

# Hidalgo County Head Start Program

## Policy Council Agenda

**DATE:** January 18, 2012

**SUBJECT:** Discussion/Approval of Modifications to Lease Agreement for McAllen II Head Start Center

**RATIONALE/NEED:** Modifications to the lease agreement and the action plan requested for additional community services are submitted for review and approval.

**RECOMMENDATION:** No recommendation at this time, option(s) will be presented at the next Policy Council Meeting.

**COST:** To be determined.


**RELATED INFORMATION INCLUDES:** Memorandum of January 11, 2012, Lease Agreement for McAllen II Head Start Center and Plan of Action for Services (Austin One Stop Service Center)

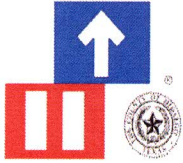
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**INITIATED BY:** Edmundo Garcia, Assistant Program Director

**REVIEWED BY:** Teresa Flores, Executive Director

**EXECUTIVE DIRECTOR'S APPROVAL:**

  
Teresa Flores



## Hidalgo County Head Start Program

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P.O. Box 0117 Edinburg, Texas 78540-0117 (956) 383-0706

TO: Policy Council Members  
FROM: Teresa Flores, Executive Director  
SUBJ: Discussion/Approval of Modifications to Lease Agreement for McAllen II Head Start Center  
DATE: January 11, 2012

### Current Status of McAllen II Head Start Center

The Head Start Program initially leased the Sam Houston facility from the City of McAllen for a three year period. The original plan was to eventually relocate the center to a new facility if and when funding became available, or to find another more suitable structure for Head Start services. However, as time progressed and funding levels depleted, the original plan had to be redrawn to allow for a longer lease term. Currently, the Program has an inter-local agreement with the City of McAllen that has allowed us to lease the property since 2005 for the minimal rent of \$12 per year. This agreement has made it possible for the Program to successfully continue to fund the upkeep on this old facility.

McAllen II Head Start Center consists of six (6) classrooms and has an enrollment of 111 (one-hundred-eleven) children. Two classrooms are in one wing and the other four are in an older wing. Over the years the Program has invested heavily in maintaining the structure at an acceptable level. Due to reoccurring maintenance issues and the lack of alternative locations, the Program has been forced to invest in new plumbing, the installation of new carpets, the replacement of electrical wiring and boxes, the replacement of cooling and heating systems, the refurbishment of restrooms, the repairs of roofs, and the installation of playground equipment. In spite of our efforts, the roof continues to leak and fall apart thus requiring a complete roof replacement. This would be a major capital investment which is not budgeted and which the Program would not be able to afford at this time. In addition, our communication with city personnel has revealed that the city does not intend to make any major repairs to the facility, as they do not have any long range plans for the facility. Plans are to eventually demolish the facility.

During the recent rainfall of 2011 one of the bathroom areas, two classrooms and the covered walkways suffered heavy water/moisture damage rendering them unusable. After consulting with City of McAllen building inspectors, we were allowed to remain in the facility subject to relocating children in the two classrooms and making repairs to the restrooms. The children temporarily doubled up in the other classrooms. The Program also built temporary walkways to allow for the delivery of food and to avoid other damaged roof areas. Major cleaning, airing and deodorizing of the classrooms took place with only partial success in removing the bad odor.

Memorandum to Policy Council Members  
RE: Current Status of McAllen II Head Start Center  
January 11, 2012  
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Need to Relocate:

There is a desperate need to relocate to a more suitable facility. The cost of upgrading or even making the needed repairs is prohibitive. The odor in the two classrooms continues to bother children and staff in spite of our efforts to curtail it. One restroom remains closed and covered walkways remain with open gaps in the roofs. Despite the roof repairs made, it continues to leak in different places. While the number of restroom facilities meets licensing requirements, these facilities are located far from some of the classrooms.

Opportunity to Relocate:

The Head Start Program has the opportunity to relocate to a much better facility with enough classroom space, and ample playground and parking areas. The facility is in good condition and the Program will make the necessary accommodations to meet the Head Start and Child Care Licensing requirements.

There is also an opportunity to perhaps consolidate one or two smaller centers, within the near future, into one larger and more efficient facility. This consolidation will certainly generate savings in our maintenance and utility line item expenditures and provide a suitable environment for the children.

Lease Agreement Approved by Policy Council:

On September 21, 2011, the Policy Council approved a standard lease agreement with the McAllen Independent School District pending approval by the School District. (See Attachment I.) There were a couple of items that the School District proposed to change: one is the lease amount to be paid and the other is the inclusion of other community services for the residents in the area, including the Head Start parents. The McAllen School District Superintendent, Dr. James Ponce, addressed the Policy Council on December 14, 2011 and conveyed that the rent would be higher in order to be close to existing market rates for the areas and that the Program develop a plan for additional community services.

Recommendation:

The Head Start Program is recommending that the Executive Director be allowed to negotiate a reasonable amount for rent comparable to rent paid for other similar size facilities. In addition, a proposed plan of action for services, Austin One Stop Service Center (A-1 Stop), is attached for review and approval. Final approval for the services requires negotiation and partnership agreements with the entities that will be providing the services. These will be submitted for approval when services detailed in the partnership agreement are negotiated. (See Attachment 2.)

STATE OF TEXAS                   §  
  §  
COUNTY OF HIDALGO           §

**INTERLOCAL AGREEMENT BETWEEN  
THE MCALLEN INDEPENDENT SCHOOL DISTRICT AND  
HIDALGO COUNTY**

This Lease is made and entered into by and between the **McAllen Independent School District** herein referred to as the “LESSOR” and **Hidalgo County through the Head Start Program**, herein referred to as the “LESSEE” in the Lease.

In consideration of the mutual covenants and agreements set forth in this Lease, and other good and valuable consideration, LESSOR demises and leases to LESSEE, and LESSEE leases from LESSOR, that certain described real property on which Head Start Building lies on and is situated at **2100 Fir Street, McAllen, Texas** more particularly described on Exhibit “A”, attached hereto. The premises leased hereunder are referred to in this Lease as “the Premises” known by lessee as “McAllen II Head Start Center” or “the Leased Premises.”

**ARTICLE 1. TERMS AND RENT**

1.01 The Leased Premises and/or land shall be used for the purpose of HEAD START CLASSROOMS AND FOR HEADSTART PARENTS’ MEETING subject to the special terms (if any) which may be listed below. The Leased Premises are deemed for the purposes of this Agreement to constitute all 100% percent of such building in which the Leased Premises are located.

1.02 Except as otherwise provided herein, the initial term of this lease shall be for fourteen (14) months commencing on **November 01, 2011** (“commencement date”) and ending on **December 31, 2012** (“termination date”) unless sooner terminated as provided in this Lease, or unless renewed and extended in accordance with Paragraph 1.03, hereof.

### **Renewal or Termination**

1.03 Provided LESSEE has not defaulted in any of the terms conditions or provisions thereof, LESSEE shall be given the right of renewal and extending the term of the lease hereof, commencing on the first day of **January 2013**, for a two year term.

Each party shall give the other party notice of termination of the Lease, in writing, at least sixty (60) days prior to the termination of the this Agreement or any subsequent agreement, unless otherwise agreed by the parties. Either LESSEE or LESSOR shall have the right to terminate the Lease Agreement with or without cause with sixty (60) days written notice to the other.

1.04 LESSEE shall comply with the Texas Department of Human Services Inspection in regards to the number of children that can safely occupy the building at any one time.

### **Base Rent**

1.05 LESSEE agrees to pay LESSOR the maximum rent amount of \$14.00 in fourteen (14) equal monthly payment of \$1.00 per month payable on the 1<sup>st</sup> day of each month. Payment shall be mailed to the McAllen I.S.D. 2000 N. 23<sup>rd</sup> Street, McAllen, Texas 78501, shown on Article VII, 7.01.

1.06 LESSOR covenants and agrees that LESSEE on paying the rent and other charges herein provided for and observing and keeping the covenants, conditions, and terms of this Lease on LESSEE'S part to be kept or performed, shall lawfully and quietly hold, occupy, and enjoy the Leased Premises during the term of this Lease without hindrance or disruption by LESSOR or any person claiming under LESSOR except such portion of the Leased Premises, if any as shall be taken under the power of eminent domain.

LESSEE shall accept possession of Leased Premises and equipment (if any) in their present condition and location.

## **ARTICLE 2. TAXES**

### **Taxes**

2.01 LESSOR shall pay all real property taxes assessments until this lease either expires or terminates as provided herein

2.02 LESSOR shall pay all personal property taxes and assessments on such Leased Premises as presently owned by LESSOR.

## **ARTICLE 3. MAINTENANCE ON PREMISES**

3.01 LESSEE agrees to maintain the Leased Premises in condition suitable for use for which this lease is intended.

3.02 LESSOR will keep all and singular the Leased Premises, including all of LESSOR'S fixtures, appurtenances, equipment and machinery in such repair as the same at the commencement of the term. All repairs shall be at

LESSEE'S expense and shall remain the property of the LESSOR at the termination of the lease. Reasonable use and wearing of said fixtures, appurtenances, equipment and machinery, damage thereto by accidental fire, accident, or natural disaster, shall be exempt from the provision.

3.03 LESSEE shall provide housekeeping services for said premises, limited to sweeping, mopping and emptying trash cans, at most, every two (2) working days, and waxing floors not more often than every two (2) weeks.

3.04 In the event that the Leased Premises are destroyed by flood or other casualty, the parties agree that this lease will be terminated and shall not be in force and effect during that period of time while the Leased Premises cannot be used for the purposes intended by Agreement.

3.05 It is agreed that all permanent improvements made to or furnished by the LESSEE on the Leased Premises shall be deemed to be and shall become part of the realty and shall belong to LESSOR upon expiration of the Lease or any extension hereof; provided, however that all window air condition units, carpeting and lighting fixtures shall be deemed chattels temporarily attached to realty and shall remain the personal property of LESSEE and may be removed upon termination of the Lease or any extension hereof; provided, further, that all removal of such chattels will not damage the permanent improvement and if removed, shall be deemed the property of LESSEE and may be removed upon termination of the Lease.

3.06 LESSEE may make minor alterations such as painting the interior or exterior of said building, but if major alterations which might adversely affect

the exterior or interior of said building are desired by the LESSEE, such alteration shall not be made, nor signs erected without the written consent of LESSOR.

3.07 LESSEE shall maintain the building roof, air conditioner, heating system during the lease of the building and will provide all major repairs at its own expense.

#### **ARTICLE 4. UTILITIES**

##### **Utility Charge**

4.01 LESSEE shall pay the charges for the water, sewer, garbage, trash pickup services, telephone, gas and electricity furnished to the Lease Premises during the term of this lease.

#### **ARTICLE 5. INSURANCE AND INDEMNITY**

##### **Property Insurance**

5.01 LESSOR shall insure the building and equipment covered by this lease against fire, accident, or natural disaster. In the event the building(s), or equipment or any part thereof shall, during said term or any renewal hereof, be destroyed by fire, accident, or natural disaster the same shall be thereby rendered unfit for use and habitation, then and in such case, the rent heretofore reserved, or a just and proportionate part thereof, according to the nature and extent of the injury sustained, shall be suspended or abated until said Lease Premises shall have been put in proper condition for use and habitation, by LESSEE or this lease Agreement shall thereby be terminated and ended at the election of LESSEE or its legal representatives. LESSOR agrees to provide a copy to such policy of insurance to LESSEE at time of execution of this agreement.

5.02 To the extent allowable under law, LESSEE agrees to hold LESSOR harmless for any liability for any accident or other legal cause of action based upon any tort which occurs on the Lease Premises, caused solely by LESSEE, its agent or employees.

5.03 LESSEE agrees that during the term of this lease, it shall have in effect a liability insurance policy to protect LESSOR from any third party claims that may arise as a result of injuries caused to any person upon the premises herein described. The limits of this policy shall be not less than \$100,000.00 per person and 300,000 per occurrence.

#### **ARTICLE 6. MISCELLANEOUS**

6.01 This agreement shall be binding upon and insure to the benefit of the parties hereto and their respective successors, but LESSEE shall not assign any part of the premises.

6.02 LESSEE will not cause to be conducted upon the premises any trade or business, which increases the rate of insurance premiums on the Leased Premises, building(s) or contents.

6.03 LESSEE will permit LESSOR at reasonable times to make such repairs as it may deem necessary for the protection of the premises.

6.04 This Agreement shall be construed under and in accordance with the laws of the State of Texas and all obligations of parties created hereunder are performable in Hidalgo County, Texas.

6.05 Commitment of Current Revenues Only. In the event that, during any term hereof, either party hereto does not appropriate sufficient funds to meet the obligations of such party under this Agreement, then such party may

terminate this Agreement upon sixty (60) days written notice to the other party. Both parties agree, however to use their best efforts to secure funds necessary for the continued performance of this Agreement. The parties intend these provisions to be a continuing right to terminate this Agreement at the expiration of each budget period of the parties.

6.06 LESSEE shall permit LESSOR and its agents to enter into and upon the Leased Premises at approved specified times after written notice to LESSEE for the purpose of inspecting the same or for the purpose of maintaining or making repairs to the Leased Premises required hereby. However, the LESSOR agrees to not disrupt or interfere with the LESSOR's program.

#### **WAVIER OF BREACH**

A wavier by either LESSOR or LESSEE of a breach of this Lease by the other party shall not constitute a continuing wavier or waiver of any subsequent breach of the Lease.

#### **ARTICLE 7. MISCELLANEOUS**

##### **Notices and Addresses**

7.01 All notices required under this Lease will be deemed delivered when deposited in certified or registered mail, addressed to the proper party, at the following addresses:

**LESSOR:**

McAllen I.S.D.  
Attn: Dr. James Ponce,  
Superintendent of Schools  
2000 N. 23<sup>rd</sup> Street  
McAllen, Texas 78501

**LESSEE:**

Hidalgo County Head Start Program  
Attn: Teresa Flores, Executive Director  
P.O. Box 0117  
Edinburg, TX 78540-0117

Either party may change the address to which notices are to be sent in by giving the other party notice of the new address in the manner provided in this section.

### **Legal Construction**

In case any one or more of the provisions contained in this agreement shall for any reason be held by the court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions of the agreement, and this agreement shall be construed as if the invalid illegal, or unenforceable provision had never been included in the agreement.

### **Prior Agreement**

This agreement constitutes the sole and only agreement of the parties to the agreement and supersedes any prior understandings or written or oral agreements between the parties respecting the subject matter of this agreement.

### **Amendment**

No amendment, modification, or alteration of the terms of this agreement shall be binding unless it is in writing, dated subsequent to the date of this agreement, and duly executed by the parties to this agreement.

### **Rights and Remedies Cumulative**

The rights and remedies provided by this lease agreement are cumulative, and the use of any one right or remedy by either party shall not preclude or waive that party's right to use any or all other remedies. The rights and remedies provided in this Lease are in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

### **Attorney's Fees and Costs**

If, as a result of a breach of this agreement by either party, the other party employs an attorney or attorneys to enforce its rights under this Lease, then the breaching or defaulting party agrees to pay the other party the reasonable attorney's fees and cost incurred to enforce the Lease. As awarded by a court of competent jurisdictions.

### **Force Majeure**

Neither LESSOR nor LESSEE shall be required to perform any term, conditions, or covenant in this Lease so long as such performance is delayed or prevented by force majeure, which shall mean acts of God, strikes, lockouts, material or labor restrictions by any governmental authority, civil riot, floods, and other cause not reasonably within the control of LESSOR or LESSEE and which by the exercise of due diligence LESSOR or LESSEE is unable, wholly or in part, to prevent or overcome.

### **Estopple Information**

LESSEE shall, at the request of LESSOR, provide any and all information with respect to this Lease to any person designated by LESSOR.

### **Time of Essence**

Time is of the essence of this agreement.

THE UNDERSIGNED LESSOR and LESSEE execute this Lease on the  
day \_\_\_\_\_ of \_\_\_\_\_, 2011

LESSEE:

BY: \_\_\_\_\_  
Ramon Garcia, County Judge

BY: \_\_\_\_\_  
Teresa Flores, Executive Director

LESSOR:

BY: \_\_\_\_\_  
Dr. James Ponce  
Superintendent of Schools  
McAllen I.S.D.

ATTEST:

BY: \_\_\_\_\_  
Arturo Guajardo, JR.,  
Hidalgo County Clerk

APPROVED AS TO FORM:  
Oxford & Gonzalez

APPROVED AS TO FORM:  
Atlas & Hall, LLP

BY: \_\_\_\_\_  
Ricardo Gonzalez,

BY: \_\_\_\_\_  
Stephen Crain

Date Approved by Policy Council:

Date Approved by County Commissioner:

## EXHIBIT "A"

### Physical Address:

The McAllen I.S.D. building located at 2100 Fir Street, McAllen, Texas and designated as Head Start Classrooms, Administration Office Space, a Cafeteria, and playground area

### Legal Description Being:

Lot No. Sixteen (16), Block No. Six (6), Bonnie View Subdivision, being a re-subdivision of Blocks three (3), Six (6) and Eleven (11) of Hammond's Addition to the City of McAllen, Hidalgo County, Texas, as per map or plot of said subdivision and addition recorded in the office of the County Clerk of Hidalgo County, Texas, to which map or plat reference is here made for more particularity of description.

Austin One Stop Service Center (A-1 Stop)  
A Partnership between the Hidalgo County Head Start Program and  
the McAllen Independent School District

Purpose:

The Hidalgo County Head Start Program is seeking approval to utilize the Austin Elementary Campus to deliver program services. The facility offers the space for Head Start to extend the boundaries of its holistic approach to serving its families by facilitating the provision of more in depth services and resources to children enrolled in the Program, their families and others. The Program proposes to secure, coordinate and deliver a conglomerate (array) of services and access to resources which significantly can improve the quality of life for those served in the Program and others. Some of these needs have been identified through the **2011 Hidalgo County Head Start Statistical Update (Community Assessment)** conducted in December by The Data & Information Systems Center (DISC)-Department of Community Engagement: The University of Texas-Pan American. Target areas include health, nutrition, developing the work force, adult education, support groups and services for women, infants and children.

Proposed Plan of Action:

The Plan is to begin with at least three areas from the target areas listed above by the opening of the A-1 Center and to expand throughout the year. Simultaneously, the Program will address the specific needs of the 111 families enrolled in the Center as defined in August when each family commits to the goals and objectives developed in the Family Partnership Agreements. Major tasks for implementation are defined below:

Task	Person Responsible	Timeline
1. Define the three most critical priority areas to be addressed based on Hidalgo County Head Start Statistical Up Date (Community Assessment).	Transition/Literacy/Community Partnerships Director, other Directors as Appropriate	January, 2012
2. Contact agencies and/or entities that provide such services/resources.	Transition/Literacy/Community Partnerships Director, other Directors as Appropriate	January, 2012
3. Develop and implement partnership agreements and secure approval for agreements.	Transition/Literacy/Community Partnerships Director, other Directors as Appropriate	February-March, 2012
4. Develop a monthly/yearly calendar of events/scheduled services. Include single subject community interest/orientation sessions such as tax preparation, applying for a job, interviewing for a job, accessing services, cancer awareness, etc.	Transition/Literacy/Community Partnerships Director, other Directors as Appropriate	April-May, 2012
5. Advertise and inform surrounding community and community at large of available services, including the families being served in the program at the center and the other McAllen centers.	Transition/Literacy/Community Partnerships Director, other Directors as Appropriate	Begin August, 2012 and Ongoing
6. Define needs of Head Start Families through Family Partnership Agreements.	Transition/Literacy/Community Partnerships Director, other Directors as Appropriate	August, September, October 2012
7. Secure services as required by the Goals defined by each family in the Agreement and develop schedule for delivery of such services.	Transition/Literacy/Community Partnerships Director, other Directors as Appropriate	Ongoing Upon Execution of Family Partnership Agreement