

**LEASE AGREEMENT BETWEEN
CITY OF LAREDO, TEXAS, AND LAREDO CENTER FOR URBAN AGRICULTURE AND
SUSTAINABILITY**

STATE OF TEXAS

§

COUNTY OF WEBB

§

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This lease agreement is hereby made and entered into by and between the **CITY OF LAREDO**, a municipal corporation, and **LAREDO CENTER FOR URBAN AGRICULTURE AND SUSTAINABILITY**, a Texas Non-Profit Local Government Corporation.

WHEREAS, the City of Laredo desires to enter into a lease agreement with LAREDO CENTER FOR URBAN AGRICULTURE AND SUSTAINABILITY for the use of office space for its management and operations located in Laredo, Webb County, Texas, and

WHEREAS, the City of Laredo and Laredo Center for Urban Agriculture and Sustainability share the mission of creating and promoting an urban food system for the City of Laredo and

WHEREAS, the City of Laredo finds it is in the parties' best interest to enter into this lease agreement.

ARTICLE I: PREMISES, TERMS, AND PRIVILEGES

DEFINITIONS:

“LESSEE”: Laredo Center for Urban Agriculture and Sustainability, a Texas Non-Profit Local Government Corporation, acting through its duly constituted agent, Federico Elizondo, Secretary.

“LESSOR”: THE CITY OF LAREDO, a Texas home-rule municipal corporation situated in Webb County, acting by and through its duly constituted agent, the City Manager.

LEASED AREA:

The LESSOR does hereby lease approximately 38,920 square feet constituting the Carriage House, first floor of the Canseco House proper and Garden Grounds of the “Canseco Property” located at 1415 Chihuahua Street, Laredo, Texas 78040, situated on the property described as Lots 1 through 6, Block 792, Eastern Division, City of Laredo, and LESSEE hereby leases the said leased area from LESSOR.

TERM AND TERMINATION OF LEASE AGREEMENT:

The lease is to be for a term of 3 YEARS commencing on the date of the last signature hereto and ending three years thereafter.

Either party hereto may terminate this agreement upon thirty (30) days' written notice to the other party.

RENTAL OBLIGATION:

LESSEE herein agrees to pay LESSOR the yearly sum of \$1.00 base rent for each year during the term of this lease.

All rent payments shall be made to the City of Laredo, with reference to:

Laredo Center for Urban Agriculture & Sustainability

PO Box 452270

Laredo, TX 78045

Re: Laredo Center for Urban Agriculture, Lease

NONPROFIT CORPORATION STATUS:

LESSEE agrees to remain a nonprofit corporation throughout the term of this Lease, and agrees to not profit from any of the activities performed pursuant to this lease.

WARRANTIES and COVENANTS:

LESSEE warrants it has the power and authority to execute this lease agreement with LESSOR and to perform and observe all the terms and provisions on its part to be performed or observed. LESSEE represents to LESSOR the execution, delivery, and performance of this lease agreement by LESSEE, which has been duly and validly authorized by all necessary action on its part and constitutes a valid and binding agreement enforceable in accordance with its terms.

UTILITIES, SECURITY, MAINTENANCE, and REMOVAL of DEBRIS:

LESSEE agrees to pay all utility charges resulting from LESSEE'S use of the leased premises, including electricity, water, wastewater, telephone, natural gas, cable television, internet, or any other utility services. LESSEE hereby also agrees to pay all such charges promptly before they become delinquent.

At its own expense, LESSEE shall maintain janitorial services and remove all garbage and waste from the leased premises to the designated garbage truck pickup areas. LESSOR shall be responsible for the removal of all garbage and rubbish on the leased premises from the designated garbage truck pickup area. The premises shall be free of trash and maintained in a sanitary manner and in compliance with all City ordinances. Security of the premises and its content shall be LESSEE's sole responsibility.

TAXES:

Upon receipt of written notice of any taxes, impositions, and surcharges upon the premises or proportionate share thereof, LESSEE agrees to pay and discharge promptly, before delinquency, any and all such taxes, impositions, and surcharges imposed by taxing agencies against the leasehold premises and any personal property, tools, equipment, furniture, fixtures, and inventory belonging to LESSEE and placed on the premises.

ASSIGNMENT and SUBLEASING:

Neither the leased premises nor any portion thereof shall be sublet, nor shall this lease or any interest therein be assigned, hypothecated, or mortgaged by LESSEE, and any attempted assignment, subletting, hypothecation, or mortgaging of this lease shall be of no force effect, and shall confer no rights upon any assignee, sublease, mortgagee or pledgee, but shall constitute a material breach of this contract by LESSEE.

BANKRUPTCY:

In the event that LESSEE shall become bankrupt or insolvent, or be dissolved, or should a trustee or receiver be appointed to administer LESSEE'S business or affairs, neither this lease nor any interest herein shall become an asset of the trustee or receiver, and this lease shall immediately terminate and end.

WARRANTY OF TITLE:

LESSOR hereby represents and warrants that it is the owner in fee simple absolute of the leased premises, subject to any covenants, conditions, restrictions, easements, and other matters of record.

ARTICLE II: INDEMNITY, REPAIRS, ALTERATIONS AND INSURANCE

LIABILITY AND INDEMNITY:

LESSEE hereby declares itself fully familiar with the physical condition of the leased premises and the improvements, fixtures, and equipment leased herein and hereby declares that said premises were in good condition when possession of same was accepted and that there were no latent defects in the facilities as those facilities are deemed vital to the use of the premises for their intended purpose.

LESSEE FOR ITSELF, ITS AGENTS, EMPLOYEES, SERVANTS, SUCCESSORS AND ASSIGNS PROMISES TO HOLD HARMLESS AND INDEMNIFY LESSOR FROM AND AGAINST ANY AND ALL CLAIMS BY OR ON BEHALF OF ANY PERSON, WHETHER LEGAL OR EQUITABLE, INCLUDING GOVERNMENTAL BODIES, ARISING FROM THE CONDUCT OR MANAGEMENT OF OR FROM ANY WORK OR THING DONE AND FROM ANY CONDITIONS OF THE LEASED BUILDINGS OR OTHER STRUCTURES, SIDEWALKS, DRIVEWAYS, OR PARKING AREA AND FACILITIES ON THE LEASED PREMISES OR ANY STREET, CURB, OR SIDEWALK ADJOINING THEREON, AND FROM ALL COSTS, ATTORNEY'S FEES, WITNESS FEES, EXPENSES AND LIABILITIES INCURRED IN OR ABOUT ANY SUCH CLAIMS OR ACTION OR PROCEEDING BROUGHT THEREON; EXCEPT ANY AND ALL ACTIONS OR PROCEEDINGS ARISING OUT OF THE SOLE NEGLIGENCE OR WILLFUL ACT OF LESSOR, ITS EMPLOYEES OR REPRESENTATIVES; AND IN THE EVENT THAT ANY ACTION OR PROCEEDINGS IS BROUGHT AGAINST THE LESSOR BY REASON OF SUCH CLAIM, THE LESSEE UPON NOTICE FROM THE LESSOR COVENANTS TO RESIST AND DEFEND SUCH ACTIONS OR PROCEEDINGS.

LESSEE ALSO HOLDS THE LESSOR BLAMELESS FOR ANY DAMAGE TO OR DESTRUCTION OF LESSEE'S PERSONAL PROPERTY LOCATED ON LEASED PREMISES, INCLUDING THAT CAUSED BY NATURAL OCCURRENCE OR ANY OTHER

CAUSE WHATSOEVER, UNLESS CAUSED BY LESSORS EMPLOYEES, AGENTS, OR REPRESENTATIVES WHILE SAID EMPLOYEES, AGENTS, OR REPRESENTATIVES ARE ACTING IN THE COURSE OR SCOPE OF THEIR DUTIES FOR THE LESSOR.

REPAIRS AND MAINTENANCE:

Throughout the term of this lease, LESSEE shall take good care of the leased area and the fixtures and appurtenances therein.

LESSOR is responsible for maintenance and repairs including windows, doors, plumbing, electrical, light fixtures, plumbing fixtures, air conditioning system, painting of interior and exterior walls when needed, floor covering, roof, parking lot, and other maintenance and repairs as deemed necessary by LESSOR upon written notice by LESSEE.

LESSOR is entitled to reimbursement from the LESSEE for any and all expenses incurred in connection with any maintenance, repair, or replacement resulting from the negligence or fault of the LESSEE or of the LESSEE'S agents, servants, or employees. This reimbursement shall be due within fifteen (15) days.

LESSEE agrees to maintain the premises to include, in part, lawn care (regular mowing, edging, fertilizing) gardening (planting, pruning, and maintaining flowers, shrubs and other greenery, weed control, mulching, tree trimming, and pest control.

LESSEE herein agrees to notify LESSOR within (24) hours of any accident or any defects in the utility system or structure, including, but not limited to, water pipes, drainage pipes, and air conditioning ducts.

The LESSOR or its designee is expressly granted the right of access to any such utility system or structure and the right to enter the leased area to inspect and repair, if necessary, any such system(s) or structures for its inspection, work, or repair.

LESSEE shall maintain the leased premises and keep them free from waste or nuisance throughout the lease term. At the termination of the lease, LESSEE shall surrender and deliver the leased premises to LESSOR in a good state of repair and condition as they were at the time.

Possession to LESSEE, reasonable wear and tear, and damage by fire, tornado, or another casualty excepted.

ALTERATIONS:

LESSEE is granted the right to make limited improvements, additions, or alterations to the leased area other than structural alterations at LESSEE'S sole cost and expense, subject to the following terms and conditions.

LESSEE must first obtain LESSOR's written consent. LESSOR must approve all interior designs or future changes thereof in writing. LESSOR reserves the right to reject any proposed extension, repair, or alteration, any particular contractor or each subcontractor, or the complete project. LESSEE shall provide LESSOR with a master plan, architectural model, and drawing for all proposed interior renovations, alterations, and modifications to the leased space.

Ultimate title to an improvement, addition, or alteration properly consented to in writing by LESSOR will vest with LESSOR immediately upon its completion and will remain in LESSOR'S possession at the termination of LESSEE'S tenancy. LESSOR may, however, require that LESSEE, at their expense, remove any or all alterations, additions, or improvements installed or made by LESSEE and any other property placed in the premises by LESSEE upon termination of the lease.

LESSEE shall not, without first obtaining LESSOR's written consent and permission, erect or install shelves, bins, machinery, or other trade fixtures, signs, or displays on any portion of the leased premises, including the exterior walls.

Trade fixtures, moveable furniture, and other service equipment of LESSEE peculiar to LESSEE'S non-profit business that is not to be included as additions, improvements, or alterations must be removed by LESSEE upon the termination of the lease, provided LESSEE is not in default of lease obligations. Any trade fixtures not removed by LESSEE at the termination of this lease shall be deemed abandoned by LESSEE and shall automatically become the property of the LESSOR.

LESSOR reserves the right to demand that LESSEE reasonably restore the premises to the same condition before making such alterations, in a manner acceptable to LESSOR, and to demand that LESSEE pay all costs of such restoration.

LESSEE further agrees to repair expeditiously any damages caused by the installation or removal of trade fixtures at LESSEE'S sole expense upon written notice by LESSOR.

LESSOR maintains and reserves the right to make alterations and remodeling changes, provided said work does not interfere with LESSEE'S day-by-day operations and business.

INSURANCE:

LESSEE shall, at its own expense, during the term of this lease, keep the leased premises insured against loss or damages by fire or other casualty consistent with the provisions provided below:

LESSEE shall furnish the City with original copies of valid insurance policies herein required upon execution of the contract and shall maintain said policies in full force and effect at all times throughout the term of this contract.

Commercial General Liability insurance at a minimum combined single limit of \$1,000,000 per occurrence and \$2,000,000 general aggregate for bodily injury and property damage, which coverage shall include products/completed operations (\$1,000,000 products/completed operations aggregate), and XCU (Explosion, Collapse, Underground) hazards. Coverage must be written on an occurrence form. Contractual Liability must be maintained, covering the Lessee's obligations contained in the contract. The general aggregate limit must be at least two (2) times the each-occurrence limit.

Workers' Compensation Insurance at statutory limits, including Employer's Liability coverage, a minimum limit of \$1,000,000 for each occurrence of each accident/\$ 1,000,000 by the disease each- occurrence/\$1,000,000 by disease aggregate.

Commercial Automobile Liability insurance at minimum combined single limits of \$1,000,000 per occurrence for bodily injury and property damage, including owned, non-owned, and hired car coverage.

A Comprehensive General Liability insurance form may be used in lieu of a Commercial General Liability insurance form. In this event, coverage must be written on an occurrence basis, at limits of \$1,000,000 for each occurrence, combined single limit, and coverage must include a broad form Comprehensive General Liability Endorsement, products/completed operations, XCU hazards, and contractual liability.

With reference to the foregoing insurance requirement, LESSEE shall specifically endorse applicable insurance policies as follows:

The City of Laredo shall be named as an additional insured with respect to General Liability and Automobile Liability.

All liability policies shall contain no cross-liability exclusions or insured versus insured restrictions.

A waiver of subrogation in favor of The City of Laredo shall be contained in the Worker's Compensation and all liability policies.

All insurance policies shall be endorsed to require the insurer to immediately notify The City of Laredo of any material change in the insurance coverage.

All insurance policies shall be endorsed to the effect that The City of Laredo will receive at least sixty (60) days notice prior to cancellation or non-renewal of the insurance.

All insurance policies that name The City of Laredo as an additional insured must be endorsed to read as primary coverage regardless of the application of other insurance.

Required limits may be satisfied by any combination of primary and umbrella liability insurance. LESSEE may maintain reasonable and customary deductibles, subject to approval by The City of Laredo.

Insurance must be purchased from insurers that are financially acceptable to the City of Laredo.

All insurance must be written on forms filed with and approved by the Texas Department of Insurance. Certificates of Insurance shall be prepared and executed by the insurance company or its authorized agent and shall contain provisions representing and warranting the following:

Sets forth all endorsements and insurance coverages according to requirements and instructions contained herein.

Shall specifically set forth the notice-of-cancellation or termination provisions to The City of Laredo.

LESSEE shall furnish The City of Laredo with certified copies of all insurance policies upon request. Certificates and insurance are subject to review and approval from the City of Laredo Risk Management Department. However, LESSEE shall maintain public liability insurance at all times throughout the term of this lease. LESSOR reserves the right to make its acceptance of an insurance company a condition of this lease such that disapproval or revocation of approval thereof shall authorize LESSOR to terminate this lease.

ARTICLE III: DEFAULT, HOLDING OVER, AND ABANDONMENT

LESSEE'S DEFAULT:

The following events (individually, an "Event of Default" and collectively, "Events of Default") constitute defaults under this lease:

- (a) LESSEE should fail to timely pay the full amount of rent and fees provided for herein;
- (b) LESSEE defaults in the performance of any of the covenants, conditions, or agreements provided for herein to be kept and performed by LESSEE, including, but not limited to, the provisions for carrying required Insurance;
- (c) LESSEE permits the leased premises to be used for any unauthorized or unlawful business or purpose or use consistent with the terms of this Agreement;
- (d) LESSEE assigns or subleases or otherwise transfers this lease;
- (e) LESSEE files a voluntary petition of bankruptcy to make a general assignment for the benefit of creditors and
- (f) LESSEE abandons the premises or leaves the premises vacant or unoccupied for thirty (30) consecutive days.

Then, and in any event, the LESSOR may, at its options and without waiving any other rights that the LESSOR has under this contract, at any time after such default, give notice of this specific default or failure of performance and demand immediate correction of such default or failure of performance by the LESSEE. In the event that LESSEE fails to remedy the default or to correct the failure of performance within thirty (30) days after service of such written notice, the LESSOR shall have the right to:

Immediately terminate the lease, re-enter the leased premises, and remove all persons and any and all personal property therefrom, and LESSEE hereby agrees to surrender the premises to LESSOR without waiving LESSOR'S right to past and future rents due hereunder. In such event, LESSOR may re-let the premises to other prospective LESSEES for the remainder of the term of this lease, and LESSEE shall be liable for any loss to LESSOR incurred in such re-letting for the terms of this lease, including rent and attorneys' fees, if any.

Notwithstanding any provision as to notice in this lease contained, if, in the LESSOR'S reasonable judgment, the continuation of any default by the LESSEE for the full period of the notice otherwise provided for herein will jeopardize the leased area or the rights of LESSOR, the LESSOR may, without notice, elect to perform those acts in respect to which LESSEE is in default, at LESSEE'S sole cost and expense, and LESSEE shall thereupon reimburse the LESSOR within ten (10) days of written request by LESSOR to LESSEE for such reimbursement. Failure of the LESSEE to reimburse in these circumstances shall mean that the LESSOR has the immediate right to terminate this lease.

INSPECTION BY LESSOR:

LESSEE shall permit LESSOR AND LESSOR'S agents, representatives, and employees to enter into and on the leased premises at all reasonable times for the purpose of inspection, maintenance, making repairs or alterations to the premises, or any other purpose necessary to protect LESSOR'S interest in the leased premises or to perform LESSOR'S duties under the terms and provisions of this lease.

ATTORNEY'S FEES:

In case LESSEE defaults in the performance of any of the terms, covenants, agreements, or conditions contained in this lease and LESSOR places the enforcement of the term of this lease, or any part thereof, or the collection of any rent due, or to become due hereunder, or recovery or possession of leased premises, in the hands of an attorney, or files suit upon same, LESSEE agrees to pay LESSOR reasonable attorney's fees and payment of same shall be secured in a like manner as herein provided as to the lien for rent due.

LESSOR'S REPRESENTATION AND WAIVER:

Any representations by LESSOR regarding LESSEE'S leasehold interest are embodied in this writing. The waiver by LESSOR to LESSEE of the performance of any provision of this agreement shall not amount to a future waiver of strict performance of such provision or any other provision(s) of this agreement. Any waiver of this lease agreement shall be in writing and approved by the LESSOR.

ANTI-DISCRIMINATION CLAUSES:

TITLE VI OF THE CIVIL RIGHTS ACT OF 1964: The LESSEE for itself, its agents, servants, employees, successors, and assigns, as a part of the consideration hereof, does hereby covenant and agree to a covenant running with the land that:

No person on the grounds of race, color, religion, national origin, or disability shall be excluded from participating in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities;

That is the construction of any improvements on, under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination;

That in the event of a breach of any of the preceding non-discrimination covenants, the LESSOR shall have the right to take such action to enforce this non-discrimination covenant; and

That in the event of a breach of any of the proceeding's non-discrimination covenants, the LESSOR shall have the right to terminate the license, lease, permit, etc., and hold the same as if said lease had never been made and issued.

ARTICLE IV: MISCELLANEOUS

DAMAGE OR DESTRUCTION OF PREMISES

If the leased premises or any structures or improvements on the leased premises should be damaged or destroyed by fire, tornado, or another casualty, LESSEE shall give immediate written notice of the damage or destruction to LESSOR, including a description of the damages and to the extent known to LESSEE, the cause of the damage.

MECHANIC'S LIEN

LESSEE shall not permit a mechanic's lien or other lien to be placed upon the leased premises or upon improvements on the premises.

NON-EXCLUSIVE USE:

It is understood that nothing herein contained shall be construed to grant or authorize an exclusive right unless specifically identified herein.

CAPTIONS:

Articles and headings are inserted only as a matter of convenience and for reference and in no way define, limit, or describe the scope or intent of any provision hereof, nor are they meant to bind the LESSOR or LESSEE to the meaning of such heading.

CONSTRUED PURSUANT TO TEXAS LAW:

This agreement shall be construed under and in accordance with the laws of the State of Texas and is to be performed in Laredo, Webb County, Texas.

RE-ENTRY:

No re-entry, repossession, or operations of the premises or of fixtures and equipment shall be construed as an election by LESSOR to terminate this lease unless a written notice of such intention to

terminate is given by LESSOR to LESSEE and notwithstanding any such operation without terminating this lease, LESSOR may at any time thereafter elect to terminate this lease.

NON-EXCLUSIVE USE OF PARKING AREA:

LESSEE, its employees, agents, clients, and guests shall have reasonable use of designated parking areas immediately adjacent to the leased premises, subject to the rights of LESSOR to change such designation and to impose reasonable rules and regulations for the use of such areas.

BINDING AGREEMENT:

Subject to the provisions herein, all agreements, terms, obligations, covenants, and conditions of this lease shall be binding upon and inure to the benefit of the parties hereto and their respective employees, agents, servants, legal representatives, successors, and assigns unless otherwise prohibited or otherwise noted in this agreement.

NOTICES:

Any notices which are required hereunder, or which either LESSOR or LESSEE may desire to serve upon the other shall be in writing and served when deposited in the United States mail, postage prepaid, return receipt requested, addressed to LESSOR and LESSEE as follows:

LESSEE: LAREDO CENTER FOR URBAN AGRICULTURE AND SUSTAINABILITY
 Federico Elizondo

LESSOR: CITY OF LAREDO, TEXAS
 C/O City Manager's Office
 1110 Houston Street
 Laredo, TX 78040

OUTSIDE STORAGE PROHIBITED:

Storage of vehicles, equipment, supplies, or other items outside the leased premises is prohibited.

COMPLIANCE WITH STATE AND LOCAL LAWS:

Further, LESSEE will keep and maintain the leased area in a clean and healthful condition and comply with the laws, ordinances, orders, rules, and regulations (State, Municipal, and other agencies or bodies having any jurisdiction hereof) with reference to use, conditions, or occupancy of the leased area.

PREMISES LEASED "AS IS":

Premises are leased AS IS, and there is no expressed or implied warranty on the condition or suitability of the building.

PROVISIONS:

Any provision in this Lease that proves to be invalid, void, or illegal shall in no way affect, impair, or invalidate any other provision hereof, and the remainder of this lease shall remain in full force and effect.

ENTIRE AGREEMENT:

This Agreement sets forth the entire Agreement of the parties on the subject matter hereof and may not be changed, modified, discharged, or extended except by a dated written instrument duly executed by the LESSOR and LESSEE, and this agreement shall supersede any prior agreements, understandings or written or oral agreements between the parties regarding the subject matter of this agreement.

LESSEE agrees that no representations or grant of rights or privileges shall be binding upon the LESSOR unless expressed in writing pursuant to this Agreement.

RIGHTS AND REMEDIES CUMULATIVE:

The rights and remedies provided by the lease agreements are cumulative, and the use of any one right or remedy by either party shall not preclude or waive its rights to use any or all other remedies provided by law. These rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance, or otherwise.

(SIGNATURES AND ACKNOWLEDGEMENTS ON FOLLOWING PAGE)

Joseph Neeb City Manager	Date
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Jose A. Valdez, Jr.
City Secretary

Doanh “Zone” T. Nguyen
City Attorney

Federico Elizondo, Secretary	Date
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This instrument was acknowledged, sworn to, and subscribed before me, the undersigned notary public, on this _____ day of _____, 2024 by _____, Laredo Center for Urban Agriculture and Sustainability, a Texas Non-Profit Local Government Corporation, on behalf of said corporation.

Notary's Printed Name _____
Commission Expires: _____