

LEASE AGREEMENT

This Lease Agreement made and entered into this _____ day of _____, 2026 (the "Effective Date"), by and between the City of Norman, Oklahoma, a municipal corporation, hereinafter called the "Lessor," and the Norman Firehouse Art Center, Inc., a non-profit corporation offering services to the Norman community relating to arts and crafts education, hereinafter called the "Lessee."

WITNESSETH:

WHEREAS, Lessor is the owner of property and improvements located at 444 South Flood Avenue, Norman, Cleveland County, Oklahoma, which property it has agreed to lease to Lessee for the term, uses and purposes and in accordance with all of the provisions hereof; and

WHEREAS, Lessee has agreed to lease from Lessor the above-described property for the term, uses and purposes and in accordance with all the provisions hereof; and

WHEREAS, the Parties hereto desire to replace the current lease agreement (Contract K-8384-48) executed on July 3, 1984, with this Lease Agreement, thereby making such former Contract K-8384-48 null and void.

NOW, THEREFORE, in consideration of the mutual covenants and promises herein contained, the parties hereto agree as follows:

PROPERTY COVERED BY THIS LEASE

The property, of which Lessor is the owner, covered by this lease is 444 South Flood Avenue, Norman, Cleveland County, Oklahoma, which contains the building known as the Firehouse Art Center, further depicted on Exhibit A attached hereto and incorporated herein.

TERM

The Initial Term of this Agreement shall commence on the Effective Date and continue until June 30, 2027. This Agreement shall renew automatically on July 1, 2027, for a five (5) year term, unless terminated pursuant to the provisions set forth herein (the "First Renewal Term"). Following expiration of the First Renewal Term, this Agreement shall renew automatically for an additional four (4) separate, consecutive five (5) year terms (each a "Renewal Term"), unless terminated pursuant to the provisions set forth herein, for a maximum contract term of twenty (25) years from July 1, 2027.

USES

The Property is let to Lessee by Lessor for the purpose of serving as a facility for the development of arts and crafts education and exhibition of artistic endeavors for Lessee.

RENT

In consideration of the use, occupancy and possession of the Property by Lessee, Lessee agrees to pay and Lessor agrees to accept in the sum of One Dollar (\$1.00) and other valuable consideration per year, payable in advance of or on the Effective Date, and on a like day each successive year thereafter.

Any change and any expansion of the Property must be approved in advance in writing by Lessor.

OPERATIONS

Lessee shall be solely responsible for the conduct and management of the Firehouse Art Center within the Property and shall furnish all equipment, tools and supplies necessary for the proper conduct of the events and activities at the Firehouse Art Center. Lessee shall be responsible for all custodial care of the building. Lessee shall employ a qualified person as the director of the Firehouse Art Center to advise and assist in the arrangement of events and the arrangement and display of the articles used and placed on display in the Firehouse Art Center. Nothing in this provision shall be construed to prevent Lessee from requesting City funds to assist in the conduct of its activities.

Lessor may provide funding assistance to Lessee for the operation of the Firehouse Art Center in accordance with annual budget requests submitted to the Council of the City of Norman, with any such Council approved funding assistance to be provided through separate Funding Disbursement Agreements.

SUPPORTIVE FUNDING

Lessor shall disperse supportive funding to Lessee to be used solely for the operational costs, which may include costs of utilities, of the Firehouse Art Center. The amount of such supportive funding shall be determined by the Board of Park's Commissioners (the "Board") at their regularly scheduled meeting in August of each year. Lessee shall deliver a written proposal to the Board demonstrating the extent of the need for financial support for the upcoming year. The Board will allocate supportive funding to Lessee from the Lessor's designated pool of funding designed to support all of Lessor's Community and Cultural Centers. Lessor shall disperse the allocated amount of supportive funding within thirty (30) day's of the Board's decision at the August meeting.

UTILITIES

Lessee shall be solely responsible for all utility costs, including but not limited to, water, sewer, trash, electricity, natural gas, and telephone and internet during the Term of this Agreement.

REPAIRS AND MAINTENANCE

- (a) *Lessor's obligations.* Lessor shall provide or arrange for the provision of electrical, heating, ventilating, and air conditioning systems maintenance. At all times, Lessor, or its agents, contractors, or other designee, will maintain, operate, and keep in good repair and working

order (i) all structural elements (such as exterior walls, load bearing elements, foundations, roofs, and structural columns or floors) of the Property, (ii) all mechanical, electrical, and plumbing systems that serve the Property, and (iii) fire and security alarms. Lessor shall also provide pest control and landscaping services for the Property. Lessor shall respond to written requests for maintenance by Lessee within ten (10) days of such request with an expected timeline for requested maintenance work.

- (b) *Lessee's obligations.* Except for maintenance as provided in Section (a) above, Lessee shall be obligated, without cost to Lessor, to maintain the Property and fixtures in good appearance, repair, and safe condition consistent with good business practices, industry standards, and in accordance with all applicable laws, rules, and regulations. All injury, breakage, or damage to the Property caused by any negligent or willful act or omission of Lessee or its agents, employees, officers, contractors, licensees, or invitees shall be repaired or replaced at Lessee's expense. Lessee shall also be responsible for any emergency repairs that arise outside of business hours where the cost of such repair is estimated to be Five Hundred Dollars (\$500.00) or less.

If Lessor determines that any maintenance of the Property for which Lessee is responsible is not satisfactory, Lessor shall so notify the Lessee in writing. If said maintenance is not performed within fifteen (15) days after receipt of the written notice, Lessor shall have the right to perform the maintenance and Lessee agrees to reimburse Lessor within thirty (30) days for the associated costs.

Lessee shall provide oral and written notice to Lessor upon discovery of any hazardous or dangerous or potentially hazardous or potentially dangerous condition(s) in the Property. Any hazardous or potentially hazardous condition in the Property caused by Lessee shall be fixed, removed, and/or disposed of immediately by Lessee, its agents, contractors, or other designee.

ALTERATIONS AND IMPROVEMENTS

Lessee shall not install, erect, change, alter, or make any improvements or alterations to the Property without the prior written consent of Lessor. Any improvements or alterations will be performed by Lessor or by persons approved by Lessor in writing prior to the improvements, alterations or changes to the Property.

LESSOR'S RIGHTS

Lessor, or its agents, shall have the right to enter the leased premises at any time and from time to time to examine the same or to make alterations and repairs, or for any purpose which it may deem necessary for the operation or maintenance of the building. Lessor shall provide ten (10) days' notice to Lessee prior to performing any alterations, repairs or associated maintenance, except in the event of an emergency requiring immediate access. If Lessor deems closure is warranted and necessary to perform such maintenance or repair operations, Lessor shall coordinate such closure

with Lessee to ensure minimal impact to Lessee's operations while still responsibly and efficiently maintaining the Property. Lessor specifically retains the right to use or lease the Property in any way it desires which will not unreasonably interfere with Lessee's use of the Property, subject to mutual agreement of the parties, with Lessee's agreement not to be unreasonably withheld.

Lessee agrees that the Lessor's Director, or their designee, shall be an ex-officio member of the Lessee's Board of Directors. The Director, or their designee, shall be notified of any Board of Director meetings and shall receive a schedule of any pre-set Board of Director meetings for the calendar year within forty-five (45) days of the start of each calendar year.

INDEMNIFICATION

Lessee agrees to indemnify and hold harmless the Lessor, its officers, agents and employees from and against all liability for injuries or death to persons, legal expense or damage to property caused by Lessee's, its agents or employees management and operation of the Firehouse Art Center; provided, however, that Lessee shall not be liable for injury, damage or loss occasioned by the sole negligence of the Lessor, its agents or employees. Lessee shall indemnify and hold harmless the Lessor, its officers, agents and employees from and against all claims, damages, suits, expenses, liability or proceedings of any kind whatsoever, including, without limitation, Worker's Compensation claims of or by anyone whomever, in any way resulting from, or arising out of, Lessee's acts, omissions or operations under or in connection with this Agreement or management and operation of the Firehouse Art Center. It is understood that this indemnity and hold harmless provision is not limited by the insurance required under this Agreement.

NOTWITHSTANDING ANYTHING TO THE CONTRARY SET FORTH IN THIS LEASE, NEITHER PARTY SHALL BE LIABLE FOR ANY SPECIAL, INDIRECT OR CONSEQUENTIAL LOSSES OR DAMAGES, FOR LOST REVENUES OR LOST PROFITS, OR FOR ANY OTHER SPECIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR SIMILAR DAMAGES, IN EACH CASE ARISING OUT OF, RELATING TO OR RESULTING FROM (A) AN ACTUAL OR ALLEGED DEFAULT OR BREACH OF THIS LEASE, (B) THE OBLIGATIONS CONTEMPLATED UNDER THIS LEASE OR (C) THE RELATIONSHIP OF THE PARTIES HEREUNDER, IN EACH CASE EVEN IF A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND EACH PARTY HEREBY EXPRESSLY, IRREVOCABLY AND UNCONDITIONALLY RELEASES THE OTHER PARTY THEREFROM

INSURANCE

The Lessee shall, at its own expense, keep in force insurance of the following types, naming the Lessor as co-insured, and in not less than the following amounts, issued by a company or companies licensed to do business in Oklahoma and is of sound and adequate financial responsibility, against all liabilities arising out of or in connection with the Lessee's use of the Property, except when caused by the Lessor's sole negligence or that of its agents or employees, and shall furnish to the Lessor certificates evidencing such insurance subject to the limitations in

respect to the Lessor's sole negligence and the Lessee shall furnish a certificate to the effect that such insurance shall not be changed or cancelled without ten (10) days' prior notice to the Lessor, said notice shall be written and shall be given by the Lessee, to wit:

- (a) Worker's Compensation Insurance as prescribed by State Statute, if applicable.
- (b) Provide liability insurance for both personal injury and property damage in limits prescribed by the Oklahoma Tort Claims Act (51 O.S. § 151 et seq.) and subsequent revisions thereto.

RECORDKEEPING AND REPORTING

Lessee shall supply an annual report to Lessor's Director and the Council of the City of Norman, through the Board of Parks Commissioners, no later than the first day of August of each contract term. The annual report shall include:

- (a) A narrative of the previous year's activity;
- (b) Lessee's mission statement and goals;
- (c) Lessee's beginning and ending fund balance;
- (d) Lessee's budget, which shall include revenue, maintenance, operating, and capital costs;
- (e) A detailed record of the previous year's expenditures, specifically highlighting how the supportive funding under this Agreement was utilized;
- (f) Lessee's current record of board members and officers, including those who can authorize expenditures;
- (g) Either an audit or tax documents for the previous year;
- (h) A copy of Lessee's Bylaws; and
- (i) Lessee's price schedule for the Firehouse Art Center, including but not limited to, admission fees, class and program fees, and rental fees.

Lessee acknowledges that Lessor is subject to the Oklahoma Open Records Act, 51 O.S. 24A.1 et seq, as amended from time to time. Lessee agrees to comply and abide by the Oklahoma Open Records Act and shall submit copies of its agendas for and minutes from its meetings to Lessor within a reasonable time following posting or completion of such documents.

All detailed records associated with the operation and management of the Firehouse Art Center shall be made available for review within ten (10) days by Lessee upon request from Lessor. Lessee agrees to maintain all financial records associated with the operation and management of the Firehouse Art Center for a period of seven (7) years. These financial records shall be maintained in such detail as to account for gross receipts and expenditures for all significant operational activity.

TERMINATION

For Cause: This Agreement may be terminated by either party, upon written notice, in the event of substantial failure by the other party to perform in accordance with its material duties or

obligations under this Agreement. The defaulting party shall have sixty (60) days after written notice is given, specifying the event of default under the Agreement, to cure the default. If the default is not cured to the complete satisfaction of the non-defaulting party, such party may terminate the Agreement.

For Convenience: Lessor may terminate this Agreement for any reason upon 150 days' written notice to Lessee. If the Lessor is cancelling this Agreement prior to the proposed effective date of cancellation, the Lessee shall be afforded a hearing before the Board of Park Commissioners, if requested in writing. The results of such hearing shall not be binding on the Lessor as constituting a limitation upon its power to cancel this Agreement. Notwithstanding the above, the parties understand that Lessor is subject to annual appropriations by the Norman City Council, and, as such, the Lessor may terminate this Agreement at any time should there be insufficient appropriations for any contract term.

Notice of non-renewal: Either party may terminate the continuation of this Agreement by providing written notice of its intention not to renew the Agreement at least ninety (90) days prior to the expiration (June 30) of the then current agreement year.

Upon the expiration or termination of this Lease Agreement, Lessee shall return the Property to Lessor in substantially the same condition as existed at the commencement of the lease term, reasonable wear and tear excepted. Lessee shall remove all of its personal equipment, property and other effects therefrom within forty-five business days (45) days from the expiration or termination of this Agreement, during which Lessor will provide Lessee with reasonable access to the Property for such purpose. In the event Lessee does not remove all of its personal effects within such timeline, Lessor may take possession of such items and utilize or dispose of them in Lessor's sole discretion without any liability to Lessee.

NOTICE

Any notice, demand, or other communication under this Agreement shall be sufficiently given or delivered when it is delivered personally, or within three (3) business days after it is deposited in the United States mail, registered or certified mail, postage prepaid, return receipt requested, to:

Lessor: Director of Parks and Recreation
 225 N. Webster Ave.
 Norman, OK 73070

Lessee: Norman Firehouse Art Center Inc., President
 444 S Flood Ave.
 Norman, OK 73069

Nothing contained in this Article shall be construed to restrict the transmission of routine communications between representatives of the parties hereto.

MISCELLANEOUS

- (a) *Counterparts*: This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute the same instrument.
- (b) *Severability*: If any provision of this Agreement is determined to be unenforceable, invalid, or illegal, then the enforceability, validity, and legality of the remaining provisions will not in any way be affected or impaired, and such provision will be deemed to be restated to reflect the original intentions of the parties as nearly as possible in accordance with applicable law.
- (c) *Entire Agreement; Amendments*: This Agreement constitutes the entire agreement among the parties hereto and may not be amended or modified, except in writing, signed by each of the parties hereto.
- (d) *Governing Law; Venue*: This Agreement shall be governed and construed in accordance with the laws of the United States of America and the State of Oklahoma. The venue for any action under this Agreement shall be in the District Court of Cleveland County, Oklahoma, or the United States District Court for the Western District of Oklahoma. The parties agree to submit to the subject matter and personal jurisdiction of said court.
- (e) *Force Majeure*: Neither party shall be responsible nor liable for any delays or failures in performance from any cause beyond its reasonable control, including, but not limited to acts of God, changes to law or regulations, embargoes, war, terrorist acts, acts or omissions of a third party, riots, fires, earthquakes, floods, power blackouts, strikes, or weather events.
- (f) *Binding Effect*: All the terms, covenants and conditions hereof shall be binding upon and inure to the benefit of the respective successors and assigns of the parties hereto.
- (g) *Compliance with Laws*: Lessee shall be responsible for complying with all applicable federal, state, and local laws, rules, and regulations.
- (h) *Assignment and Sublease*: This Agreement shall not be assigned nor sublet by Lessee without the prior written consent of Lessor.
- (i) *Authority*: Each party hereto has the legal right, power and authority to enter into this Agreement. Each party's execution, delivery and performance of this Agreement has been duly authorized, and no other action is requisite to the valid and binding execution, delivery and performance of this Agreement, except as expressly set forth herein
- (j) *Nondiscrimination*: Lessee agrees that it will not discriminate on the basis of race, color, religion, ancestry, national origin, age, place of birth, disability, sex, sexual orientation, gender identity or expression, familial status, or marital status, including marriage to a person of the same sex.

- (k) *Non-waiver*: No failure on the part of either party to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise by either party of any right hereunder preclude any other or future exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedy available to either party at law or in equity.
- (l) The provisions of this Lease Agreement shall supersede all former leases and agreements between the parties hereto, except for the most recent Funding Disbursement Agreement (K-2324-41).

In Witness Whereof, the parties hereunto set their hands and seals the date first above written. The parties agree that they may conduct the transaction by electronic means and hereby state that an electronic signature is valid and shall have the same force and effect as an original signature.

LESSEE: NORMAN FIREHOUSE ART CENTER, INC.

BY: Allison Lee Palmer
President

ATTEST:

Rita Mahan
Secretary

LESSOR: CITY OF NORMAN

APPROVED this _____ day of _____, 2026 by the Norman City Council.

BY: _____
Mayor

ATTEST:

City Clerk

Approved as to form and legality this 10 day of August, 2026.

[Signature]
City Attorney

EXHIBIT A

