

SAXMAN OLD SCHOOL HOUSE: LEASE AGREEMENT

COPY

**THIS LEASE AGREEMENT** (hereinafter referred to as the "Agreement") made and entered into this 17th day of January, 2018, by and between the City of Saxman (hereinafter referred to as "Landlord") and the Organized Village of Saxman (hereinafter referred to as "Tenant").

**TERMS AND CONDITIONS:**

**WHEREAS**, Landlord is the fee owner of certain real property being, lying and situated in Saxman, Alaska, such real property having a street address of **2706 Tongass Avenue, Saxman, Alaska** (hereinafter referred to as the "Premises").

**WHEREAS**, Landlord desires to lease the Premises to Tenant upon the terms and conditions as contained herein; and

**WHEREAS**, Tenant desires to lease the Premises from Landlord on the terms and conditions as contained herein;

**NOW, THEREFORE**, for and in consideration of the covenants and obligations contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. **TERM.** Landlord leases to Tenant and Tenant leases from Landlord the above described Premises together with any and all appurtenances thereto, for a term of Three years, such term beginning on January 17, 2018, and ending at 11:59 PM on January 17, 2021.
2. **RENT.** The total rent for the term hereof is the sum of **\$ -0-**
3. **DAMAGE DEPOSIT.** Upon the due execution of this Agreement, Tenant shall deposit with Landlord the sum of **\$500.00**, receipt of which is hereby acknowledged by Landlord, as security for any damage caused to the Premises during the term hereof. Such deposit shall be returned to Tenant, without interest, and less any set off for damages to the Premises upon the termination of this Agreement.  
The tenant agrees to pay utility costs and it is understood that there is a set amount funded under the Small Tribes Grant (attach proposal). This amount will be obligated to utility costs but at the end of the year should the operation costs be less than the budgeted amount these funds shall be placed in reserve to cover any maintenance costs that the City deems necessary. At year end, any leftover funds after expenses of utilities was expended, the left over funds would be reserved for maintenance of the facility.
4. **UTILITIES.** Tenant agrees to put all necessary utilities in the Business name such as water, sewer, electricity and oil with the appropriate utility company. **The City agrees to charge the residential rates for Water & Sewer services.** The garbage can either be:  
a) disposed of by the tenant and their expense b) picked up by the City weekly and

disposed of at \$25.00 per month.

5. **PARKING.** Parking during the months of October through April 15<sup>th</sup> will be in the front and/or back of the building; during the months of April 16 through the end of September the parking will be designated behind the building only as the tour buses consume the front parking lot during tourism season.
6. **USE OF PREMISES.** The Premises shall be used and occupied by Tenant, for public purpose. Tenant shall comply with any and all laws, ordinances, rules and orders of any and all governmental or quasi-governmental authorities affecting the cleanliness, use, occupancy and preservation of the Premises.
7. **CONDITION OF PREMISES.** Tenant stipulates, represents and warrants that Tenant has examined the Premises, and that they are at the time of this Lease in good order, repair, and in a safe, clean and tenantable condition. In addition the tenant shall, in partnership with the landlord complete and agree upon a move-in inspection report, which will outline, in detail, the condition of the premises at the time of initial occupancy.
8. **ASSIGNMENT AND SUB-LETTING.** Tenant shall not assign this Agreement, or sub-let or grant any license to use the Premises or any part thereof without the prior written consent of Landlord. If OVS wants to sublease in the future, they need to bring the plan to the committee for consideration and then to council for approval.
9. **ALTERATIONS AND IMPROVEMENTS.** Tenant shall make no alterations to the buildings or improvements on the Premises or construct any building or make any other improvements on the Premises without the prior written consent of Landlord. Any and all alterations, changes, and/or improvements built, constructed or placed on the Premises by Tenant shall, unless otherwise provided by written agreement between Landlord and Tenant, be and become the property of Landlord and remain on the Premises at the expiration or earlier termination of this Agreement.
10. **PROMPT NOTIFICATION FOR REPAIRS:** Tenant agrees to promptly notify landlord immediately by phone or in person of need for any repairs to the premises. Small problems can become big problems if not attended to immediately and the tenant should make maintenance requests promptly. The City will perform regular maintenance at the cost of the City with exception of damages caused by the ~~Organized Village of Saxman.~~
11. **ILLEGAL ACTIVITY CLAUSE:** The Landlord may terminate this lease for a) Drug-related activity engaged in, on, or near the premises, by tenant or employee b) Criminal activity by a tenant or employee that threatens the health or safety of other persons in the immediate vicinity of the premises.
12. **HAZARDOUS MATERIALS.** Tenant shall not keep on the Premises any item of a

dangerous, flammable or explosive character that might unreasonably increase the danger of fire or explosion on the Premises or that might be considered hazardous or extra hazardous by any responsible insurance company.

13. **GOOD AND SANITARY CONDITION RULES.** Tenant will, at its sole expense, keep and maintain the Premises in good and sanitary condition during the term of this Agreement and any renewal thereof. Without limiting the generality of the foregoing, Tenant shall:
- (a) Keep all windows, glass, window coverings, doors, locks and hardware in good, clean order and repair;
  - (b) Not leave windows or doors in an open position during any inclement weather;
  - (c) Deposit all trash, garbage, rubbish or refuse in the locations provided therefor and shall not allow any trash, garbage, rubbish or refuse to be deposited or permitted to stand on the exterior of the building.
14. **INSPECTION OF PREMISES.** The Landlord shall provide a 24 hour notice during the term of this Agreement and any renewal thereof to enter the Premises for the purpose of inspecting the building and improvements thereon. And for the purposes of making any repairs, additions or alterations as may be deemed appropriate by Landlord for the preservation of the Premises or the building. In non-emergency situations, the Landlord will provide at least 24-hour notice to the Tenant prior to any inspection unless under emergency situations.
15. **SURRENDER OF PREMISES.** Upon the expiration of the term hereof, Tenant shall surrender the Premises in as good a state and condition as they were at the commencement of this Agreement, reasonable use and wear and tear thereof and damages by the elements expected.
16. **ANIMALS AND SMOKING:** No animals or smoking are allowed in the residence.
17. **INDEMNIFICATION.** Landlord shall not be liable for any damage or injury of or to the Tenants, employees, guests, or to any person entering the Premises or the building of which the Premises are a part or to goods or equipment, or in the structure or equipment of the structure of which the Premises are a part, and Tenant hereby agrees to indemnify, defend and hold Landlord harmless from any and all claims or assertions of every kind and nature. The City of Saxman is the owner of the building and agrees to maintain insurance of the building thereof; any insurances required by the tenant shall be the responsibility of the tenant.
18. **PARTNERSHIP.** The Organized Village of Saxman is the Tenant and hereby agrees to seek out grants that will provide maintenance and improvements to the building yet keeping to the requirement of being a historical building; the tenant will perform the duties in preparing and submitting such grants for the building with notice to the landlord. The landlord shall provide letter of supports, information needed, etc. for

grant proposal and timely review and approval of said proposal.

19. **NOTICE.** This lease can be terminated by either party will no less than 90 days written notice by either party. Any notice required or permitted under this Lease or under state law shall be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, addressed as follows:


If to Landlord to:  
City of Saxman  
C/O City Administrator  
Route 2, Box 1 Saxman  
Ketchikan, AK 99901

If to Tenant to:  
ORGANIZED VILLAGES OF SAXMAN  
RT. 2 BOX 28  
KETCHIKAN, AK 99901

As to Landlord this 19<sup>th</sup> day of March, 2018.  
LANDLORD:

Sign:  Print: Leona Haffner  
Date: \_\_\_\_\_

As to Tenant, this 1<sup>st</sup> day of JANUARY, 2018.  
TENANT ("Tenant"):

Sign:  Print: LEE WALLACE  
Date: 1.17.18

TENANT:

Sign: \_\_\_\_\_ Print: \_\_\_\_\_  
Date: \_\_\_\_\_