

## **SUBLEASE**

THIS SUBLEASE (the “Sublease”) is made and entered into effective as of January 1, 2026 (the “Effective Date”), by and between **THE SHORELINE FIRE DEPARTMENT**, a joint powers entity established under Minnesota law (“**Landlord**”), whose address is 340 Willow Drive, Long Lake, Minnesota 55356; and **NORTH MEMORIAL HEALTH CARE, D/B/A NORTH MEMORIAL AMBULANCE**, a Minnesota nonprofit corporation (“**Tenant**”), whose address is 4501 68<sup>th</sup> Avenue North, Brooklyn Center, Minnesota 55429.

## **RECITALS**

WHEREAS, the cities of Long Lake and Orono (collectively “**Owners**”) jointly own the real property described in **Exhibit A**, attached hereto and made a part hereof (“Parent Parcel”) as well as the Fire Station constructed thereon; and

WHEREAS, Owners have contracted to lease the Parent Parcel and Fire Station thereon to Landlord for operation of a fire station pursuant to the terms of a Lease Agreement dated November 1, 2025, attached hereto and made a part hereof as **Exhibit B** (the “Prime Lease”); and

WHEREAS, Owners have consented to the subletting of a portion of the Fire Station by Landlord, pursuant to the terms of this Sublease; and

WHEREAS, Tenant desires to lease a portion of the Fire Station to use as an employee break room and uses ancillary thereto and Landlord is willing to lease the below described Premises to Tenant upon such terms and conditions as are expressed herein.

**NOW, THEREFORE**, Landlord and Tenant, intending to be legally bound, hereby covenant and agree as follows:

**PREMISES.** Landlord does hereby sublease, demise, and sublet unto Tenant and Tenant does hire and take from Landlord, upon the terms and conditions set forth herein, that portion of the Fire Station as depicted on the site sketch contained in **Exhibit C**, attached hereto and made a part hereof (the “Premises”), consisting of approximately 120 square feet and hereby grants to Tenant, for the term of this Sublease a non-exclusive right-of-way and easement over, upon, and across the Parent Parcel for ingress and egress to the Premises and for at least one parking space within the designated parking area depicted within the site sketch contained in Exhibit C.

## **TERM AND TERMINATION.**

Initial Term. The Initial Term of this Sublease shall commence on the Effective Date and terminate on December 31, 2030 (the “Initial Term”) unless earlier terminated as provided herein.

Renewal Terms. The term of this Sublease shall automatically renew on the same terms and conditions herein for five (5) additional periods of one (1) year each (each a “Renewal Term”), unless earlier terminated as provided herein.

Termination. The Initial Term of this Sublease or any Renewal Term may be terminated at any time and for any or no reason by Landlord or Tenant upon ninety (90) days’ written notice to the other party. Additionally, the Sublease shall be immediately and automatically terminated in the event the Prime Lease is terminated. In the event the Sublease is terminated, both parties shall be released from all further liabilities and obligations required under the terms and conditions of this Sublease for any period after the effective date of such termination.

The Initial Term and all Renewal Terms are collectively referred to herein as the “Term”.

**MAINTENANCE.** Landlord shall be responsible for maintenance and repair of all structural components, HVAC, electrical, plumbing and mechanical systems on the Premises. Tenant shall otherwise keep and maintain the Premises in as good or better condition as the Premises is at the beginning of the Sublease, ordinary wear and tear and insurance casualty excepted. Tenant’s maintenance obligation shall be limited to ordinary day-to-day maintenance and shall not include any obligation to replace any fixture or system on or in the Premises or Parent Parcel unless directly damaged by Tenant.

**LAWNCARE AND SNOW REMOVAL.** Landlord will be responsible for arranging for all snow removal and maintenance of the Parent Parcel surrounding the Fire Station, including lawn care, at no additional cost to Tenant.

**UTILITIES.** All utilities associated with the Premises, with the exception of telephone service, will be the responsibility of the Landlord. Tenant will be responsible for its own expenses related to telephone service associated with the Premises.

**REAL ESTATE TAXES.** In the event the Premises is sold or transferred to a non-tax exempt authority, Landlord shall be responsible for all real estate taxes and special assessments.

**RENT.**

Base Rent. Base Rent shall be payable in advance on or before the first day of each and every month, commencing on the Effective Date, and continuing during the Term. Tenant shall pay to Landlord "Base Rent" for the Premises of four hundred and twenty-five dollars and no cents (\$425.00) per month during the first twelve months of the Term. Thereafter, Base Rent shall be increased on the anniversary of the Effective Date by three percent (3%) per year for each succeeding year of the Term.

At the end of the Initial Term, Landlord may increase the Rent by providing Tenant with written notice of at least ninety (90) days prior to the expiration of the Initial Term or any Renewal Term provided, however, that in the event Landlord increases Rent, Tenant may terminate the Sublease effective as of the date the Rent is set to increase, by giving notice of such termination to Landlord within thirty (30) days prior to the expiration of the Initial Term or applicable Renewal Term.

Late Payment Fee. If Tenant fails to pay Rent or any installment thereof, by the fifth day of the month in which such payment is due and payable, Tenant shall automatically be assessed and shall pay, as Additional Rent and not as a penalty, a late charge equivalent to five percent (5%) of the amount of such late payment.

**LIENS.** Tenant shall not suffer or permit any statement of mechanic's or other liens to be filed against the Parent Parcel or any part thereof by reason of work, labor, services, or materials supplied or claimed to have been supplied to Tenant or anyone holding the Premises or any part thereof through or under Tenant. If any such lien shall at any time be filed against the Parent Parcel due to Tenant's actions or inactions, Tenant shall cause the same to be discharged of record or shall deposit with the court an amount equal to one hundred twenty-five percent (125%) of the amount claimed, within thirty (30) days after the date of actual notice to Tenant of filing such lien. If Tenant shall fail to discharge such lien or deposit such amount within such period then, in addition to any other right or remedy of Landlord, Landlord may, but shall not be obligated to, discharge the same either by paying the amount claimed to be due or by procuring the discharge of such lien by deposit in court or by giving security or in such other manner as is or may be prescribed by law. Any amount paid by Landlord for any of the aforesaid purposes, and all reasonable other expenses of Landlord, including reasonable attorneys' fees, in or about procuring the discharge of such lien, and all necessary disbursements in connection therewith, together with interest thereon at the lower of the maximum rate allowed by applicable law or the

rate of twelve percent (12%) per annum from the date of payment. Nothing herein contained shall imply any consent or agreement on the part of Landlord to subject the Parent Parcel to liability under a mechanic's lien law.

**QUIET ENJOYMENT.** Landlord represents and warrants that: (i) it is in lawful possession of the Premises; (ii) upon the consent of Owners, it has the full right and power to make this Sublease; (iii) that if and so long as Tenant shall not be in default hereunder, Tenant shall quietly hold, occupy, and enjoy the Premises pursuant to the terms herein, during the Term.

**ASSIGNMENT AND SUBLETTING.**

**Tenant Transfers Prohibited.** Tenant shall not assign, sublet, or transfer any of its rights under this Sublease. Any Tenant assignment or subletting of the Premises is prohibited.

**Landlord May Assign.** Landlord retains the right to assign any or all of its rights and obligations pursuant to this Sublease to any third party. Landlord will give Tenant at least thirty (30) days' notice of any such assignment, except that no prior notice shall be required if the assignment occurs as a result of assignment of the Prime Lease.

**INSURANCE.**

Tenant will keep in force at its own expense for so long as this Sublease remains in effect public liability insurance with respect to the Premises in which Landlord and Owners shall be named as an additional insured, in companies and in form reasonably acceptable to Landlord with a minimum combined limit of liability of One Million Dollars (\$1,000,000.00). Said insurance shall also provide for contractual liability coverage by endorsement. Tenant will further deposit with Landlord the policy or policies of such insurance or certificates thereof, or other acceptable evidence that such insurance is in effect, which evidence shall provide that Landlord shall be notified in writing thirty (30) days prior to cancellation, material change, or failure to renew the insurance. Such insurance shall cover all Tenant obligations set forth within this Sublease including, without limitation, all Tenant indemnity obligations. If Tenant shall not comply with its covenants made in this section, Landlord may, at its option, cause insurance as aforesaid to be issued and in such event Tenant agrees to pay the premium for such insurance promptly upon Landlord's demand.

**DEFAULTS OF TENANT AND LANDLORD'S REMEDIES.**

Event of Default. The occurrence of any one or more of the following events shall constitute an "Event of Default" under this Sublease:

Failure to pay Base Rent. Tenant shall fail to timely pay any amount of Base Rent due hereunder, and such failure continues uncured for more than five (5) days after receipt of notice thereof from Landlord;

Failure to Perform. Tenant shall fail to perform any other covenant of this Sublease and Tenant does not cure or reasonably commence and proceed diligently to cure such failure within twenty (20) days after receipt of notice thereof from Landlord;

Bankruptcy. If during the Term: (i) Tenant shall make an assignment for the benefit of creditors; or (ii) Tenant files a voluntary petition under the Bankruptcy Code of the United States or any state statute similar thereto, or Tenant be adjudged insolvent or bankrupt pursuant to an involuntary petition; (iii) a receiver or trustee is appointed for the property of Tenant by reason of insolvency of Tenant (iv) any department of the state or federal government, or any officer thereof duly authorized, takes possession of the business or property of Tenant by reason of the insolvency of Tenant; (v) Tenant continues in possession without the appointment of a receiver or trustee under Chapter 11 of the Bankruptcy Code; or (vi) Tenant is the subject of any petition or proceeding related to relief from creditors.

Remedies: If an Event of Default occurs, Landlord may at any time thereafter:

Terminate this Sublease. Terminate this Sublease and upon such termination, Tenant shall immediately quit and surrender the Premises to Landlord, but Tenant shall remain liable as hereinafter provided;

Re-Enter the Premises. Landlord or Landlord's agents may immediately or any time thereafter re-enter the Premises and remove all persons and any or all property therefrom, either by summary dispossession proceedings or by any suitable action or proceeding at law or by force or otherwise and repossess and enjoy said Premises, together with all additions, alterations, and improvements thereto, without such re-entry and repossession working forfeiture or waiver of the rents to be paid and the covenants to be performed by Tenant during the Term hereof; and/or

Re-Let the Premises. Upon the termination of this Sublease prior to the expiration of the Term by reason of an Event of Default or under any provision of law now or hereafter in force by reason of or based upon or arising out of a default under or a breach of this Sublease on the part of Tenant (except where such breach or default is determined by a court of competent jurisdiction to be justified because of Landlord's acts or omissions), Landlord may, at its option, at any time and from time to time, re-let the Premises or any part thereof, for the account of

Tenant or otherwise, and receive and collect the rents therefor, applying the same first to the payment of such expenses as Landlord may have incurred in recovering possession of the Premises, including legal expenses and attorneys' fees, and for putting the same into good order and condition as it was on the day of Tenant's possession, excepting wear and tear, or preparing or altering the Premises as required for re-rental and all other expenses, commissions, and charges paid, assumed or incurred by Landlord in re-letting the Premises and then to the fulfillment of the covenants of Tenant hereunder. Any such re-letting herein provided for may be for the remainder of the Term as originally granted or for a longer or shorter period. Should a new tenant be secured, this Sublease will be cancelled, and the Tenant relieved of further obligation, subject to any re-letting fees stated herein.

Cumulative Remedies. The specified remedies to which Landlord may resort under the terms of this Sublease are cumulative and are not intended to be exclusive of any other remedies or means of redress to which Landlord may be lawfully entitled in case of any breach by Tenant of any provision of this Sublease. A receipt by Landlord of Base Rent or Additional Rent, including payment of Base Rent or Additional Rent by Tenant's receiver, trustee in bankruptcy, creditor, or assignee with or without knowledge of a breach of any covenant hereof (other than the covenant for payment of such Base Rent or Additional Rent) shall not be deemed a waiver of such breach. In addition to other remedies provided in this Sublease, Landlord shall be entitled to the restraint by injunction for violation or attempted or threatened violation of the covenants, conditions, or provisions of this Sublease.

**CONDITION OF PREMISES AT TERMINATION.** At the termination of this Sublease by lapse of time or otherwise, Tenant shall return the Premises in as good a condition as when Tenant took possession, excepting ordinary wear and tear.

**USE OF PREMISES.** The Premises shall be used as an employee break room and for uses ancillary thereto. Tenant shall not use or occupy the Premises or knowingly permit the Premises to be used or occupied in any manner that would cause structural injury to the Premises or cause the value or usefulness of the Premises or any part thereof to substantially diminish (reasonable wear and tear excepted) or that would constitute a public or private nuisance or waste. Tenant shall promptly, upon discovery of any such use or violation, take all necessary steps to compel the discontinuance of such use and/or violation.

## **COMPLIANCE WITH LAWS.**

General. Tenant, at its sole expense shall promptly comply with all laws, ordinances, and requirements of federal, state, county, and municipal authorities relating to Tenant's use and occupation of the Premises, and with any lawful order of direction of any public officer relating to Tenant's use and occupation of the Premises during the Term. Nothing herein contained, however, shall prohibit Tenant from appealing from or contesting the validity or legality of such laws, ordinances, requirements, orders, or directions and notwithstanding the foregoing provisions of this section, Tenant shall not be deemed to be in default hereunder so long as Tenant diligently prosecutes such appeal or contest.

Permits. Tenant shall maintain in force and effect, and shall comply with all permits, licenses, and similar authorizations to use the Premises for the aforesaid purposes required by any governmental authority having jurisdiction over the use thereof. Tenant's failure to maintain such permits, licenses and similar authorizations shall not relieve Tenant from the performance of its obligations and covenants hereunder (except obligations and covenants as may be prohibited by law), nor from the obligations to pay Base Rent or Additional Rent, as set forth herein. Tenant shall, at Landlord's request, join with Landlord in executing, acknowledging, and delivering any and all petitions, consents, subordinations, plats, or easement deeds that may be required for the installation of utilities, public improvements, roads, storm drainage facilities, subdivision, rezoning, special use, platting, or other similar development of the Parent Parcel, that do not affect Tenant's use of the Premises during the Term.

Hazardous Materials and Environmental Laws. Tenant covenants and agrees that Tenant, its agents, contractors, licensees and invitees shall not handle, use, manufacture, store or dispose of any flammables, explosives, radioactive materials, hazardous wastes or materials (as may be defined by Federal or State Law), toxic wastes or materials, petroleum products, chlorinated solvents, or other similar substances or derivatives thereof (collectively "Hazardous Materials"), on, under, or about the Premises or the Parent Parcel, without Landlord's prior written consent (which consent may be withheld, revoked, or denied for any or no reason); provided that, if Landlord consent is given, Tenant shall handle, store, and use and dispose of any such Hazardous Materials in a safe and lawful manner in compliance with all governmental rules, laws and regulations, and shall not allow such Hazardous Materials to contaminate the Premises, Parent Parcel, or the surrounding environment. If Tenant's handling (including transportation to and from the Premises or Parent

Parcel), storage, use or disposal of any such Hazardous Materials on or from the Premises results in the contamination of the Premises, Parent Parcel, or the surrounding environment, or the soil or surface or ground water of the same, then Tenant agrees to: 1) notify Landlord immediately of any contamination, claim of contamination, loss or damage, 2) after consultation with Landlord, clean up the contamination in full compliance with all applicable statutes, regulations and industry standards and 3) indemnify, defend and hold Landlord harmless from and against any claims, suits, causes of action, costs and fees, including attorneys' fees, arising from or connected with any such contamination, claim of contamination, loss or damages. The provisions of this paragraph shall survive the expiration or earlier termination of this Sublease. Any and all consents of Landlord pursuant to this paragraph must be in writing signed by both Landlord and Tenant.

#### **LANDLORD'S ACCESS TO PREMISES.**

Inspection. Tenant shall permit Landlord and the authorized representatives of Landlord to enter the Premises at all times during usual business hours for the purpose of inspecting the same and making any necessary repairs to comply with any laws, ordinances, rules, regulations, or requirements of any public authority or the Board of Fire Underwriters or any similar board. Nothing herein shall imply any duty upon the part of Landlord to do any such work that, under any provision of this Sublease, Tenant may be required to perform, and the performance thereof by Landlord shall not constitute a waiver of Tenant's default in failing to perform the same. Landlord may, during the progress of any work in the Premises, reasonably keep and store upon the Premises all necessary materials, tools, and equipment. Landlord shall not, in any event, be liable for inconvenience, annoyance, disturbance, loss of business, or other damage to Tenant by reason of making repairs or the performance of any work in the Premises, or on account of bringing materials, supplies and equipment onto or through the Premises during the course thereof, and the obligations of Tenant under this Sublease shall not hereby be affected in any manner whatsoever. Landlord shall, however, in connection with the doing of any such work cause as little inconvenience, annoyance, disturbance, loss of business, or other damage to Tenant as may reasonably be possible, in the circumstances.

Showing/Advertising for Sale or Rent. Landlord is hereby given the right during usual business hours to enter the Premises to exhibit the same for the purpose of sale or lease.

**INDEMNITY.** Tenant shall indemnify, defend, and hold harmless Landlord and Owners from and against any and all claims by or on behalf of any person, firm, or corporation arising from the conduct or management of or from any work or thing whatsoever done in, on, or about the Premises or Parent Parcel by Tenant, or its agents, consultants, employees, vendors, independent contractors, or licensees and will further indemnify, defend, and hold Landlord and Owners harmless against and from any and all claims arising during the Term from any condition of the Premises, Parent Parcel, or any condition of any street, curb, sidewalk adjoining the Parent Parcel, or any passageways or spaces therein or appurtenant thereto, to the extent the condition of the same directly resulted from Tenant's use, or directly from the use of Tenant's agents, consultants, employees, vendors, independent contractors, or licensees, or arising from breach or default on the part of Tenant in the performance of any covenant or agreement on the part of Tenant to be performed pursuant to the terms of this Sublease, or arising from any act of negligence of Tenant or Tenant's agents, consultants, employees, vendors, independent contractors, or licensees or arising from any accident, injury, or damage whatsoever caused by Tenant or Tenant's agents, consultants, employees, vendors, independent contractors, or licensees to any person, firm, or corporation during the Term, in or about the Premises or Parent Parcel, or upon or under the sidewalks and land adjacent thereto, and from and against all costs, reasonable attorneys' fees expenses, and liabilities incurred in or about any such claim or action or proceeding brought thereon; and in case any action or proceeding is brought against Landlord or Owners by reason of such claim, Tenant, upon notice from Landlord, shall resist or defend such action or proceeding by counsel reasonably satisfactory to Landlord.

**SUBORDINATION.** This Sublease shall, at the election of Landlord or Owners be subject and subordinate to the terms and conditions of all mortgages which may now or hereafter encumber the Premises or Parent Parcel and to all renewals, modifications, consolidations, replacements, and extensions of such mortgages. In confirmation of such subordination, Tenant shall promptly execute any certificate or subordination or other such document which Landlord or Owners or their respective mortgagees may reasonably request.

**NOTICES.** Any notice, election, request, or other communication herein required or permitted to be given or served shall be hand-delivered to the other party hereto, or mailed by U.S. certified mail, return receipt requested, postage prepaid, or delivered by recognized national courier (e.g. Federal Express), addressed to such other party at the following addresses:

If to Landlord: Shoreline Fire Department  
Attn: Board Chair  
340 Willow Drive North  
Long Lake, MN 55356

With Copy to: City of Long Lake  
Attn: City  
Administrator450  
Virginia Ave.  
P.O. Box 606  
Long Lake, MN 55356

And Copy to: City of Orono  
Attn: City  
Administrator2750  
Kelley Parkway  
Orono, MN 55356

If to Tenant: North Memorial Health Care  
North Memorial Ambulance  
Attn: Brent Custard  
4501 68<sup>th</sup> Ave. N.  
Brooklyn Center, MN 55429

With Copy to: LegalDepartment@NorthMemorial.com

Unless and until changed by notice as herein provided, notices and communications shall be addressed to the above-listed addresses. Each such mailed notice or communication shall be deemed to have been given to, or served upon the party to which addressed, (i) on the date the same is personally delivered; or (ii) on the date set forth on the certified receipt; or (iii) on the date of the courier deliver receipt. All payments required to be paid to Landlord shall be made to Landlord at the address designated above, or as may be hereafter designated, without copy to Owners.

**MISCELLANEOUS.**

Applicable Law, Venue. The parties acknowledge that this Sublease is subject to the provisions of applicable federal, state and local laws and regulations. Any obligation, duty or provision under this Sublease that conflicts with any provision of applicable federal, state or local laws or regulations, is to that extent void. This Sublease has been made and its validity, performance, and effect shall be determined in accordance with the internal laws of the State of Minnesota. Any action to enforce the terms of this Sublease shall be brought in Hennepin County, Minnesota.

Entire Agreement and Modifications. This writing contains the entire agreement between the parties and there are no other terms, obligations, covenants, representations, statements, or conditions, oral or otherwise, of any kind whatsoever. Any agreement hereafter made shall be ineffective to change, modify, discharge, or effect an abandonment of this Sublease in whole or in part unless such agreement is in writing and signed by each party.

Waiver. The waiver of either party of a breach or violation of, of failure of either party to enforce any provision of this Sublease shall not operate or be construed as a waiver of any subsequent breach of violation or relinquishment of any rights hereunder, and no waiver by Landlord or Owners of any provisions of this Sublease shall be deemed to have been made unless expressed in writing and signed by Landlord and/or Owners, as applicable.

Release of Landlord. If Landlord sells or otherwise transfers all of its interest in the Premises, Landlord shall, without further action by any party, be released and discharged from any further obligations or duty under this Sublease, and no claim or demand upon Landlord shall thereafter be made by Tenant arising out of any obligation or duty of Landlord hereunder. Upon request by Landlord, Tenant shall execute an attornment agreement with Landlord's transferee in form satisfactory to such transferee.

Severability. If any part of this Sublease or the application thereof to any person or circumstance is, to any extent, invalid or unenforceable under applicable law, the remainder thereof and the application of such terms, provisions, and conditions to persons or circumstances other than those as to whom it is invalid or unenforceable shall not be affected thereby, and this Sublease and all terms, provisions, and conditions hereof shall, in all other respects, continue to be effective and to be complied with to the full extent permitted by law.

Headings, Exhibits. The headings of sections of this Sublease are for convenience only, they form no part of this Sublease and shall not affect its interpretation. All schedules, exhibits, addenda, and attachments referred to herein are hereby incorporated in and constitute part of this Sublease.

Binding Effect. All of the covenants, conditions, and agreements herein contained shall extend to, be binding upon, and inure to the benefit of the parties hereto and their respective successors and assigns.

Construction. Both parties hereby acknowledge that they participated equally in the negotiation and drafting of this Sublease and that, accordingly, no court construing this Sublease shall construe it more stringently against one party than against the other.

Counterparts. This Sublease may be executed in multiple counterparts, each of which shall be deemed to be an original; but all of which together shall constitute one and the same instrument.

Recording. The parties hereto agree to cooperate in executing a recordable form of this Sublease or a mutually approved memorandum of lease, if either party or and the Owners request the same.

[Signatures on the pages to follow]

IN WITNESS WHEREOF, the parties have executed this Sublease the day and year first above written.

**LANDLORD:**  
SHORELINE FIRE DEPARTMENT

By: \_\_\_\_\_  
Steve Persian, Chair

Attest: \_\_\_\_\_

Its: \_\_\_\_\_

**TENANT:**  
NORTH MEMORIAL HEALTH  
CARE D/B/A NORTH  
MEMORIAL AMBULANCE

By: \_\_\_\_\_

Its: \_\_\_\_\_

The below named OWNERS, hereby consent to the terms of this Sublease.

**OWNERS:**

CITY OF LONG LAKE

By: \_\_\_\_\_  
Charlie Miner, Mayor

Attest: \_\_\_\_\_

Its: \_\_\_\_\_

CITY OF ORONO

By: \_\_\_\_\_  
Bob Tunheim, Mayor

Attest: \_\_\_\_\_

Its: \_\_\_\_\_

**EXHIBIT A**  
(the “Parent Parcel”)

Lot 1, Block 1, WILLOW FIRE ADDITION, Hennepin County, Minnesota

**EXHIBIT B**  
(the “Prime Lease”)

**EXHIBIT C**  
(the “Site Sketch of the Premises”)