout the Premises. The paint finish should be eggshell or semi-gloss as directed by Tenant and in a color acceptable to Tenant. In no event, subject to damage or destruction conditions as provided in the Lease, will Landlord be required to repaint or replace wall coverings more than one time in a five-year period, not counting the initial tenant improvements completed prior to Tenant's occupancy or as a condition to the renewal of the Lease.

General

Landlord must, upon request of Tenant, produce written service contracts as evidence of compliance with the terms of this Cleaning and Maintenance Schedule.

Exhibit C: Funding Agreement

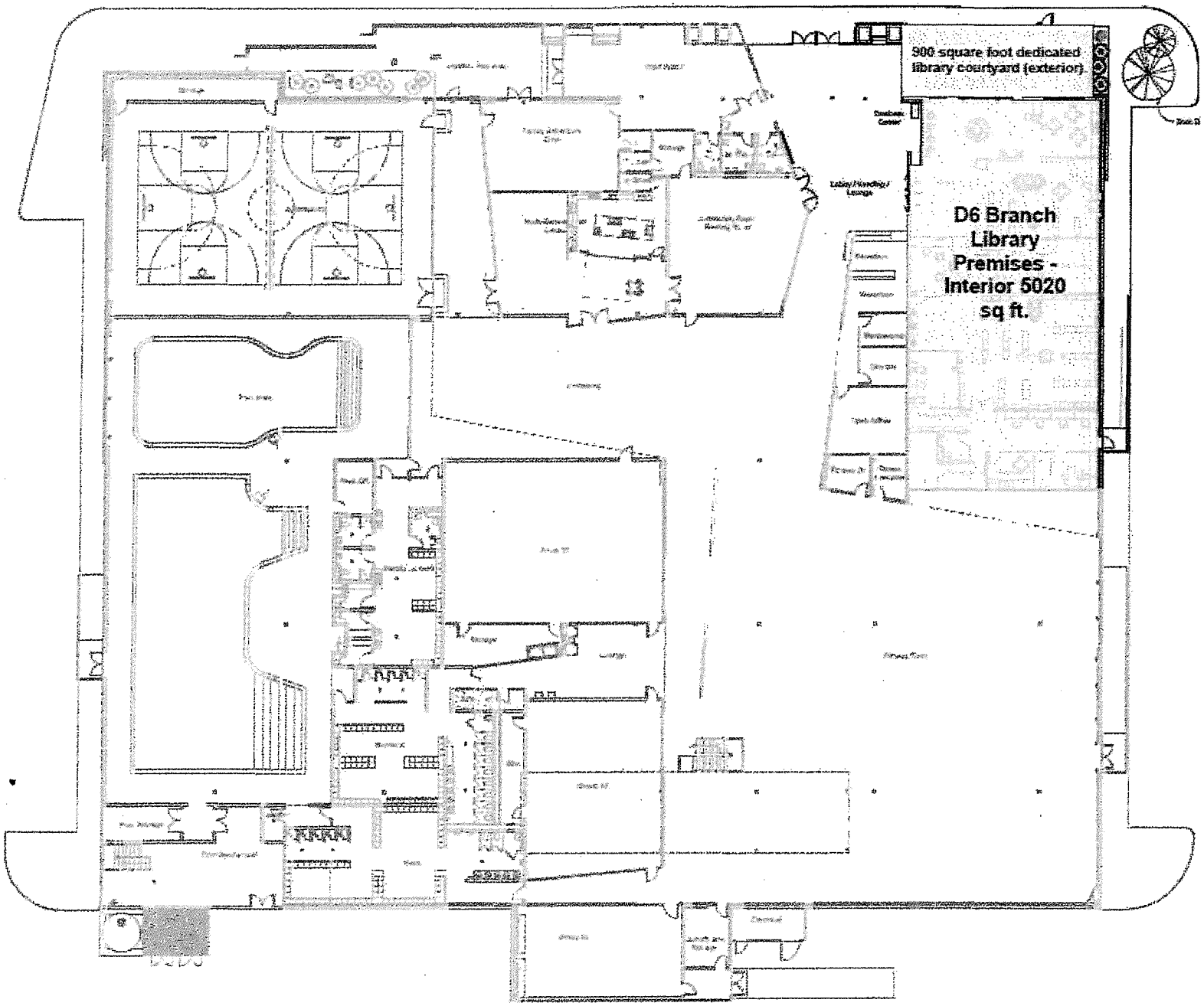
Exhibit D: Authorizing Ordinance

Exhibit B: Description of Library Premises

Potranco Family YMCA & D6 Library

PLANS

These Plans are preliminary and are subject to change with the approval of both Parties by written agreement signed by Grantee and the Director of the Library Department.



FLOOR PLAN

POTRANCO FAMILY YMCA and D6 BRANCH LIBRARY