

**INTERLOCAL LEASE AGREEMENT
FORT BEND COUNTY AND THE UNIVERSITY OF HOUSTON SYSTEM**

1. PARTIES AND AUTHORITY

This Interlocal Lease Agreement ("Lease Agreement") is made and entered into by Fort Bend County, Texas, a governmental entity under the laws of the State of Texas ("Lessor") and the University of Houston System, a system of public institutions of higher education and agency for the State of Texas under Chapter 111.20 of the Texas Education Code for the use and benefit of its Small Business Development Center (hereinafter "Lessee").

Lessee is authorized to enter into this Lease Agreement by Government Code, Chapters 791. Lessor is authorized to enter into this Lease Agreement under Local Government Code, Chapter 272 and Government Code, Chapter 791.

2. LEASED PREMISES

This Lease Agreement is for one hundred (100) total square feet of office space in the Fort Bend County Sienna Annex Building, located at 5855 Sienna Springs Way, Suite 135, Missouri City, Texas 77459 ("Leased Premises"). Lessee, its employees, students and visitors also have the nonexclusive right to use common areas within the Leased Premises.

3. TERM OF LEASE

The Initial Term of this Lease Agreement shall be for a period of one (1) year commencing on the date of execution ("Commencement Date"), and ending twelve (12) months after the Commencement Date ("Initial Term"), which shall automatically renew for one (1) additional period of twelve (12) months, unless one party provides written notice to terminate as provided in Section 7 below. The Initial Term and any renewal shall hereinafter be referred to as the "Lease Term".

4. ANNUAL RENT

The Lessee agrees to pay Lessor the sum of ten dollars (\$10.00) per year as Annual Rent ("Annual Rent") during the Lease Term. The base Annual Rent includes Lessee's prorated share of utilities and services provided at the Leased Premises, with the exception of voice/data services. The Annual Rent is due and payable by the Lessee on the Commencement Date, and then on the first day of any renewal term. The Annual Rent shall be made payable and submitted to Fort Bend County, 301 Jackson, Suite 301, Richmond, Texas 77469, Attention: Facilities Management & Planning.

5. GENERAL TERMS AND CONDITIONS

(a) Lessee shall use the Leased Premises solely for office space and for any other purpose related to the mission of the Lessee. Lessee shall not use the Leased Premises under any circumstance for the purposes of storing, manufacturing or selling any explosives, flammables or other inherently dangerous substance, chemical, thing or device. Lessee shall keep the Leased Premises in good repair and free from waste. Lessee shall never leave the

Leased Premises vacant, but shall in good faith continuously conduct and carry on the type of business for which the Leased Premises are leased on all days, and during such hours, as are usual and customary for the Lessee in the geographic area in which the premises are located for that type of business. Any property kept, stored or maintained within the Leased Premises by Lessee shall be at Lessee's sole risk. Lessee shall not take any action that would constitute a nuisance or would disturb or endanger Lessor or other tenants or unreasonably interfere with their use of their respective premises; nor use, occupy or permit any portion of the Leased Premises to be occupied or used for any unlawful business purpose.

(b) Maintenance

- (1) Lessor agrees to maintain the Leased Premises in good repair and condition during the Lease Term. Maintenance is to include, but is not limited to, the following services: repair or replace worn floor surfaces; painting as needed; replacement of broken window glass; repair of roof and ceiling leaks; building exterior, interior; plumbing, heating, air conditioning and ventilating equipment and filters; fire protection equipment; miscellaneous valves; woodwork, locks, floor surfaces and coverings; lighting fixtures, and the replacement of all defective or burned-out light bulbs, fluorescent tubes, ballasts and starters. If Lessee causes damages to the Leased Premises, requiring above-listed maintenance services that go beyond "normal wear and tear", Lessee is responsible for paying to have the damages repaired. Lessor also agrees to provide general housekeeping services after hours of standard Fort Bend County workdays (Monday – Friday, excluding Lessor's official holidays).
- (c) Lessor warrants that the lease of the Leased Premises to the Lessee is authorized by the Lessor's governing body.
- (d) Lessor may enter the Leased Premises by providing advance notice to (a) inspect the general condition and state of repair,(b) to make repairs required or permitted under this Lease Agreement, or (c) for any other reasonable purpose.
- (e) Lessee is responsible for securing, the installation of, and all costs of maintaining voice/data services to serve Lessee. Lessor agrees that the Lessee may bring any and all furniture, fixtures and equipment reasonably necessary for the efficient exercise of the Lessee's responsibilities and the parties agree that all property will remain property of the Lessee. Any physical additions or improvements to the Leased Premises made by Lessee, and approved in writing by Lessor, will become the property of Lessor. Lessor may require Lessee, at the end of Lease Term and at Lessee's expense, remove any physical additions and improvements, repair any alterations, and restore the Leased Premises to the condition existing at the Commencement Date, normal wear and tear excepted.
- (f) Following Lessor's consent, Lessee shall have the right to place on the Leased Premises, signs and décor, which are permitted by applicable ordinances and Lessor's décor/signage guidelines attached hereto as Exhibit "A". Lessee shall repair all damage to the Leased Premises resulting from the removal of signs installed by Lessee.

- (g) If during the Lease Term the Leased Premises is condemned for any public purpose, the Lessee may elect to terminate and cancel this lease upon thirty (30) days written notice to the Lessor.
- (h) In the event of minor damage to any part of the Leased Premises, and if such damage does not render the Leased Premises unusable for Lessee's purposes, in Lessee's sole discretion, Lessor shall promptly repair such damage subject to the terms of Paragraph 6(b). In making the repairs called for in this paragraph, Lessor shall not be liable for any delays resulting from strikes, governmental restrictions, acts of nature or inability to obtain necessary materials or labor or other matters which are beyond the reasonable control of Lessor. If the Leased Premises cannot be occupied by the Lessee, lease payments otherwise due will be either reduced or withheld for a prorated share of the Leased Premises that cannot be occupied. If the Leased Premises are damaged to a degree that it is unfit for occupancy, this Lease Agreement shall automatically terminate and any rent and other obligations will be prorated from the date the Leased Premises could no longer be occupied. The determination of whether the Leased Premises are damaged to a degree to render them unfit for occupancy will be made by the City of Missouri City authority, in conjunction with Lessee's fire marshal and environmental health and life safety department. If the Lessor has available space which will meet the Lessee's needs and offers same to the Lessee, the Lessee may at its option, occupy that space under the same terms and conditions as this Lease Agreement.
- (i) During the Lease Term, Lessee shall have the non-exclusive use in common with Lessor, other tenants of the building, their guests and invitees, of the non-reserved common meeting rooms, automobile parking areas, driveways, and footways.
- (j) Lessor may retain any property left on the Leased Premises at the end of the term, after providing Lessee thirty (30) days written notice and the opportunity to retrieve such property.

6. **BREACH, DEFAULT and REMEDIES**

(a) **Breach by Lessor**

Lessor is in breach or default of this Lease Agreement if it fails to perform any of duties or obligations of this Lease Agreement. The Lessee must give Lessor written notice of the breach or default. If Lessor fails or refuses to remedy the condition of the breach or default for a period of thirty (30) days the Lessee may at its option:

- 1) Withhold lease payments until the breach or default is cured or corrected;
- 2) Terminate the Lease Agreement by providing written notice of intent to terminate and the effective date of termination;
- 3) Take reasonable action necessary to correct the breach or default and deduct the costs incurred by Lessee from payments due or to become due under this lease.
- 4) Take other legal action as provided by law for breach or default of this Lease Agreement.

(b) **Breach by Lessee**

Lessee is in breach and default under this Lease Agreement if Lessee fails to make payments when due or fails to timely perform its duties and obligations under this lease. Lessor must give the Lessee written notice of the breach or default. If Lessee fails or refuses to remedy the condition of the breach or default for a period of thirty (30) days Lessor may at its option:

- 1) Terminate the lease by providing written notice of intent to terminate and the effective date of termination.
- 2) Take other legal action as provided by law for breach or default of this lease.

(c) **No waiver**

The failure of either party to enforce rights provided by this Lease Agreement or by for breach or default will not act as a waiver of the right to demand compliance in the future.

7. VOLUNTARY TERMINATION

This Lease Agreement may be terminated by either party, if neither party is currently in default, by providing the non-terminating party with sixty (60) days written notice of intent to terminate.

8. ASSIGNMENT

This Lease Agreement may not be assigned by either party.

9. LAW GOVERNING

This Lease Agreement is governed by the laws of the state of Texas.

10. HAZARDOUS SUBSTANCES

Lessor warrants and represents that any use, storage, treatment, or transportation of hazardous substances that has occurred in or on the premises prior to Commencement Date of this Lease Agreement has been in compliance with all applicable federal, state, and local laws, regulations, and ordinances. Lessor additionally warrants and represents that no release, leak, discharge, spill, disposal, or emission of hazardous substances has occurred in, on, or under the premises, and that they are free of hazardous substances.

11. INSURANCE

At all times during the Lease Term, Lessor must maintain a policy of all-risk property insurance or acceptable self-insurance, issued by and bonded upon an insurance company licensed in the State of Texas, covering the Leased Premises and leasehold improvements (exclusive of contents), in an amount equal to not less than 80% percent of the replacement cost thereof. The Lessee shall have no interest in the policy or policy proceeds, and Lessor shall not be obligated to insure any furnishings, equipment, trade fixtures, or other personal property that the Lessee may place or cause to be placed upon the Leased Premises. Lessor must also maintain a policy or policies of comprehensive general liability insurance or acceptable self-insurance, insuring Lessor against loss of

life, bodily injury and/or property damage with respect to common areas, operation of the Leased Premises, parking lots and other improvements associated with the land upon which the Leased Premises are located, and any other losses caused by or related to the duties and obligations of Lessor under this Lease Agreement. Any obligation by the Lessee under this Lease Agreement to obtain insurance is expressly made subject to the Lessee's authority under state law to obtain such insurance. No insurance carrier of either party shall have a right of subrogation against the other party to this Lease Agreement.

12. LIMITATION OF LIABILITY

The liability for acts or omissions of the agents and employees of either party or for injuries caused by conditions of tangible property is provided for solely by the provisions of the Texas Civil Practice and Remedies Code, Chapters 75, 101 and 102, and that Workers' Compensation Insurance coverage for state and county employees is provided as mandated by the provisions of Texas Labor Code, Chapter 504.

13. OTHER TERMS AND CONDITIONS

- (a) Entire agreement. This Lease Agreement, and its amendments and attachments represent the entire agreement of the parties.
- (b) Effective date. This Lease Agreement is effective as of the date listed below.
- (c) Amendment. Amendments to this contract must be in writing and signed by both parties.
- (d) Notices. All notices required by this Lease Agreement must be sent to the following addresses:

<u>Lessor</u>	<u>Lessee</u>
Fort Bend County Facilities Management/Planning Attn: Director 301 Jackson Street, Suite 301 Richmond, Texas 77469	University of Houston System Office of Real Estate Services 5000 Gulf Freeway, Bldg. 1, Suite 110 Houston, Texas 77204-5025 With a Copy to: Office of General Counsel Attn: Contracts Administration 311 E. Cullen Building, Suite O Houston, Texas 77204-2028

14. EXECUTION

The parties have executed this Lease Agreement on the dates indicated below.

LESSOR
FORT BEND COUNTY, TEXAS

By: *Robert E. Hebert*
Name: Robert E. Hebert
Title: County Judge

Date signed: 2-27-2018

Attest:

Laura Richard
Laura Richard, County Clerk

Approved:

James Knight
James Knight, Director
Facilities Management & Planning Department

LESSEE
UNIVERSITY OF HOUSTON SYSTEM

By: *Jim McShan*
Name: Jim McShan
Title: Senior Vice Chancellor/Vice President
Administration & Finance

Date signed: 1/29/18

APPROVED AS TO FORM BY:

[Signature]
OFFICE OF THE GENERAL COUNSEL
UNIVERSITY OF HOUSTON SYSTEM
1.25.2018

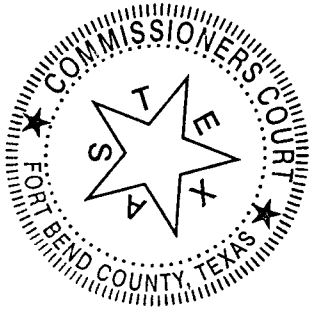


EXHIBIT A

Fort Bend County, Texas

Décor/Signage Guidelines**Purpose:**

To protect the interior surfaces of County buildings, minimize the damage to walls during the installation of hanging items, preserve the aesthetic quality of buildings, and maintain designed pedestrian traffic flow throughout the buildings, and maintain compliance with building codes.

Décor:

- Office decorations must be appropriate and businesslike, in good taste, inoffensive and non-advertising.
- Facilities Maintenance must hang all items on walls. Contact 281-238-3565 to submit a work order.
- Limit of 10 items hung in entire office.
- Item weight not to exceed a maximum of 20 lbs.
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- No lighting or decorations are to be hung from ceiling light fixtures, ceiling grids or Fire Alarm devices located within FBC facilities.
- Decorations are allowed on desktop and workspaces in offices and cubicles. Decorations are not allowed to be taped or glued to doors, walls or other areas that may be damaged by tape or glue.
- No curtains or other window treatments shall be placed over or behind standard window treatments
- No notices, bulletins, circulars or other type information may be placed on any common area wall or door. (Common area is described herein as hall, lobby, elevator, restroom, break room or conference room). This restriction includes all adjoining doors and door frames. Notices may be placed in a break room, but they must be placed on a bulletin board and cannot be affixed directly to the wall with tape, pins, or by any other method.
- All signage must be American Disabilities Act (ADA) compliant and meet all Texas Accessibility Standards (TAS) requirements.
- Please note that Custodial Services are provided in most locations after 5:00 p.m. Custodians will have permission to open locked areas to facilitate cleaning. Please be sure that all necessary precautions are taken to place any valuables in a secure area before leaving for the evening.

Addendum C

RECOMMENDATION FOR AWARD FORM

CONTRACT NO. _____

Section IV (A)(1) of MAPP Policy 4.04.01A on Contracting requires the following:

All contracts must be submitted for processing with a completed Recommendation for Award form regardless the source of funds (i.e. revenue, expense, etc) showing the basis by which an award is recommended. The Recommendation for Award form must provide information pertinent to all of the following: (a) which procurement method used; (b) price tabulations outlining the price acquisition process; (c) prices obtained in arriving at best value to the University; (c) bases for best value to the University; and (d) the name of the preferred vendor.

RECOMMENDATION FOR AWARD

Procurement Method Used (Describe the process by which price information was obtained, for example, phone bids, invitation to bid, RFP).

Prices Tabulations (Delineate prices obtained in arriving at best value):

Basis for Best Value to the University:

The price of \$10 per year for a total of one hundred (100) square feet of office space in the Fort Bend County Sienna Annex Building with be the best value to the University. Fort Bend SBDC will be occupying only one (1) office at this location.

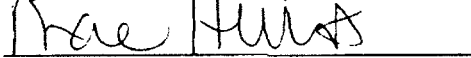
Preferred Vendor:

Fort Bend County

College/Department/Division:

C.T. Bauer College of Business/SBDC

Signature of College/Department/Division Administrator:



Date/Phone Number

10/11/17 X28455

Note: Modification of this Form requires approval of the Office of General Counsel