

AN ORDINANCE 2010-04-01-0257

AUTHORIZING A 30-YEAR GROUND LEASE TO EL CENTRO DEL BARRIO FOR A CITY-OWNED OUT PATIENT CLINIC LOCATED AT 9011 POTEET JOURDANTON HIGHWAY, FOR RENT OF \$3,600.00 A YEAR, IN COUNCIL DISTRICT 4, TO BE USED FOR MEDICAL SERVICES AND ALSO AUTHORIZING A 30-YEAR LEASEBACK TO THE CITY OF PART OF THE BUILDING FOR VACCINE AND OTHER MEDICAL-RELATED STORAGE FOR RENT OF \$1.00 A YEAR.

* * * * *

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

SECTION 1. The City Manager and her designee, severally, are authorized and directed to execute and deliver on behalf of the City two lease agreements:

A. A lease agreement substantially in the form of **Attachment I** whereby the City leases the property at 9011 Poteet-Jourdanton Highway to El Centro del Barrio, d/b/a CentroMed, and

B. A lease agreement substantially in the form of **Attachment II** whereby the City subleases back from El Centro del Barrio, d/b/a CentroMed a small part of the premises under the lease at Attachment I.

SECTION 2. All attachments to this Ordinance are incorporated into it by reference for all purposes as if fully set forth.

SECTION 3. The City Manager and designee, severally, should take all other actions reasonably necessary or convenient to effectuate the transactions, including agreeing to non-material changes to the approved forms and executing and delivering all ancillary instruments and agreements conducive to effectuating the transactions.

SECTION 4. Funds generated by this ordinance will be deposited into Fund 11001000, Internal Order 236000000011, General Ledger 4401110.

SECTION 5. The financial allocations in this Ordinance are subject to approval by the Chief Financial Officer (CFO), City of San Antonio. The CFO 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 becomes effective 10 days after passage, unless it receives the eight votes requisite to immediate effectiveness under San Antonio Municipal Code § 1-15, in which case it becomes effective immediately.

PASSED AND APPROVED this 1st day April 2010.



M A Y O R

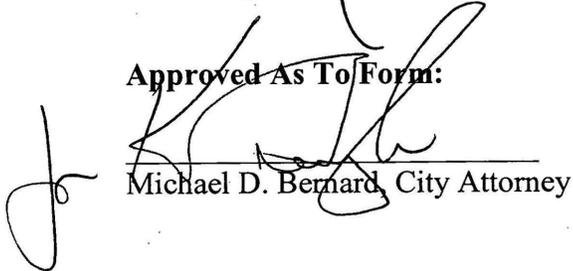
Julián Castro

Attest:

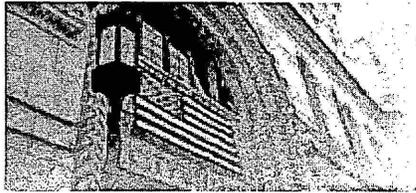


Leticia M. Vacek, City Clerk

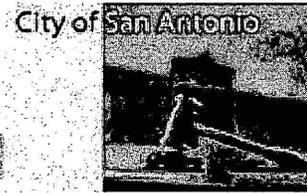
Approved As To Form:



Michael D. Bernard, City Attorney



Request for
**COUNCIL
ACTION**



Agenda Voting Results - 19

Name:	19						
Date:	04/01/2010						
Time:	09:48:33 AM						
Vote Type:	Motion to Approve						
Description:	An Ordinance authorizing a 30-year ground lease to El Centro del Barrio for a City-owned out patient clinic located at 9011 Poteet Jourdanton Highway, for rent of \$3,600.00 a year, in Council District 4, to be used for medical services and also authorizing a 30-year leaseback to the City of part of the building for vaccine and other medical-related storage for rent of \$1.00 a year. [Sharon De La Garza, Assistant City Manager; Mike Frisbie, Director, Capital Improvements Management Services]						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Julián Castro	Mayor		x				
Mary Alice P. Cisneros	District 1		x				x
Ivy R. Taylor	District 2		x				
Jennifer V. Ramos	District 3		x				
Leticia Cantu	District 4		x			x	
David Medina Jr.	District 5	x					
Ray Lopez	District 6		x				
Justin Rodriguez	District 7		x				
W. Reed Williams	District 8		x				
Elisa Chan	District 9		x				
John G. Clamp	District 10		x				

Attachment I

Ground Lease

(9011 Poteet-Jourdanton/CentroMed)

Table of Contents

1. Demise of Premises.....	4
2. Lease Term.....	4
3. Rent.....	5
4. Taxes.....	5
5. Utilities.....	5
6. Use of Premises.....	6
7. Repairs, Maintenance, and Restoration.....	6
8. Mechanic's Liens.....	6
9. Condemnation.....	6
10. Insurance.....	7
11. Indemnification.....	10
12. Assignment and Subletting.....	11
13. Default and Remedies.....	12
14. General Protective Provisions.....	12
15. Prohibited Interests in Contracts.....	13
16. Miscellaneous.....	14
17. Public Information.....	15
18. Leaseback to Landlord.....	15
19. Library Parking.....	15
20. Time of the Essence.....	15
Exhibit A.....	17
Exhibit B.....	18

Authorizing Ordinance:

Landlord: City of San Antonio

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: El Centro del Barrio, a Texas nonprofit corporation,
d/b/a CentroMed

Tenant's Address: 3730 Commercial Avenue, San Antonio, Texas
78221

Premises: The land and improvements, including an approximately 24,864 gross square feet building, located at 9011 Poteet-Jourdanton Highway, San Antonio, Bexar County, Texas 78224, more particularly described on **Exhibit A**, which is incorporated herein for all purposes.

Permitted Use: Medical, dental, behavioral health, WIC, and other services reasonably related to Tenant's "Project Scope" as approved by the U.S. Department of Health and Human Services—Health Resources and Services Administration, only

Lease Commencement Date: The later of (A) the effective date of the Authorizing Ordinance or (B) the later of the signatures of the two parties.

Term: 30 years

Rent: \$100 monthly

1. Demise of Premises.

1.01. Landlord leases the Premises to Tenant, and Tenant leases the Premises 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.

1.02. This Lease is conditioned on Tenant having and retaining qualification under section 501(c)(3) of the Internal Revenue Code throughout the Term. Tenant's failure to have that status or allowing that status to lapse is a material default.

1.03. Landlord acknowledges that Tenant intends to remodel the interior of the Building on the Premises, but no such remodeling work may begin until after October 1, 2010.

2. Lease Term.

2.01. The Initial Term is as stated above.

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.

2.03. If Tenant holds over and continues in possession of the Premises after the Initial Term (or any extension) expires, Tenant's occupancy will be at sufferance, subject to all the terms of this lease.

3. Rent.

3.01. The Rent is as stated above.

3.02. Tenant must pay Rent to Landlord monthly in advance on the first calendar day of each month. 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.

3.03. Rent installments unpaid for 30 days bear interest at the rate of 18% per annum until paid, beginning on the day after each such installment was due.

4. Taxes.

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, 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.

4.02. If taxes, special assessments, or governmental charges remain unpaid and uncontested later than 15 days before delinquency, Landlord may give written notice to 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 18% per annum from the date of Landlord's payment until Tenant's reimbursement.

5. Utilities.

Tenant must transfer into its name and 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.

6.01. Tenant may use the Premises only for the Permitted Use, unless Landlord otherwise consents in writing. Tenant must not use or store, or permit to be used or stored, on the Premises any hazardous or toxic substances or materials, except that Tenant generate and dispose of bio-hazardous medical waste in the ordinary course of activities expressly authorized under the Permitted Use. All such generation and disposal must conform to all applicable laws, rules, and regulations.

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. Repairs, Maintenance, and Restoration.

7.01. Tenant must keep and maintain all buildings and improvements erected on the Premises, including the grounds and landscaping, in a good state of appearance and repair (except for reasonable wear and tear) at Tenant's own expense.

7.02. 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, Tenant must; within six months from the date of the damage or destruction, begin to repair, reconstruct, or replace the damaged or destroyed building or improvement. 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 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. 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.

9. Condemnation.

9.01. If the Premises or any part of them are taken by condemnation as a result of any action or proceeding in eminent domain other than by Landlord, 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.

9.02. 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.

9.03. 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.

9.04. If part of the Premises is taken or transferred and, in Tenant's opinion, the remainder of the Premises is 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.

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

10. Insurance.

10.01. 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.

10.02. 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
 - (f) Liquor Legal Liability Insurance, if alcoholic beverages are sold 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 improvements and betterments to the Premises, as well as to the property of the Tenant Coverage for replacement cost of improvements and betterments to the Premises, as well as to the property of the Tenant.

10.03. 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."

10.04. 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.

10.05. 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.

10.06. 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.

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

10.08. 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.

10.09. Tenant waives all claims against Landlord for injury to persons or property on or about the Premises, whether or not caused by Landlord's negligence.

11. Indemnification.

11.01. These definitions apply to the indemnity provisions of this Contract:

11.01.01. "Indemnified Claims" mean all loss, cost, liability, or expense, directly or indirectly arising out of acts or omissions of any person other than an Indemnitee that give rise to assertions of Indemnitee liability under this Contract, whether or not the person is a party to this agreement. Indemnified Claims include attorneys' fees and court costs and include claims arising from property damage and from personal or bodily injury, including death.

11.01.02. "Indemnitees" means the City of San Antonio and its elected officials, officers, employees, agents, and other representatives, collectively, against whom an Indemnified Claim has been asserted.

11.01.03. "Indemnitor" means Tenant.

11.02. Indemnitor must indemnify Indemnitees, individually and collectively, from all Indemnified Claims.

11.03. If Indemnitor and one or more Indemnitees are finally adjudged to be jointly liable for Indemnified Claim, Indemnitor need not further indemnify the so-adjudged Indemnitees from liability arising from the Indemnitees' adjudicated share of liability. But despite allegations of Indemnitee negligence, Indemnitor must nevertheless defend all Indemnitees until final adjudication. Indemnitor may not recover sums previously spent defending or otherwise indemnifying the Indemnitee who has been adjudged to be negligent and must continue to indemnify other Indemnitees.

11.04. There are no third-party beneficiaries of this indemnity other than the category of people and entities included within the definition of Indemnitees..

11.05. Indemnitor must promptly advise the City of San Antonio in writing of any Indemnified Claim and must, at its own cost, investigate and defend the Indemnified Claim.

11.06. In addition to the indemnity required under this Contract, each Indemnitee may, at its own expense, participate in its defense by counsel of its choosing without relieving or impairing Indemnitor's obligations under this indemnity paragraph.

11.07. Indemnitor may not settle any Indemnified Claim without the consent of the City of San Antonio, whether or not the City is an Indemnitee as to the particular Indemnified Claim, unless (A) the settlement will be fully funded by Indemnitor and

(B) the proposed settlement does not contain an admission of liability or wrongdoing by any Indemnitee. The City's withholding its consent as allowed in the preceding sentence does not release or impair Indemnitor's obligations of this indemnity paragraph. Even if the City of San Antonio is not an Indemnitee as to a particular Indemnified Claim, Indemnitor must give City at least 20 days advance written notice of the details of a proposed settlement before it becomes binding. Any settlement purporting to bind an Indemnitee must first be approved by City Council.

11.08. Nothing in this Contract waives governmental immunity or other defenses of Indemnitees under applicable law.

11.09. If, for whatever reason, a court refuses to enforce this indemnity as written, and only in that case, the parties must contribute to any Indemnified Claim 5% by the Indemnitees and 95% by the Indemnitor. Indemnitor need look only to the City of San Antonio for Indemnitees' 5% if the City of San Antonio is an Indemnified Party as to a particular Indemnified Claim.

12. Assignment and Subletting.

12.01. Any attempt at transfer or assignment 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.

12.02. Tenant will not sublet without Landlord's consent, but Landlord will not withhold consent to subleases of up to 20% of the building for so long as the sublessees provide quality healthcare or ancillary services to the public.

12.03. Tenant must pay Landlord 50% of sublease rent in a calendar year greater than Building and Maintenance Expenses promptly after closing Tenant's books for the year, but no later than April 1 of the following year. Building and Maintenance Expenses are out-of-pocket expenses that Tenant must reasonably pay in connection with operation and maintenance of the Building such as for utilities, janitorial services, casualty and liability insurance policies required under this Lease, security services, grounds maintenance, maintenance, repair, and replacements. Building and Maintenance Expenses do not include (i) principal or interest on any debt, (ii) repair, replacements, and general maintenance paid by proceeds of insurance or other third parties; (iii) depreciation; (iv) leasing commissions; (v) legal expenses; (vi) renovating or otherwise improving space in the Building; (vii) federal income taxes imposed on or measured by the income of Landlord from operation of the Building; (viii) marketing expenses, and (ix) capital expenditures classified as such for federal income tax purposes.

12.04. Tenant's failure to remit Landlord's share of sublease rent is a material default.

12.05. On three business-days' written notice, Landlord and its agents and representatives may inspect and copy Tenant's business records relating to the rent account required by this subparagraph. Unless otherwise mutually agreed, the

inspection will be conducted during normal working hours. Tenant must make the records available at a location in San Antonio, Texas where Landlord and its agents and representatives will have reasonable accommodations, including HVAC, seating, workspace, access to electric power, and access to copy machines. Landlord will pay Tenant 10 cents a copy for any copies made on Tenant's machine.

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

13. Default and Remedies.

13.01. If Tenant fails to pay when due any sum arising out of this lease that is owing to Landlord and does not correct the default within 10 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 the door facing Poteet-Jourdanton Highway or, if that door is removed in remodeling, then any other door reasonably selected by Landlord.

13.02. If Tenant defaults in performing any other 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 the door facing Poteet-Jourdanton Highway or, if that door is removed in remodeling, then any other door reasonably selected by Landlord.

13.03. 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.

13.04. Landlord waives any common law, statutory, or contractual lien it might otherwise have in the medical records of Tenant's patients.

14. General Protective Provisions.

14.01. 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.

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

14.03. If constructing the 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.

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

14.05. If Landlord sells or transfers all or part of the Premises and as a part of the transaction assigns its interest in this lease, of the effective date of the assignment, Landlord has no further liability under this lease, except with respect to matters that have accrued and are unsatisfied as of that date. 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.

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

15. Prohibited Interests in Contracts.

15.01. 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.

15.02. 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.

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

16. Miscellaneous.

16.01. The rights and remedies under agreement 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.

16.02. Time is of the essence under this agreement.

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

16.04. This Agreement is entered into in San Antonio, Bexar County, State of Texas. **The Construction Of This Agreement And The Rights, Remedies, And Obligations Arising Thereunder Are Governed By The Laws Of The State Of Texas.** But 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.

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

16.06. 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.

16.07. This Written 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.

16.08. 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.

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

16.10. Any notice provided for or permitted hereunder must be in writing and by certified mail, return receipt requested, addressed to the parties at their respective addresses set forth in the preamble. If the addressee is a corporation, notices must be addressed to the attention of its President. 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.

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

16.12. 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 the number of counterparts, they constitute only one agreement. In making proof of this agreement, it is not necessary to produce or account for more counterparts than are necessary to show execution by or on behalf of all parties.

16.13. 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 agreement

17. Public Information.

Buyer 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.

18. Leaseback to Landlord.

Upon execution and delivery of this Lease, Tenant must tender to Landlord a sublease of part of the Premises on the terms provided in **Exhibit B**, which is incorporated by reference for all purposes as if fully set forth.

19. Library Parking.

Tenant must allow patrons and other invitees of the nearby San Antonio public library branch to park in at least 10% of the spaces in the parking lot of the Premises on a first come, first served basis.

20. Time of the Essence.

Time is of the essence in all deadlines contained in this agreement.

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

City of San Antonio, a Texas
municipal corporation

El Centro del Barrio, a Texas
nonprofit corporation, d/b/a CentroMed

Signature: _____

Signature: _____

Printed
Name: _____

Printed
Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Approved as to Form:

City Attorney

Exhibit A

Field notes for a tract of land containing 4.335 Acres (188,831.00 square feet) being Parcel P-2, Block 94, N.C.B. 11067 and Parcel P-1A, Block 95, N.C.B. 11067 and an unimproved portion of Hunter Blvd., City of San Antonio, Bexar County, Texas and being the same tract of land conveyed by Francis J. Furey, Archbishop of San Antonio to the City of San Antonio, a municipal corporation of the County of Bexar, State of Texas as recorded in Volume 6859, Page 345 of the Real Property Records of Bexar County, Texas and being more particularly described by metes and bounds as surveyed as follows:

BEGINNING: at a "P-K" nail set in concrete at the point of intersection of the east right-of-way line of Palo Alto Road and the south right-of-way line of Hunter Boulevard, said point being the northwest corner of the 4.335 Acre Tract conveyed by Francis J. Furey, Archbishop of San Antonio to the City of San Antonio, a municipal corporation of the County of Bexar, State of Texas as recorded in Volume 6859, Page 345 of the Real Property Records of Bexar County, Texas for the northwest corner of this tract;

THENCE: N 89°56'38" E with the south right-of-way line of Hunter Boulevard and the north boundary line of the aforementioned 4.335 Acre Tract a distance of 320.16 feet to a ½" iron pin set in the ground with an orange plastic cap marked COSA-CIMS at the point of intersection with the west right-of-way line of State Highway 346 (Poteet - Jourdanton Highway) for the northeast corner of this tract;

THENCE: S 0°05'22" E with the west right-of-way line of State Highway 346 (Poteet-Jourdanton Highway) a distance of 589.01 feet to a ½ iron pin found at southeast corner of the aforementioned 4.335 Acre Tract, said point also being the northeast corner of Lot 1, Block 95, N.C.B. 11067, St. Bonaventure Catholic Church Subdivision recorded in Volume 9525, Page 6 of the Deed and Plat Records of Bexar County, Texas for the southeast corner of this tract;

THENCE: S 89°58'40" W with the north boundary line of Lot 1, Block 95, N.C.B. 11067 a distance of 321.14 feet to a ½" iron pin found at the southwest corner of the aforementioned 4.335 Acre Tract, said point also being the northeast corner of said Lot 1 and being along the east right-of-way line of Palo Alto Road for the southwest corner of this tract;

THENCE: N 0°00'20" E with the east right-of-way line of Palo Alto Road and the west boundary line of the aforementioned 4.335 Acre Tract a distance of 588.82 feet to the POINT OF BEGINNING for this tract of land containing 4.335 Acres (188,831.00 square feet), more or less.



Exhibit B

Attachment II

**Vaccine Storage Facility Lease
(9011 Poteet-Jourdanton Highway)**

Table of Contents

1. Basic Information, Definitions.....	19
2. Grant.....	21
3. Rent.....	21
4. Term, Termination.....	21
5. Tenant’s Affirmative Promises.....	21
6. Tenant’s Negative Promises.....	22
7. Landlord’s Affirmative Promises.....	22
8. Landlord’s Negative Promises.....	22
9. Maintenance of Vaccine Refrigeration Equipment and Backup Generator.....	23
10. Insurance.....	23
11. Release of Claims/Subrogation.....	23
12. Indemnity.....	23
13. Casualty/Total or Partial Destruction.....	24
14. Condemnation/Substantial or Partial Taking.....	25
15. Holdover.....	25
16. Default.....	25
17. Warranty Disclaimer.....	26
18. Appropriations.....	26
19. Dispute Resolution.....	26
20. Prohibited Interests in Contracts.....	27
21. Miscellaneous.....	27
22. Public Information.....	29
Exhibit A: Description of Initial Premises.....	30
Exhibit B: Description of Reduced Premises.....	31

1. Basic Information, Definitions.

Authorizing Ordinance:

Landlord: El Centro del Barrio, a Texas nonprofit corporation,
d/b/a Centro Med

Landlord’s Address: 3750 Commercial Avenue, San Antonio, Texas 78221

Tenant: City of San Antonio

Tenant’s Address: P.O. Box 829966, San Antonio, Texas 78283-3966
(Attention: Director, CIMS)

Initial Premises: Space within the Building located 9011 Poteet-Jourdanton Highway, San Antonio, Bexar County, Texas, as shown by the non-shaded areas on **Exhibit A**, together with the fenced area behind the facility containing the generator and a right of ingress and egress to the fenced generator area, the Initial Premises being part of the Premises leased by Tenant to Landlord in a Ground Lease at the same time as this Lease

Permitted Use (Initial Premises): Operation of a WIC clinic and related uses, and storage of vaccines and other medications and related uses

Reduced Premises: Approximately 1,892.5 square feet in the Building located 9011 Poteet-Jourdanton Highway, San Antonio, Bexar County, Texas, marked by cross-hatch and labeled "vaccine storage" on the diagram at **Exhibit B**, together with the fenced area behind the facility containing the generator and a right of ingress and egress to the fenced generator area, the Reduced Premises being part of the Premises leased by Tenant to Landlord in a Ground Lease at the same time as this Lease

Permitted Use (Reduced Premises): Storage of vaccines, vaccine-related supplies, other medications, and related uses

Commencement Date: The later of (A) the effective date of the Authorizing Ordinance or (B) the later of the signatures of the two parties.

Initial Term: 30 years

Rent: \$1 annually

Address for Payment of Rent: 3750 Commercial Avenue, San Antonio, Texas 78221

Common Areas: The parking lot surrounding the building, hallways, bathrooms, waiting and reception areas, and any area Landlord may designate from time to time as an employee break room or similar facility.

Essential Services: (a) HVAC to the Premises reasonable for the Permitted Use (exclusive of needs unique to specialized equipment) during Building Operating Hours; (b) hot and cold water for lavatories and drinking; (c) electricity, and (d) lighting in Common Areas and fluorescent lights in the Building's standard light fixtures on the Premises.

2. Grant.

2.01. Landlord leases the Premises to Tenant, and Tenant takes the Premises from Landlord on the terms and conditions of this Lease. As a part of the Lease, Tenant's employees and invitees are entitled to use the Common Areas. Parking spaces in the building parking lot may be used on a first-come, first-served basis.

2.02. The Premises are the Initial Premises until Landlord begins refinishing the Premises. Landlord must not begin refinishing work until October 1, 2010. If refinishing the Building in which the Premises are located requires Tenant to vacate the Premises temporarily, Landlord must reimburse Tenant \$500 monthly to cover its costs for temporary relocation. The refinish-out must include partitions for Tenant substantially as shown on Exhibit B.

3. Rent.

3.01. Tenant must pay Rent in the amounts described in this section in advance on the first day of each year or within 10 days thereafter.

3.02. If Landlord receives prepaid rent from or for the account of Tenant, Landlord must apply the prepaid rent according to Tenant's directions.

3.03. Tenant's covenant to pay Rent and Landlord's covenants are independent. Except as otherwise provided, Tenant must not abate Rent.

4. Term, Termination.

The term of this Lease is the Initial Term, unless sooner terminated as provided in this Lease. Tenant may terminate this lease at any time without cause by delivering 30-days prior written notice to Landlord.

5. Tenant's Affirmative Promises.

Tenant promises that it will:

5.01. Accept the Premises in their present condition "AS IS," the Premises being currently suitable for the Permitted Use.

5.02. Repair, replace, and maintain any part of the Premises that Landlord is not obligated to repair, replace, or maintain, normal wear excepted.

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

5.04. Vacate the Premises and return all keys to the Premises at the end of the Term, subject to any holdover rights. In vacating the Premises, Tenant must remove its furnishings and its vaccines and other medical supplies. Tenant may elect to remove or leave its backup electrical generator.

5.05. On request, execute an estoppel certificate that states the Commencement Date and duration of the lease, identifies any amendments to the lease, describes any rights to extend the Term or purchase rights, lists defaults by Landlord, and provides

any other information reasonably requested. Tenant need not sign any certificate that purports to modify Tenant's obligations in any respect, except for a change in the address for notice or payment of rent.

6. Tenant's Negative Promises.

Tenant promises that it will not:

6.01. Create a nuisance.

6.02. Permit waste.

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

6.04. Assign this lease or sublease any portion of the Premises without Landlord's written consent, which must not be unreasonably withheld.

7. Landlord's Affirmative Promises.

Landlord promises that it will:

7.01. Lease to Tenant the Premises for the entire Term, beginning on the Commencement Date.

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

7.03. Provide the Essential Services.

7.04. Repair, replace, and maintain the (a) roof, (b) foundation, (c) Common Areas, (d) structural soundness of the exterior walls, doors, corridors, and windows, (e) HVAC, wiring, and plumbing, (f) floors (but not carpeting or similar floor covering, unless damaged by a problem with the floor), (g) damage to Tenant's improvements, including concealed mechanical systems, caused by failure or malfunctioning of building features or equipment for which Landlord is responsible, and (h) other structures or equipment serving the Premises.

7.05. Allow Tenant the nonexclusive right to use the Common Areas subject to reasonable rules and regulations that Landlord may prescribe.

8. Landlord's Negative Promises.

Landlord promises that it will not:

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

8.02. Unreasonably withhold consent to a proposed assignment or sublease.

9. Maintenance of Vaccine Refrigeration Equipment and Backup Generator.

Tenant is solely responsible for maintenance of its vaccine refrigeration equipment and backup generator. Tenant bears the risk of failure of the vaccine refrigeration equipment and backup generator, other than for losses proximately caused by Landlord.

10. Insurance.

Tenant will self-insure as it deems advisable against property loss. 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.

11. Release of Claims/Subrogation.

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 the injury or loss is covered by insurance the waiving party is required by this Lease to maintain, whether or not the party actually has the insurance ("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.

12. Indemnity.

12.01. These definitions apply to the indemnity provisions of this Contract:

12.01.01. "Indemnified Claims" mean all loss, cost, liability, or expense, directly or indirectly arising, in whole or in part, out of the acts or omissions of any person other than an Indemnitee that give rise to assertions of Indemnitee liability under this Contract, whether or not the person is a party to this agreement. Indemnified Claims include attorneys' fees and court costs and include claims arising from property damage and from personal or bodily injury, including death.

12.01.02. "Indemnitees" means the City of San Antonio and its elected officials, officers, employees, agents, and other representatives, collectively, against whom an Indemnified Claim has been asserted.

12.01.03. "Indemnitor" means Landlord.

12.02. Indemnitor must indemnify Indemnitees, individually and collectively, from all Indemnified Claims.

12.03. If Indemnitor and one or more Indemnitees are finally adjudged to be jointly liable for Indemnified Claim, Indemnitor need not further indemnify the so-adjudged Indemnitees from liability arising from the Indemnitees' adjudicated share of liability. But despite allegations of Indemnitee negligence, Indemnitor must nevertheless defend all Indemnitees until final adjudication. Indemnitor may

not recover sums previously spent defending or otherwise indemnifying the Indemnatee who has been adjudged to be negligent and must continue to indemnify other Indemnitees.

12.04. There are no third-party beneficiaries of this indemnity other than the category of people and entities included within the definition of Indemnitees..

12.05. Indemnitor must promptly advise the City of San Antonio in writing of any Indemnified Claim and must, at its own cost, investigate and defend the Indemnified Claim.

12.06. In addition to the indemnity required under this Contract, each Indemnatee may, at its own expense, participate in its defense by counsel of its choosing without relieving or impairing Indemnitor's obligations under this indemnity paragraph.

12.07. Indemnitor may not settle any Indemnified Claim without the consent of the City of San Antonio, whether or not the City is an Indemnatee as to the particular Indemnified Claim, unless (A) the settlement will be fully funded by Indemnitor and (B) the proposed settlement does not contain an admission of liability or wrongdoing by any Indemnatee. The City's withholding its consent as allowed in the preceding sentence does not release or impair Indemnitor's obligations of this indemnity paragraph. Even if the City of San Antonio is not an Indemnatee as to a particular Indemnified Claim, Indemnitor must give City at least 20 days advance written notice of the details of a proposed settlement before it becomes binding. Any settlement purporting to bind an Indemnatee must first be approved by City Council.

12.08. Nothing in this Contract waives governmental immunity or other defenses of Indemnitees under applicable law.

12.09. If, for whatever reason, a court refuses to enforce this indemnity as written, and only in that case, the parties must contribute to any Indemnified Claim 5% by the Indemnitees and 95% by the Indemnitor. Indemnitor need look only to the City of San Antonio for Indemnitees' 5% if the City of San Antonio is an Indemnified Party as to a particular Indemnified Claim.

13. Casualty/Total or Partial Destruction.

13.01. If the Premises are damaged by casualty and can be restored within 90 days, Landlord will, at its expense, restore the roof, foundation, Common Areas, and structural soundness of the exterior walls of the Premises and all leasehold improvements within the Premises, including interior partitions, ceilings, wiring, light fixtures, and plumbing.. Restoration must be to substantially the same condition existing before the casualty. If Landlord fails to complete the portion of the restoration for which Landlord is responsible within 90 days from the loss, Tenant may terminate this lease by written notice delivered to Landlord before Landlord completes Landlord's restoration obligations.

13.02. If the Premises cannot be restored within 90 days, Landlord has an option to restore the Premises. If Landlord chooses not to restore, this lease will

terminate. If Landlord chooses to restore, Landlord will notify Tenant of the estimated time to restore and give Tenant an option to terminate this lease by notifying Landlord within 10 days. If Tenant does not terminate this lease, the lease will continue, and Landlord will restore the Premises as provided above.

13.03. During the period before Landlord completes restoration, the Rent will be adjusted as may be fair and reasonable.

13.04. As with the insurance requirements, the rebuilding obligations of this paragraph are a bargained-for allocation of risk.

14. Condemnation/Substantial or Partial Taking.

14.01. If the Premises cannot be used for the purposes contemplated by this lease because of condemnation or purchase in lieu of condemnation, this lease will terminate.

14.02. If there is a condemnation or purchase in lieu of condemnation and this lease is not terminated, Landlord will, at Landlord's expense, restore the Premises, and the Rent payable during the unexpired portion of the Term will be adjusted as may be fair and reasonable.

14.03. Tenant will have no claim to the condemnation award or proceeds in lieu of condemnation.

15. Holdover.

15.01. If the Lease has not been earlier terminated according to its terms and Tenant is current on rent, both after the Initial Term and after any renewals provided for in this instrument, Tenant may hold-over for up to six additional months on a month-to-month basis. Tenant need not give advance notice of intent to exercise this hold-over right, and it need not hold over all of the allowable six months. The rent during a hold over is the same as the rent for the term being held over, and all other terms of this Lease apply. Council's authorization of this instrument is authority for the City as Tenant to enter into the hold-over period without further council action if the Director of Capital Improvements Management Services deems the holdover beneficial.

15.02. If prior notice is required to initiate a renewal under this Lease, the required notice period may include time in the hold-over period. If the required notice of renewal is less than the hold-over period, Tenant may deliver notice in the hold-over period.

15.03. Whenever this Lease refers to its term, events to occur during the term, or rights and obligations of Landlord and Tenant during the term, a hold-over period is considered a part of the term.

16. Default.

16.01. *Default by Landlord/Events.* Defaults by Landlord are failing to comply with any provision of this lease within 30 days after written notice and failing to provide Essential Services to Tenant within 10 days after written notice.

16.02. *Default by Landlord/Tenant's Remedies.* Tenant's remedies for Landlord's default are to sue for damages.

16.03. *Default by Tenant/Events.* Defaults by Tenant are (a) failing to pay timely Rent after 10 days written notice and opportunity to cure and (b) failing to comply any other material term of this Lease after 30 days written notice and opportunity to cure.

16.04. *Default by Tenant/Landlord's Remedies.* Landlord's remedy for Tenant's default is to terminate the Lease.

16.05. *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.

17. Warranty Disclaimer.

There are no implied warranties of merchantability, of fitness for a particular purpose, or of any other kind arising out of this lease, and there are no warranties that extend beyond those expressly stated in this lease.

18. Appropriations.

All obligations of the City of San Antonio under this instrument are funded through the City of San Antonio General Fund and 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 agreement, the City may terminate this agreement and have no further liability

19. Dispute Resolution.

19.01. 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.

19.02. 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.

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

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

19.05. 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.

19.06. Mediator fees must be borne equally.

19.07. The parties need not mediate before going to court (1) for either party to seek emergency injunctive relief or (2) for Landlord to seek forcible entry and detainer relief against Tenant.

20. Prohibited Interests in Contracts.

20.01. 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.

20.02. 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.

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

21. Miscellaneous.

21.01. *Applicable Law.* 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.** But the Texas conflicts of law rules must not be used to apply the laws of a jurisdiction

other than 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.

21.02. *Severability.* If any part of this agreement is found invalid or unenforceable, the finding does not affect the remainder.

21.03. *Successors.* 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.

21.04. *Integration.* **This Written 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.**

21.05. *Modification.* This Agreement may be changed only by a written agreement, signed by the party against whom enforcement of any modification is sought. Subject to that restriction, any of this Agreement's terms may be modified by the party entitled to their benefit, but no modification, express or implied, affects the right of the modifying party either (i) to apply any other term or condition or (ii) to apply the same term or condition to a later or earlier occasion.

21.06. *Third Party Beneficiaries.* This Agreement benefits the parties and their successors and permitted assigns only. It has no third party beneficiaries.

21.07. *Notices.* Notices must be in writing and by certified mail, return receipt requested, addressed to the parties at their respective addresses set forth at the beginning. If the addressee is a corporation, notices must be addressed to the attention of its President. 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.

21.08. *Captions.* Paragraph captions are for ease of reference only and do not affect the interpretation.

21.09. *Counterparts.* 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.

21.10. *Further Assurances.* The parties must execute and deliver such additional documents and instruments as may be necessary to effect fully the provisions hereof. But no such additional documents can alter the rights or obligations of the parties stated in this agreement.

21.11. *Administrative Agreements.* The Director of of the San Antonio Metropolitan Health District may, without further council action, agree to, sign, and deliver on behalf of the City all consents, certificates, memoranda, estoppels, 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.

21.12. *Conflicts Between Numbers Stated Two Ways.* Whenever this lease states numbers more than one way and there is a conflict, the lowest number controls.

21.13. *Incorporation of Exhibits.* All exhibits to this Lease are incorporated into it for all purposes as if fully set forth.

22. 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.

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

Tenant

Landlord

City of San Antonio, a Texas
municipal corporation

El Centro del Barrio, a Texas nonprofit
corporation, d/b/a CentroMed

Signature: _____

Signature: _____

Printed
Name: _____

Printed
Name: _____

Title: _____

Title: _____

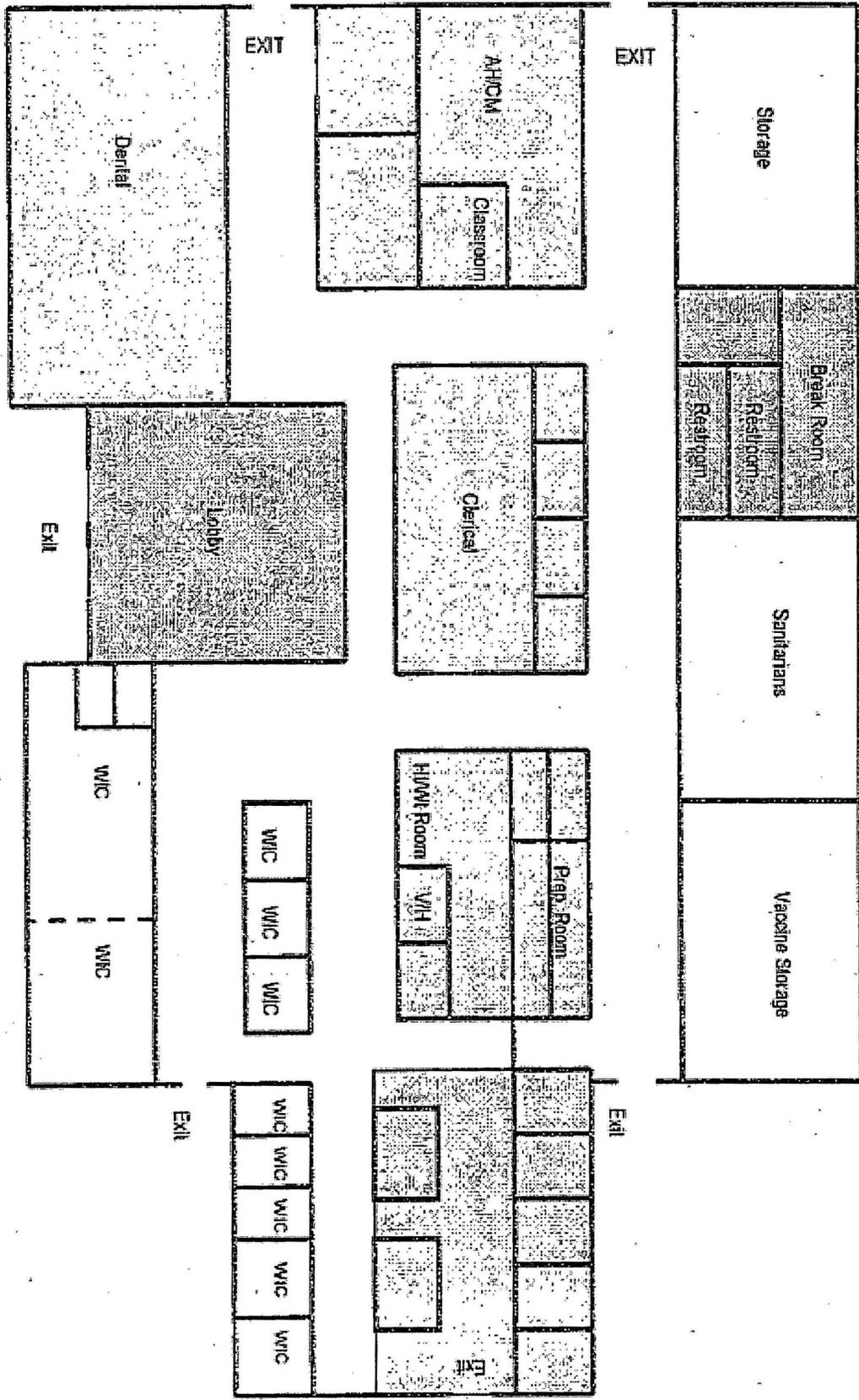
Date: _____

Date: _____

Approved as to Form:

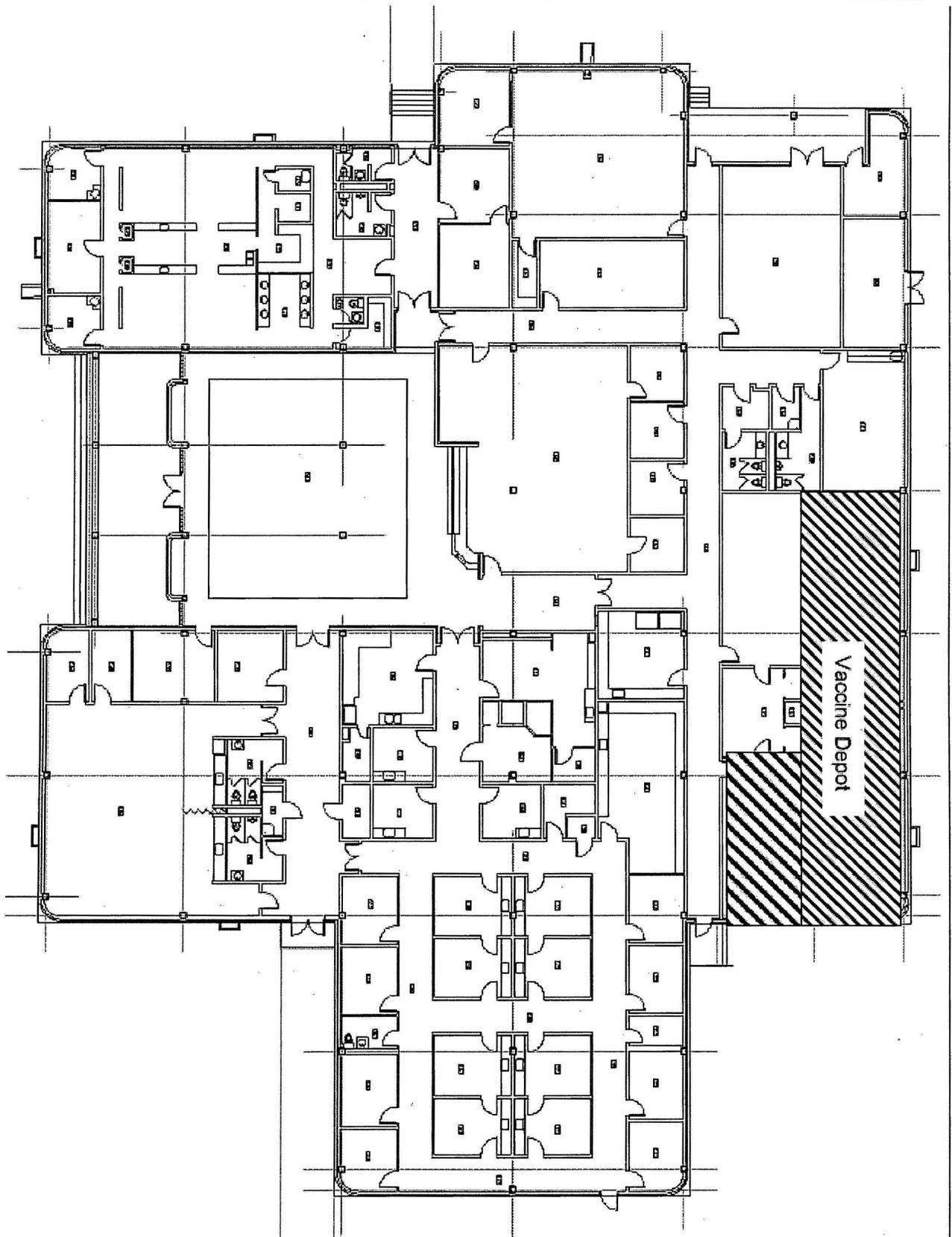
City Attorney

Exhibit A: Description of Initial Premises



Blue - Centromed 12,504 sq ft
 White - SAMHD 9,509 sq ft
 Gold - Shared 3,487 sq ft

Exhibit B: Description of Reduced Premises



9011 Poteet Jourdanton Hwy - Centromed