

PARTIAL EXTENSION OF LEASE AGREEMENT  
Stephenson Building

- 1. Parties.** This lease ("Lease") is made and entered by and between the City of Dripping Springs ("City") and the Veterans of Foreign Wars (VFW) Post 2933 and American Legion Post 290 ("Tenants"). The City is an incorporated municipality located at 511 Mercer Street, Dripping Springs, Texas 78620. The Tenants can be reached at P.O. Box 1413, Dripping Springs, Texas 78620.
- 2. Purpose.** The City will provide a space for the Tenants, including a restroom and large meeting room, at the rear of the Stephenson Building. The premises are to be used exclusively by Tenants for the purposes of conducting meetings and civic events. It is contemplated that the premises will be used for Tenants' association meetings (monthly and district).
- 3. Extension.** In accordance with Section IV (A) of the Lease Agreement dated June 13, 2017, the Landlord and Tenant are exercising the option to extend (i.e., renew) the lease for an additional twenty-three (23) days period through July 1, 2022.
- 4. Clauses & Covenants.**
  - A. Tenants agree to:
    - i. Premises. Accept the Premises in the present condition "AS IS," the Premises being currently suitable for Tenants' intended use. Obey all laws, ordinances, orders, rules, and regulations applicable to the use, condition, and occupancy of the Premises, including the most current International Building Code, as may be amended, and the City's Historic Preservation ordinances as currently adopted or as amended in the future and found in Article 24.07 of the City of Dripping Springs Code of Ordinances. Tenants are responsible for all permitting and inspection fees, as may be required. Allow City to enter the Premises to perform City's obligations, to inspect the Premises, and to use the City's storage area on the Premises.
    - ii. Payment. Pay the Base Rent of one (\$1.00) dollar to City at City's Address on the anniversary of the signing of the Lease Agreement every year, with the first payment due upon execution of this Lease. Pay all utilities as they come due, including but not limited to water, electricity, and waste disposal. The tenant shall pay for the costs of water and electricity that are over the average monthly amounts billed to the City for the past year. The average monthly amount for electricity was \$80.00 and the average monthly amount for water was \$39.00.
    - iii. Maintenance and Repair of Premises. Repair, replace, and maintain any improvement or part of the Premises. These repairs, replacements, maintenance, and improvements shall be done solely at Tenants' expense. Repair any damage to the Premises caused by Tenants. Before commencement of any repairs: (a) any major repairs of the building, including any changes to the exterior of the building, must be approved by the City Council; and (b) any minor repairs shall be approved by the City Administrator. Maintain the premises immediately surrounding the building in a condition suitable for its intended use under this lease, including any landscaping, fencing, and the Welcome Sign.

- iv. **Insurance.** Maintain public liability coverage for the Premises and name the City as an additional named insured. Maintain insurance on Tenant's improvements and personal property. This insurance shall be carried by one or more insurance companies duly authorized to transact business in Texas. Deliver certificates of insurance to the City before the execution of this Lease and thereafter when requested.
- v. **Indemnification.** Indemnify defend, and hold city harmless from any loss, attorney's fees, court and other costs, or claims arising out of Tenant's use of the Premises.
- vi. **Termination of Lease.** Vacate and surrender the Premises on termination of this lease, including termination upon ninety (90) days' notice by City in cases of neglect, waste, or failure to pay timely rent.

**B. Tenant agrees not to:**

- i. **Use of Premises.** Use the Premises for any purpose other than that stated in this Lease nor sublease or assign its use of the Premises in ways other than what is provided herein.
- ii. The Tenants shall also agree not to (a) create or permit a nuisance; (b) use the Premises in any way that is extra-hazardous, would increase insurance premiums, or would void insurance on the building; or (c) alter the Premises without City's written consent, which may be given by the City Council as outline in Section A (iii) above.

**C. Landlord agrees to:**

- i. **Premises.** The City will provide access to a restroom and large meeting room at the rear of the Stephenson Building, as described above, and ADA-Compliant and accessible parking and access routes.
- ii. **Utilities.** Access to utilities including electricity, water, wastewater, and trash, pursuant to the costs described.

- 5. Termination.** This lease may be terminated by either party upon receipt of written notice ninety (90) days prior to the termination date.
- 6. Utilities.** The City shall ensure that the building has adequate utilities for the Tenants' purposes. Tenants shall be responsible for the costs of the utilities, including water, trash, and electricity as described in Section A (ii).
- 7. Non-Incorporation.** This Lease constitutes the entire agreement between the Parties with regard to the matters made the subject of this Lease. There are no verbal representations, inducements, agreements, or understandings between the Parties other than those specifically set forth herein.
- 8. Amendments.** No modifications, amendments, or supplements to or waivers of any provision of this Lease will be valid unless made in writing and signed by both Parties to this Lease.
- 9. Force Majeure.** Neither Party will be liable to the other for any default or delay in the performance of its obligations under this Lease caused by force majeure, provided the Party seeking to be excused has prudently and promptly acted to take any and all reasonable corrective measures that are within the Party's control. Force majeure is defined as those cause

beyond the control of the Party that are generally recognized under Texas law as a force majeure event, such as acts of God, unusual weather conditions, fire, riots, sabotage, acts of domestic or foreign terrorism, or any other cause beyond the reasonable control of such Party.

- 10. Governing Law and Venue.** This Lease will be construed under and in accordance with the laws of the State of Texas. Venue for any litigation between the Parties will be Hays County, Texas.
- 11. Attorney's Fees.** If City retains an attorney to enforce this lease and City prevails in litigation, City is entitled to recover reasonable attorney's fees and court and other costs.
- 12. No Joint Enterprise.** The provisions of this Lease are not intended to create, nor will they be in any way construed to create, a joint venture, a partnership, or to create the relationships of an employer-employee or principal-agent, or to otherwise create any liability for the Parties whatsoever with respect to the Parties' indebtedness, liabilities, and obligations.
- 13. Severability.** If any provision of this lease is held to be invalid, unenforceable, or illegal in any respect, such provision will be fully severable, and the remainder of this Lease will remain valid and in full force and effect.
- 14. Abatement.** Tenant's covenant to pay rent and Utility Payments and City's covenants are independent. Except as otherwise provided, Tenant will not be entitled to abate Rent for any reason.
- 15. Release of Claims/Subrogation.** Tenant agrees to release City from any claim, by subrogation or otherwise, for any damage to the Premises, the building, or personal property within the building, by reason of fire or the elements, regardless of cause, including negligence of City or Tenant. This release applies only to the extent that it is permitted by law, the damage is covered by insurance proceeds, and the release does not adversely affect any insurance coverage.
- 16. City Default.** Defaults by city are failing to comply with any provision of this lease within thirty (30) days after written notice and failing to provide Essential Services to Tenant within ten (10) days after written notice. Tenant's remedies for City's default are, if City fails to comply with any provision of this lease within thirty (30) days of written notice, to terminate this lease.
- 17. Tenant Default.** Defaults by Tenant are (a) failing to pay timely Rent or utilities; (b) abandoning or vacating a substantial portion of the Premises; or (c) failing to comply, within 10 (10) days after written notice, with any provision of this lease other than the defaults set forth in (a), (b), and (c) above. City's remedies for Tenant's default are to: (a) enter and take possession of the Premises, after which City may relet the Premises on behalf of Tenant and receive the rent directly by reason of the reletting and Tenant agrees to reimburse City for any expenditures made in order to relet; (b) enter the Premises and perform Tenant's obligations; and (c) terminate this lease by written notice and sue for damages. City may enter and take possession of the Premises by self-help, by picking or changing locks if necessary, and may

lock out Tenant or any other person who may be occupying the Premises, until the default is cured, without being liable for damages.

**18. Default/Waiver/Mitigation.** It is not a waiver of default if the non-defaulting party fails to declare immediately a default or delays in taking any action. Pursuit of any remedies set forth in this lease does not preclude pursuit of other remedies in this lease or provided by law, City and Tenant have a duty to mitigate damages.

**19. Holdover.** If Tenant does not vacate the Premises following termination of this Lease, Tenant will become a tenant at-will and must vacate the Premises on Receipt of notice from City. No Holding over by Tenant, whether with or without the consent of City, will extend the Term.

**20. Notices.** Any notice required or permitted under this lease must be in writing. Any notice required by this lease will be deemed to be delivered (whether actually received or not) when deposited with the United States Postal Service, postage prepaid, certified mail, return receipt requested, and addressed to the intended recipient at the address shown in this lease. Notice may also be given by regular mail, personal delivery, courier delivery, facsimile transmission, or other commercially reasonable means and will be effective when actually received. Any address for notice may be changed by written notice delivered as provided herein.

If to the CITY:

Michelle Fischer  
City Administrator  
City of Dripping Springs  
511 Mercer Street  
Dripping Springs, TX 78620  
Telephone: (512) 858-4725  
Email: [mfischer@cityofdrippingsprings.com](mailto:mfischer@cityofdrippingsprings.com)

If to the Tenants:

Commander  
VFW Post 2933  
P.O. Box 216  
Dripping Springs, Texas 78620

Commander  
American Legion Post 290  
P.O. Box 1413  
Dripping Springs, Texas 78620

**21. Signatory Authorization.** The signatories for the Parties hereby represent and warrant that each has full and complete authority to enter into this Agreement.

Executed this, the \_\_\_\_\_ day of \_\_\_\_\_ 2022.

**CITY OF DRIPPING SPRINGS:**

\_\_\_\_\_  
Bill Foulds Jr., Mayor

**VETERANS OF FOREIGN WARS:**

\_\_\_\_\_  
,Commander

**AMERICAN LEGION POST:**

\_\_\_\_\_  
,Commander

**ATTEST:**

\_\_\_\_\_  
Andrea Cunningham, City Secretary