

THE STATE OF TEXAS

COUNTY OF JOHNSON

**INTERGOVERNMENTAL LEASE AGREEMENT**

THIS AGREEMENT is entered into on this 29 day of July by and between Johnson County, and the STATE OF TEXAS, specifically, the Texas Health and Human Services Commission ("HHSC") -- on the behalf of one of its agencies, the Department of State Health Services ("DSHS") -- acting by and through the Texas Facilities Commission ("TFC"), pursuant to the authority granted and in compliance with the provisions of the *Interlocal Cooperation Act*, Texas Government Code Chapter 791, Section 791.011; the *Lease of Space for State Agencies*, Texas Government Code Chapter 2167, Section 2167.051; and the *Elimination of Architectural Barriers*, Texas Government Code Chapter 469.

I. PURPOSE:

This contract and agreement is entered into for the purpose of leasing real property owned by (Johnson County), hereinafter the LESSOR, to the STATE OF TEXAS, specifically HHSC, hereinafter the LESSEE, acting by and through TFC.

The real property to be leased shall be

1,600 Square Feet, occupied by the

Department of State Health Services at

108B E. Kilpatrick Street

Cleburne, Texas 76031 in

Johnson County, Texas, hereinafter the Leased Premises.

LESSOR promises, in return for the consideration described herein to be paid by the LESSEE and the covenants set out herein to be kept by LESSEE, to hereby lease, unto the LESSEE, the Property and Premises described herein.

LESSEE promises, in return for the consideration described herein to pay the LESSOR from current revenues available to the LESSEE.

II. GENERAL TERMS AND CONDITIONS:

- (a) TERMS OF LEASE. This lease shall be for a period of One hundred-twenty (120) months commencing on the first (1<sup>st</sup>) day of 01/01/2013 and ending on the thirty-first (31<sup>st</sup>) day of December 2023 unless sooner terminated as hereinafter provided.
- (b) RENEWAL OPTION. By mutual agreement between LESSEE and LESSOR, this lease may be renewed up to four (4) times for a period up to one hundred- twenty (120) months each, under the same terms and conditions. LESSEE shall give LESSOR written notice of intention to exercise this option at least 180 days prior to expiration of this lease.
- (c) MONTHLY RENTAL. LESSEE agrees to pay LESSOR Zero (0) Dollars (\$0.00) per month per square feet annual rate during the term of this lease. The monthly rentals provided for herein shall be due and payable by LESSEE in advance on the first day of the month for which said rentals are due.

This lease contract is made and entered into in accordance with and subject to the provisions of the Texas Constitution and the Texas Government Code, Title 10, Subtitle D, and is made contingent upon the continuation of the availability of money appropriated by the Legislature to pay for the lease. In the event the Legislature or the Executive Branch of the State of Texas cease to fund the lease, or the agency ceases to exist as a result of legislative action, then HHSC, with the approval of LESSOR, may assign another of its umbrella agencies to the space, or a part thereof, covered by this lease. Should HHSC be unable to find another state agency or agencies to fill, or partially fill, the space, HHSC shall so provide written notice to LESSOR, which shall serve as termination of this lease.

- (d) PAYMENT OF TAXES. LESSOR will be responsible to pay all taxes of whatever nature, levied and assessed and to be levied or assessed, on or against the Leased Premises and improvements during the term of the lease.
- (e) MAINTENANCE OF PROPERTY. LESSOR will be responsible for keeping the Leased Premises, property and buildings in good repair and condition during the continuance of the term of this lease. During the continuance of the term of this lease, said maintenance is to include, but is not limited to, the following services: repair and patch wall, ceiling and floor surfaces; painting as needed; replacement of broken window glass; repair of window shades, blinds and/or drapes, fasteners and sash cord or chains; 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 the occupying entity, or its agents, cause damage to said property that goes beyond "normal wear and tear," the occupying entity is responsible to pay for those repairs.
- (f) SUITABILITY OF SURROUNDINGS. LESSOR hereby covenants and agrees that hereafter and during the term of this lease, it will not rent, lease or otherwise furnish space in this or any adjacent buildings under its control to any enterprise which, in the usual exercise of its business, could be expected to create noise or odors injurious or disruptive to the occupying entity's normal governmental activity. LESSOR covenants and agrees it will not lease space that would locate or collocate any regulated parties which have an interest in the occupying entity or whose occupation of these premises would cause the occupying entity to be in violation of a state statute.
- (g) CONDITION OF PREMISES. LESSOR warrants that the Leased Premises is not in violation of any city, state or local ordinance or statute or any restriction imposed against the Leased Premises.
- (h) FURNISHINGS. LESSOR hereby covenants and agrees that the LESSEE may bring on the Leased Premises any and all furniture, fixtures and equipment reasonably necessary for the efficient exercise of LESSEE's governmental responsibilities and the parties agree that all such Property shall remain the Property of the LESSEE.
- (i) ALTERATIONS AND IMPROVEMENTS. LESSEE will have authority to make alterations and improvements necessary for the continued effective operation of assigned programs; however, notification of such alterations and improvements will be made to the LESSOR in writing prior to commencement of work. Any and all improvements or alterations made to the Leased Premises shall remain the property of the LESSOR at the termination of this agreement.
- (j) SIGNAGE. Any signs necessary to indicate the LESSEE's name, location and governmental purpose shall be prepared and installed consistent with signage for other lessees in the property and in keeping with building décor. Any special requirements of LESSEE contrary to the above must be stated in writing and made a part of this lease. Any cost of compliance with this paragraph in excess of the amount that would be required for the LESSOR's standard signage shall be borne by the LESSEE.
- (k) PROPERTY OF LESSEE. On termination of this lease, by lapse of time or otherwise, the LESSEE may, within a reasonable time thereafter, at its option and expense, remove from said Leased Premises any and all improvements, equipment, appliances or other property placed or owned by it thereon. LESSEE shall deliver the Leased Premises to LESSOR in good order and condition, provided however, the reasonable use and ordinary wear and tear are expected.
- (l) CONDEMNATION. If during the term of this lease, said Leased Premises, or any portion thereof, shall be condemned for any public purpose, LESSEE hereto shall have the option of terminating and cancelling the lease upon 30 days notice to the LESSOR of its election to do so.

- (m) SUBSTANTIAL PROPERTY DAMAGE. In the event the building, of which the space occupied by the LESSEE is a part, suffers substantial damage or is destroyed by fire or the elements during the term of this lease, the LESSOR will have the option to rebuild or repair the building in substantially as good a condition as it was before such fire or other event occurred, or to declare the lease contract canceled.
- (n) COMMENCEMENT OF OCCUPANCY. LESSEE is not obligated to pay rent and other sums under this lease until the Leased Premises is available to LESSEE for full occupancy and is suitable for use as office space for a governmental entity. If LESSOR is unable to give LESSEE full possession of the Leased Premises on Commencement Date for any reason, LESSOR shall give LESSEE immediate written notice of the cause for the delay and the date the Leased Premises will be ready for occupancy. LESSEE may terminate this lease without liability to the State of Texas and seek other space.
- LESSEE may not terminate the lease if the delay of occupancy is caused by LESSEE, or by conditions beyond LESSOR's control, such as strikes, fire, unavoidable casualties or other unusual circumstances that constitutes a justifiable delay.
- If the LESSEE so elects, the LESSEE may continue to treat this lease as if in full force and effect for a period of no more than 120 days after the lease Commencement Date. During this time, or for as long as possession does not commence, the rent shall not be paid.
- (o) ABANDONMENT. The LESSEE will not, without first obtaining the written consent of the LESSOR, abandon the Leased Premises, or allow the Leased Premises to become vacant or deserted. In the event the LESSEE's need for such space terminates, the LESSEE will make every attempt to notify the LESSOR 120 days before vacating the Leased Premises, but will accrue no liability if such notice cannot be given due to circumstances beyond the LESSEE's control.
- (p) DEFAULT BY LESSOR. In the event the LESSOR shall breach or be in default in the performance of any of the covenants or obligations imposed upon the LESSOR by this lease, and shall remain in default for a period of 30 days after written notice from the LESSEE to the LESSOR of such default, the LESSEE shall have the right and privilege of terminating this lease and declaring the same at an end, and shall have the remedies now or hereafter provided by law for the recovery of damages occasioned by such default. LESSEE specifically shall be entitled to deduct amounts expended on repairs necessary to maintain the suitability of Leased Premises.
- (q) DEFAULT BY LESSEE. If LESSEE fails to pay rentals or other charges hereunder or otherwise fails to perform its obligations hereunder and this failure is not cured within 30 days after written notice from LESSOR to LESSEE of such failure, then LESSEE is in default, and LESSOR may terminate this lease and may enter and take possession of Leased Premises.
- (r) STATE AUDITOR'S OFFICE. LESSOR understands that acceptance of funds under this contract acts as acceptance of the authority of the State Auditor's Office, or any successor agency, to conduct an audit or investigation in connection with those funds. LESSOR further agrees to cooperate fully with the State Auditor's Office or its successor in the conduct of the audit or investigation, including providing all records requested. LESSOR will ensure that this clause concerning the authority to audit funds received indirectly by subcontractors through LESSOR and the requirement to cooperate is included in any subcontract it awards.
- (s) TEXAS ACCESSIBILITY STANDARDS. Throughout the term of the lease and any additional tenancy, LESSEE and LESSOR shall comply with the following provisions:
- (1) This lease shall comply with the architectural barriers law, Texas Government Code Chapter 469.
  - (2) Prior to occupancy in whole or in part by the LESSEE, if the rental amount for the leased premises is more than \$12,000 annually, a person described by Texas Government Code Section 469.105(b) must perform an on-site inspection of the building or facility to determine whether it complies with all accessibility standards and specifications adopted under Texas Government Code Chapter 469.
  - (3) If the building or facility fails to pass inspection as described in subsection (2), the Lessor agrees to bring the building or facility into compliance not later than the 60<sup>th</sup> day after the date the

inspection results are delivered to the LESSOR or a later date established by the Texas Commission of Licensing and Regulation if circumstances justify a later date.

(4) All renovations or modifications of the Leased Premises, building or facility will conform with the provisions of Texas Government Code Chapter 469.

(t) EFFECTIVE DATE. This lease shall be effective as of the date that all parties execute this lease contract. All proposals, negotiations, notices, and representations with reference to matters covered by this lease are merged in this instrument and no amendment or modification thereof shall be valid unless evidenced in writing and signed by all parties as identified below.

III. SPECIFIC TERMS AND CONDITIONS:

- (a) PAYMENT OF UTILITIES. The LESSOR will be responsible to pay for utilities for the Leased Premises.
- (b) JANITORIAL SERVICES. The LESSEE will be responsible for janitorial services for the Leased Premises.
- (c) PEST CONTROL. The LESSOR will be responsible for pest control for the Leased Premises.
- (d) BURGLAR ALARM SYSTEM. The LESSEE will be responsible for the maintenance of a burglar alarm system and locking systems in the Leased Premises.

LESSOR: CACCC  
Johnson County Courthouse  
# 2 Main Suite 120  
Cleburne, Texas  
817-556-6360

LESSEE: HHSC  
Health and Human Services Commission  
801 S. State Highway 161  
Grand Prairie, Texas 75050  
972-337-6100

By:   
Roger Harmon, County Judge

By: \_\_\_\_\_  
K. Ellison, Regional Administrative Director  
Health and Human Services Commission

7/12/13  
\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Date)

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