

CITY OF ARDMORE
Office of City Manager

Council Letter No. 5117
Meeting Date: June 21, 2021

Mayor and City Commission
City of Ardmore, Oklahoma

RE: Lease Agreement between the City of Ardmore and Big Five Community Services, Inc.

Dear Commission Members:

The Lease Agreement entered into is between the City of Ardmore (Lessor) and Big Five Community Services, Inc. (Lessee) in the sum of One Thousand Six Hundred Dollars (\$1,600.00) per month, payable on the 1st day of each month for a building and associated property owned by the Lessor located at 201 A Street SW in Ardmore, Oklahoma.

The initial term of this Lease shall be for one (1) year, beginning on the 1st day of October, 2020 and ending on the 30th day of September, 2021. The term of this lease shall be automatically renewed and extended for five (5) additional one (1) year periods, unless the Lessor or Lessee gives written notice to the other party sixty (60) days prior to the annual expiration date that the Lease will not be renewed and extended and will be terminated.

Staff respectfully recommends approval of the Lease Agreement between the City of Ardmore and Big Five Community Services, Inc.

Respectfully Submitted,


Kevin Boatright
City Manager

**LEASE AGREEMENT BETWEEN THE CITY OF ARDMORE AND
BIG FIVE COMMUNITY SERVICES, INC.**

THIS AGREEMENT made and entered into this ____ day of _____, 2021, by and between the **CITY OF ARDMORE**, an Oklahoma Municipal Corporation, hereinafter referred to as "**LESSOR**" and **BIG FIVE COMMUNITY SERVICES, INC.**, an Oklahoma Not for Profit Corporation and Community Action Agency, hereinafter referred to as "**LESSEE**". The Lessor and Lessee are sometimes referred to individually as a "Party" or collectively as "the Parties."

WITNESSETH:

WHEREAS, the Lessor is the owner of the property, structure and appurtenances located at 201 A Street SW, Ardmore, Oklahoma; and,

WHEREAS, Lessee is a non-profit corporation created to identify, address and eradicate the causes and conditions of poverty; and,

WHEREAS, Lessee furthers its objectives in many ways, including providing transportation; and,

WHEREAS, these activities promote the health and welfare of the general public; and,

WHEREAS, Lessee's activities on the Leased Premises shall be limited to activities that support the mission of the Lessee; and,

WHEREAS, in accordance with Okla. Const. Alt. 10, §§ 14 and 17, the City finds that developing and maintaining public transportation programs serves a proper public purpose.

NOW, THEREFORE, in consideration of the mutual promises, covenants, and conditions herein stated and in consideration of the mutual benefits, which will accrue to the parties, the receipt and sufficiency of which is acknowledged by the parties, the parties agree as follows:

I.

For and in consideration of the sum of One Thousand Six Hundred Dollars (\$1,600) per month, payable on the 1st day of each month that this lease is in effect, the Lessor hereby leases unto the Lessee, a certain building and associated property owned by the Lessor located at 201 A Street SW, Ardmore, Oklahoma, referred to as the "Leased Premises."

II.

The initial term of this Lease shall be for one (1) year, commencing on the 1st day of October, 2020, and ending on the 30th day of September, 2021. The term of this Lease shall be automatically renewed and extended each year for a One (1) year term for Five (5) consecutive years, commencing October 1, 2021, unless the Lessor or Lessee gives written notice to the other party sixty (60) days prior to the annual expiration date that the Lease will not be renewed and will be terminated or that the Party providing notice wishes to renegotiate any terms of this Lease,

III.

The parties agree that possession of the building shall be taken in its present condition as of October 1, 2014, and the Lessor specifically makes no warranty as to the condition or suitability of the building for its intended purpose. The Lessee stipulates and agrees that it has examined the building and accepts it in its present condition. The Lessor agrees that the Lessee may use whatever equipment may be situated in said building.

IV.

During the Lessee's occupancy of said building under this Lease Agreement, the Lessor agrees to make all necessary repairs, to the building at its own expense free from any cost to the Lessee, Lessee shall at its own expenses make all necessary repairs to the PREMISES. Such repairs shall include routine repairs of floors, walls, ceilings, and other parts of the PREMISES damaged or worn through normal occupancy, except for major mechanical systems or the roof, subject to the obligations of the parties otherwise set forth in this Sub-Lease.

V.

It is understood and agreed by both parties that if the Lessor has an emergency public use for the leased premises, then and only in such event, the Lessor shall have the right to immediately terminate this Agreement by giving the Lessee a ninety (90) day written notice at the Lessee's last known address. The Lessee agrees to then vacate the premises within said ninety (90) day period. If the lease is terminated under this paragraph, due to an emergency public use for the property, and if the premises later are no longer needed for the public use and the premises are again available to be leased, then the Lessee herein will be given the first option to once again lease the premises under the terms and conditions to be agreed upon by and between the parties at that time.

VI.

The Lessee agrees to use said property in connection with normal office activities and for no other purpose, and to abide by and conform to any and all laws of the State of Oklahoma, or ordinances or regulations of the City of Ardmore, or any department thereof, in connection with the operation of the leased premises,

VII.

It is mutually agreed that the Lessor is a municipal corporation and cannot and does not assume any obligation for the expenditure of any funds or the performance of any act involving

expense beyond items included in its budget for the current fiscal year and none for future years.

VIII.

No right of assignment or subletting or other conveyance is granted without the express written consent of the Lessor first had and obtained. The right to subletting will not be arbitrarily withheld.

IX.

The Lessee further agrees that at the expiration or some sooner termination of the Lease, the Lessee will quit and surrender the premises in as good order and condition as reasonable use and wear thereof will permit, damages by the elements only excepted.

X.

The Lessee shall pay all utility costs throughout the term of this Lease.

XI.

The Lessee, at its sole expense throughout the term of this Lease, shall keep in force Workers Compensation insurance as required by applicable law in effect now and at any time throughout the term of the Lease and shall further keep in force insurance issued by a responsible insurance company which is authorized to provide services in the State of Oklahoma. The Lessee shall provide, in a form acceptable to the Lessor, comprehensive public liability coverage for the protection of the Lessor against all liabilities, judgments, costs, damages, and expenses which may accrue against, be charged to, or recovered from Lessor, by reason of damage to the property of, injury to, or death of any person or persons on account of anything which may occur on the premises during the term of this Lease or any extensions thereof, in a policy or policies in the amount of One Hundred Thousand Dollars (\$100,000) with respect to a personal injury or death of any person, One Million Dollars (\$1,000,000) for injury to or death of any number of persons with respect to any one accident or disaster and Twenty-Five Thousand Dollars (\$25,000) with respect to property damage, and to furnish the Lessor with a complete list of all such insurance policies. The Lessee is to pay all the premiums necessary to those purposes immediately as they become due, the insurance policy or policies, shall, in addition to protecting the Lessee, protect the Lessor and all of its officials and members of the Board of Commissioners authorizing this Lease and Lessee agrees to furnish the Lessor certificates of such insurance. All such insurance certificates shall contain a provision that the respective insured will not cancel such insurance coverage required under the Lease without first giving ten (10) days prior written notice to the Lessor.

The Lessor, at its sole expense throughout the term of this Lease, shall keep in force fire and other extended casualty insurance on the building and premises. Lessor shall keep in force comprehensive public liability coverage for the protection of the Lessee against all liabilities, judgments, costs, damages and expenses which may accrue against, be charged to or be recovered from Lessee, by

reason of damage to the property of, injury to or death of any person or persons on account of anything which may occur on the premises during the term of this Lease, or any extensions thereof, up to the limits of liability prescribed by the Governmental Tort Claims Act, in regard to any activities of the Lessor which give rise to such claims. The Lessor will not insure the contents of the building. The Lessee will be solely responsible for insuring any contents of the building.

XII.

The Lessee shall assume all risks incident to or in connection with any of its activities or operations on the premises during the term of this Lease and shall be solely responsible for all accidents or injuries of whatever nature or kind to persons or property caused by its operations on the premises and shall indemnify, defend and save harmless the Lessor, its agents, servants and employees and representative, from any penalties for violation of any law, ordinances or regulation affecting its operations, and from any and all claims, suits, lawsuits, damages or injuries to persons or property of whatsoever kind or nature arising directly or indirectly out of the operations of the Lessee or on the premises or resulting from the carelessness, negligence or improper conduct of the Lessee or any of its agents, servants or employees.

XIII.

If the Lessee shall make default in the performance of any covenant or agreement in this Lease, Lessor, in addition to any and all other remedies available to it under this Lease or remedies which the Lessor may now have or hereafter have according to law, may at its option, give the Lessee ten (10) days' notice in writing that it declares this Lease and all rights thereunder granted, terminated, unless the default is satisfactorily corrected within that time.

XIV.

The Lessor shall have the right to inspect the leased premises at reasonable times throughout the term of this Lease or any extension thereof.

XV.

The Lessee, at its expense, shall have the right to make improvements to the leased property with the prior written consent of the Lessor, provided, same shall become the property of Lessor when the Lease terminates. The Lessee shall submit detailed plans for any improvements it intends to make to the building to the Lessor for its approval prior to making the improvements.

XVI.

This agreement represents the complete understanding of the parties, whether oral or written, expressed or implies and may be changed only by written consent of both parties.

XVII.

Any notices required to be given hereunder, may be given by depositing the notice by first class mail and mailing to the other party as follows:

**City Manager
City of Ardmore
P.O. Box 249
Ardmore, OK 73402**

A handwritten signature in black ink, consisting of several overlapping, sweeping lines that form a stylized, somewhat abstract shape.

**Big Five Community Services, Inc. 215
N. 16 "
P.O. Box 1577
Durant, OK 74702-1577**

Balance of page left blank.

XVIII.

This agreement shall be binding upon and inure to the benefit of the parties hereto and their successors.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year last written below,

Date: _____

"Lessor"
The City of Ardmore, Oklahoma,
An Oklahoma Municipal Corporation

Mayor

(Seal)

ATTEST:

City Clerk _____

Date: 6-15-2021

-"Lessee"
Big Five Community Services, Inc.
An Oklahoma Not for Profit Corporation

Signature

Ken T. W. F. So
Printed Name and Title

*Executive
Director*

ATTEST:

Secretary/Treasurer

Allison Dunn

