

COUNTY OF HIDALGO §

This Lease Agreement (hereinafter referred to as "lease"), effective as of _____, 2024, is made by and between MISSION REDEVELOPMENT AUTHORITY (the "Authority"), a local government corporation created and organized under the provisions of the Texas Transportation Corporation Act, Chapter 431, Transportation Code, and authorized and approved by the City of Mission, Texas pursuant to Resolution No. 1021 adopted on November 26, 2001, acting by and through its governing body, the Board of Directors (the "Authority Board"), REINVESTMENT ZONE NUMBER ONE, CITY OF MISSION, TEXAS (the "TIRZ"), a tax increment reinvestment zone created by the City of Mission, Texas pursuant to Chapter 311, Texas Tax Code, as amended, acting by and through its governing body, the Board of Directors (the "TIRZ Board"), and THE CITY OF MISSION, TEXAS (the "City"), a Texas home-rule city.

WHEREAS, by Ordinance No. 2683, the City Council of the City of Mission, Texas (the “City Council”) created the TIRZ, and appointed the TIRZ Board; and

WHEREAS, the City of Mission is a home-rule municipality; and

WHEREAS, the Board of Directors of the Authority and the TIRZ Board have determined that it is in the best interests of the TIRZ to establish a lease with the City to provide needed space for services and activities that may benefit the City of Mission citizens; and

WHEREAS, the Authority desires to lease a portion of the property located at 1301 E. 8th St, Mission, TX 78572 to the City; and

WHEREAS, the City wishes to house administrative and/or public-facing operations of the City of Mission by leasing such property.

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1. **PROPERTY**

The property to be leased, with the exception of one office space which will be designated to the Authority, is located at 1301 E. 8th St, Mission, Texas 78572, as designated in Exhibit A. Although not explicitly excepted from this Lease, a conference room will be made available for use by the Authority along with other City personnel.

2. **TERM**

- a. This lease shall be and become effective on _____, **2024**.
- b. *Early Termination.* The initial term of this lease shall begin on the above effective date until the expiration of TIRZ on December 31, 2030. Should the expiration date of the TIRZ be extended by action of the City, the term of this lease shall be extended accordingly such that this lease is co-terminus with the term of the TIRZ. Upon expiration of this lease, no renewal option is provided. This lease may be terminated upon (90) ninety-days prior written notice to the other party provided the other terms of the Lease have been adhered to. Upon such termination, neither Authority nor City shall have any further rights, estates, or liabilities under this Lease accruing after the effective date of termination, except for such obligations that expressly survive the termination of the Lease.

3. **RENT**

During the initial term and any additional term of this lease, City shall pay to the Authority as rent an annual rental of One Dollar (\$1.00). Such rental payment for the first year of this initial term shall be due and payable on the date this lease becomes effective as provided above. The rental payment for each subsequent year of the initial term or of any optional term shall be due and payable on the anniversary date of the date this lease became effective. All rental payments shall be payable to the "Mission Redevelopment Authority", 801 N. Bryan Rd, Mission, Texas 78572.

4. **USE OF PREMISES**

- a. The leased premises shall be used by City solely for governmental purposes including both administrative operations and services or other activities that may benefit the citizens of the City of Mission.
- b. The leased premises may not be used for non-profit organizations or other non-governmental organizations (NGOs), whether or not they provide services or other activities that may benefit the citizens of the City of Mission.
- c. City further agrees to provide the Authority during the term of this lease, and during any and all of its subsequent extensions, documentary evidence of the public benefit of its services or other activities to the citizens of Mission.
- d. Any other activities conducted by City on or about the leased premises and not specified in this lease shall require prior written approval in the form of a contractual amendment to be approved by the Authority.
- e. City shall fully comply with all of the ordinances of the City of Mission applicable to the buildings and improvements on the leased premises, and in connection therewith promptly fulfill all orders and requirements applicable to City's occupation

of and operation upon the leased premises as imposed by the Code Enforcement, Health, Police and other departments for the correction, prevention and abatement of nuisances or hazards which may exist by reason of the condition of the building or improvements on the leased premises. City further covenants that it will comply with all state and federal laws and regulations in its use and occupation of the leased premises.

- f. City shall not assign or sublease the Premises without the prior written consent of the Authority.

5. UTILITIES AND BUILDING SERVICES

The City shall be responsible for all utilities and services in connection with the Leased Premises.

6. INSURANCE

The City shall maintain general liability insurance over the leased premises and shall be responsible for the contents of the leased premises (e.g. furniture, computers, etc.) and should procure insurance for such contents as City desires. The Authority shall possess property insurance coverage for the property being leased.

7. DESTRUCTION OF LEASED PREMISES

In the event that the leased premises are damaged to the extent that a substantial part of the building(s) or improvements are rendered unfit for occupancy, and such damage is not a result of City's negligence, either the Authority or City may elect to terminate the lease. The Authority shall have no obligation or duty to repair, rebuild or reconstruct the leased premises should such damage occur. However, in the event the Authority elects in its sole discretion to reconstruct the leased premises, the parties may mutually agree to continue the lease in full force and effect for the remainder of the term thereof.

8. INSPECTION AND REPAIRS

- a. City agrees, at its own expense, to maintain the leased premises in a sanitary, safe and clean condition during the term of this lease and any extension thereof. City shall be solely responsible for, and shall provide at its own expense, all maintenance items required for safe operation of the leased premises, and maintain in good operating condition and repair the leased premises. The Authority shall only be responsible for capital improvements required to extend the useful life of the premises.
- b. Alterations and Improvements. No alterations, additions or improvements shall be made, without the written consent of the Authority. Any additions and improvements shall be subject to approval by the Board of Directors of the Authority. The cost of alterations and improvements shall also include any design work required for such alteration and improvement, which shall also be subject to approval by the Board of Directors of the Authority. Unless otherwise provided herein, all such alterations, additions or improvements when made, installed in or attached to the said premises, shall belong to and become the property of the Authority and shall be surrendered

with the premises and as part thereof upon the expiration or sooner termination of this Lease, without hindrance, molestation or injury.

9. **EMPLOYEES**

- a. No relationship of employer and employee is created by this agreement. Neither City, nor any of its employees, contractors, agents or volunteers, shall be an employee of the Authority for any purpose whatsoever, and vice versa.

10. **NOTICE**

Any notice provided for herein shall be given by written instrument, personally delivered or sent by U.S. mail, postage prepaid, to:

AUTHORITY: Executive Director
Mission Redevelopment Authority
801 N. Bryan Rd
Mission, Texas 78572

CITY: City Manager
City of Mission
1201 E. 8th St
Mission, Texas 78572

MISCELLANEOUS

- a. This lease embodies the complete agreement of the parties hereto superseding all oral or written previous and contemporary agreements between the parties relating to matters herein and, except as otherwise provided herein, cannot be modified without written agreement of the parties.
- b. This lease agreement is entered into subject to the charter and ordinances of the City of Mission as they may be amended from time to time, and is subject to and is to be construed, governed and enforced under all applicable federal, state and local laws.
- c. City also agrees to obtain, from all governmental authorities having jurisdiction, all licenses, certificates and permits necessary for the conduct of its operations and to keep them current.

11. **SEVERABILITY**

If any of the terms, sections, subsections, sentences, clauses, phrases, provisions, covenants, conditions or any other part of this lease agreement are for any reason held to be invalid, void or unenforceable, the remainder of the terms, sections, subsections, sentences, clauses, phrases, provisions, covenants, conditions or any other part of this lease agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

IN WITNESS HEREOF, the undersigned hereto execute this agreement as of the day and year first written above.

MISSION REDEVELOPMENT AUTHORITY

By: _____
Chairman

ATTEST:

Secretary

**REINVESTMENT ZONE NUMBER ONE, CITY
OF MISSION, TEXAS**

By: _____
Chairman

ATTEST:

Secretary

CITY OF MISSION, TEXAS

By: _____
Mayor

ATTEST:

City Secretary

Exhibit A