

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS, APPROVING A LEASE AGREEMENT BETWEEN THE CITY OF SAN MARCOS AND THE SAN MARCOS AREA CHAMBER OF COMMERCE, INCORPORATED, WHEREBY A SPECIFIED TRACT OF CITY PROPERTY IS TO BE RENTED TO THE CHAMBER FOR A PERIOD OF FIFTY YEARS WITH ALL IMPROVEMENTS MADE THEREON TO REVERT TO THE CITY UPON CONTRACT TERMINATION; AND AUTHORIZING THE MAYOR TO EXECUTE SAID LEASE AGREEMENT ON BEHALF OF THE CITY.

WHEREAS, the San Marcos Area Chamber of Commerce, Incorporated, has requested the use of a tract of City property for the construction and operation of its Chamber offices; and,

WHEREAS, the City Council of the City of San Marcos desires to encourage the growth and development of the City of San Marcos resulting from Chamber of Commerce activities; and,

WHEREAS, an agreement has been reached between the City and Chamber of Commerce based upon a fair and reasonable financial and community benefit return from the useage of said property by the Chamber of Commerce; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

Part 1. That the lease agreement between the City of San Marcos, Texas, and the San Marcos Area Chamber of Commerce for the rental of a tract of City property in exchange for the reversion to the City of improvements placed thereon; and other rental payments, a copy of said lease agreement being attached hereto and incorporated herein for all intents and purposes, be, and is hereby, in all things approved.

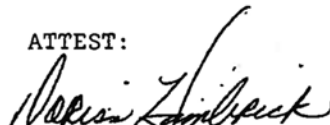
Part 2. That the Mayor, Mr. Frank T. Arredondo, or his successor, be, and is hereby authorized to execute said lease agreement on behalf of the City of San Marcos.

Part 3. That this Resolution shall become effective immediately from and after its passage.

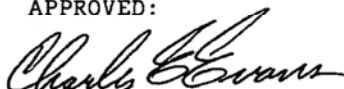
ADOPTED this 17th day of October, 1977.


Frank T. Arredondo
Mayor

ATTEST:


Doriss Hambrick
City Secretary

APPROVED:


Charles E. Evans
City Attorney

STATE OF TEXAS
 COUNTY OF HAYS

LEASE

This Lease is made and entered into this 17th day of October, 1977, by and between the City of San Marcos, hereinafter referred to as "City", and the San Marcos Area Chamber of Commerce, Incorporated, hereinafter referred to as "Chamber".

For and in consideration of the covenants and conditions hereinafter set out, City does hereby lease and let unto Chamber the following described property located in Hays County, State of Texas:

FIELD NOTE DESCRIPTION OF A SURVEY OF 15,450 SQUARE FEET OF LAND, MORE OR LESS, BEING A PART OF BLOCK 3 IN THE ORIGINAL TOWN OF SAN MARCOS, OF RECORD IN VOLUME 46 PAGE 448 OF THE HAYS COUNTY DEED RECORDS AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING at an iron rod found for the northwest corner of this tract in the intersection of the west right-of-way line of C.M. Allen Parkway and the south line of Hutchison Street as shown on a plat dated October 3, 1972 prepared for the City of San Marcos Urban Renewal Agency by Harold B. Fisher, Registered Public Surveyor Number 558;

THENCE leaving the PLACE OF BEGINNING as shown on plat 462-1-C dated July 13, 1977 prepared for the Chamber of Commerce of San Marcos by James E. Byrn and Associates of San Marcos and leaving C.M. Allen Parkway with the south line of Hutchison Street N85°19'E 148.25 feet to an iron rod set for the northeast corner of this tract;

THENCE leaving Hutchison Street and entering Block 3 S04°41'E 83.00 feet to an iron rod set for the southeast corner of this tract;

THENCE S85°19'W 210.00 feet to an iron rod set in a curve in the west line of C.M. Allen Parkway for the southwest corner of this tract;

THENCE with the west line of C.M. Allen Parkway and a curve to the right having the following characteristics: central angle 05°54'39", radius 553.55 feet, arc length 57.11 feet, tangent length 28.58 feet and a chord bearing N23°16'E 57.08 feet to an iron rod found;

THENCE continuing with the west line of C.M. Allen Parkway and a curve to the right having the following characteristics: central angle 31°55'27", radius 87.00 feet, arc length 48.47 feet, tangent length 24.88 feet and a chord bearing N42°11'E 47.85 feet to the PLACE OF BEGINNING. There are contained within these metes and bounds 15,450 square feet of land, more or less, as surveyed on the ground during July 1977 under the direction of James E. Byrn, Registered Public Surveyor Number 1810-C of San Marcos, Texas.

With all the rights, easements and appurtenances to the same belonging and usually had and enjoyed therewith, and all upon the terms, provisions and conditions hereinafter set forth:

I.

This lease shall be for a term of 50 years beginning on October 17, 1977 and ending on October 16, 2027, with an option to renew for an additional 50 year term.

II.

As rental for the leased premises, Chamber will pay annually to City the sum of eight hundred, forty-three dollars and fifty-eight cents (\$843.58), which is equivalent to two times the amount of taxes assessed on said property as of the effective date of this lease, with such payments commencing on January 1, 1978 and due annually thereafter for the term of this agreement. Commencing with the twenty-fifth year of this agreement, the rental amount will be reassessed and the annual amounts due will become equivalent to two times the amount of taxes assessed on said property as of the due date of the twenty-sixth payment. Additional rental shall consist of reversion to City of any and all improvements placed on said property during the life of this agreement.

III.

Chamber shall use and occupy the said premises during the term of this lease (and any extension thereof) for the sole purpose of operating a Chamber of Commerce office. Chamber shall not use said premises, and shall not permit them to be used for any other purpose, without first obtaining the written consent of City. Chamber shall promptly and continuously comply with all laws, orders, and regulations of the Federal, State, County, and City Governments affecting the use, occupation, safety and cleanliness of the premises.

IV.

It is expressly stipulated and agreed by and between the parties hereto, that during the life of this agreement Chamber shall pay all taxes levied against personal property and improvements located on the premises; and shall pay all utility company charges assessed against the said premises, and shall neither remove nor destroy any improvements on said property, or damage or alter the same without first obtaining the written consent of City. Chamber agrees to be solely responsible for the payment of any and all utility company charges. It is further expressly agreed and understood that no authorization exists in Chamber to subject said property, or any part thereof, to mechanic's and/or materialmen's liens. Written consent of the City for any needed alterations or changes in the interior of the demised premises (once completed) shall not be unreasonably withheld.

V.

Neither this lease, nor any interest therein, nor any estate hereby created, shall pass to any trustee or receiver in bankruptcy or to any other receiver or assignee for the benefit of creditors or otherwise by operation of law, but that in any of these events said lease may be cancelled at the option of City by giving ten (10) days notice in writing to Chamber of such cancellation.

VI.

Chamber shall not assign or transfer this lease or any interest therein nor sublet said premises or any part thereof without the written consent of City.

VII.

Chamber covenants and agrees to indemnify and save City harmless from all damages, claims and demands of any person(s) by reason of the operation and conduct of the Chamber's office on the leased premises, or any improvements placed thereon not the result of City's negligence or breach of this lease or for any condition existing on the leased premises under control of Chamber and in any suit or action for damages arising from the negligence of Chamber in this respect, in which action City is included or made a defendant, and Chamber agrees to assume all of the burden, cost and expense of the defense or settlement of suit or causes of action, including attorney's fees in the defense or settlement of such action or claim, and will well and truly pay any judgement which may be obtained against City, as provided in this paragraph.

Chamber further covenants and agrees that it will at all times during the term of this lease, or any extension thereof, at its own expense, maintain and keep in force liability insurance insuring City and Chamber jointly, as their respective interest may appear, in the amount of \$100,000 for injury to any one person, \$300,000 for injury to persons per occurrence, and \$100,000 for property damage, against loss, liability or damage which may result to the City and/or Chamber, or either of them, from accident or casualty whereby any person or persons whomsoever may be injured or killed or sustain property damage on the leased premises or improvements thereon. Chamber shall furnish City evidence of a certificate of such insurance annually at the time of rental payment. The limits of coverage shall be changed to provide full coverage for the City should the Texas Tort Claims Act be amended in the future.

VIII.

Chamber agrees to devote the leased premises only to uses allowed in the applicable provisions of the Urban Renewal Plan, or approved modifications thereof, for the TEX. A-6, Neighborhood Development Program.

IX.

Chamber shall keep the improvements now existing or hereafter erected on the property insured, during the life of this lease, under the National Flood Insurance Program in an amount at least equal to the redevelopment cost of the property (less estimated land cost) or to the maximum limit of coverage made available with respect to the particular type of property under the National Flood Insurance Act of 1968, whichever is less. Chamber shall furnish to City evidence of a certificate of such insurance annually at the time of rental payment.

X.

Chamber shall keep all improvements; fixtures, merchandise and equipment insured against loss or damage by fire with the usual extended coverage endorsements. Chamber assumes all risk of damage to Chamber's own property arising from any course whatsoever, and including without limitation, loss by theft or otherwise.

XI.

Chamber shall commence promptly the construction of the improvements shown on the building plans attached to this lease as a part hereof on the leased premises. Chamber shall prosecute diligently the construction of said improvements to completion, provided, that in any event, construction shall commence within six months from the date of this lease.

XII.

Chamber agrees not to discriminate upon the basis of race, sex, or national origin in the use or occupancy of the property hereby demised for use as the Chamber's office.

XIII.

Chamber agrees at the termination of this lease, however such termination may be brought about, to quit and surrender the premises including all improvements to City. It is agreed that all additions, fixtures, or improvements, whether temporary or permanent in character, except only moveable office furniture of Chamber, made or installed in or upon said premises during the life of said lease, by Chamber shall be City's property from and after any termination of this lease.

XIV.

Chamber further covenants to pay all reasonable attorneys' fees and expenses of the City incurred in enforcing any of the obligations of the Chamber under this lease, in all cases in which it shall be determined that the Chamber is at fault.

XV.

City and Chamber mutually agree that they will not file of record a copy of this Lease Agreement but that, in lieu of such filing, City and Chamber agree that they may both properly execute and have acknowledged before a notary public a Memorandum of Lease Agreement (to be approved by Tenant's attorney) setting forth therein the exact legal description of the property on which said Memorandum of Lease Agreement shall be filed of record with the County Clerk, Hays County, Texas, State of Texas, in the event either party hereto so desires.

XVI.

Any assent, expressed or implied, by the City to any breach of any covenant or condition herein contained, shall operate as such only in the specific instances and shall not be construed as an assent or waiver of any such covenant or condition generally, or of any subsequent breach thereof.

XVII.

The various rights, powers, elections and remedies of the City contained in this lease shall be construed as cumulative, and no one of them as exclusive of the other, or exclusive of any rights or priorities, allowed by law, and no rights shall be exhausted by being exercised on one or more occasions.

XVIII.

It is mutually agreed that the covenants and conditions herein are the full and complete terms of this lease; and, that no alterations, amendments or modifications of said terms shall be binding unless first reduced to writing and signed by both parties hereto.

XIX.

It is further covenanted and agreed that each and every one of the terms, conditions and covenants herein contained shall be binding upon all the parties hereto and their respective successors and assigns.

WITNESS OUR HANDS THIS 9th of November, 1977.

CITY OF SAN MARCOS

by Frank T. Arredondo
Frank T. Arredondo, Mayor

SAN MARCOS CHAMBER OF COMMERCE

by Herbert A. Yarbrough, Jr.
Herbert A. Yarbrough, Jr., President

ATTEST:

Devin Lambert