



LEASE AGREEMENT

This Lease Agreement (the "Agreement") is made and entered into as of **[Date]**, by and between Cape Fox Tours, LLC, a limited liability company organized under the laws of the State of Alaska with a principal address of **ADDRESS** ("Lessee"), and the **City of Saxman, a municipal corporation under the laws of the State of Alaska** with a principal address of **ADDRESS** ("Lessor").

RECITALS

WHEREAS, the City of Saxman owns and operates certain real property, including a paved parking lot behind the Saxman Community Center and additional parking near the Dockside property: **ADDRESS** (the "Premises"); and

WHEREAS, **Cape Fox Tours operates a fleet of vehicles and desires to lease designated parking spaces from Lessor to accommodate its fleet; and**

WHEREAS, **Cape Fox Tours also intends to redirect its fuel purchases to the City of Saxman; and**

WHEREAS, the parties seek to enter into a mutually beneficial lease agreement for the parking spaces and associated services as described in the attached proposal referenced as Exhibit A.

NOW, THEREFORE, for and in consideration of the mutual covenants and promises set forth herein, the parties agree as follows:

1. Premises

Lessor agrees to lease to Lessee and Lessee agrees to lease from Lessor, a portion of the parking lot located behind the Saxman Community Center and an additional designated section near the Dockside property (the "Premises"). The Premises shall be used exclusively for the parking of vehicles owned by Cape Fox Tours, LLC. The Premises will accommodate the following vehicles:

- 29 vans (approximately 15 feet in length)
- 12 minibuses (approximately 23 feet in length)
- 12 full-size buses (approximately 40 feet in length)

2. Term

(a) **Commencement Date:** The term of this lease shall commence on **April 1st, 2025**, and shall continue for an initial term of one (1) year, with the option to renew four (4) additional option years. The current term will end on **March 31st, 2026**.



(b) **Renewal Option:** The Tenant shall have the option to renew this lease for four (4) additional term(s) (each, an “Option Year”) upon written notice to the Landlord, provided such notice is given no later than 30 days prior to the expiration of the initial Lease Term or any Renewal Term. Each Option Year shall be for a term of one (1) year, and the renewal shall be on the same terms and conditions as set forth in this Lease, except that the Rent may be increased by mutual agreement of the parties.

3. Rent

(a) The rent for the Premises shall be \$3,000 per month, payable in advance on the first day of each month to Lessor at the following address:

[Address for payment]

(b) Rent payments for the Premises shall begin on April 1st, 2025.

(c) The costs for installation of streetlights by Lessee shall be deducted from rent payments over a mutually agreed-upon period. The mutually agreed period for deducting the cost of the streetlights cannot extend beyond the term of the lease.

4. Use of Premises

(a) Lessee shall use the Premises exclusively for the parking of its vehicles as listed in Section 1. The vehicles will be operational year-round, with primary operation from April through October. Lessee may use the Premises for minor repairs and maintenance as needed to maintain the operational capability of its fleet.

(b) Lessee agrees not to use the Premises for any other purposes without the prior written consent of Lessor.

5. Improvements and Maintenance

(a) **Lessor's Responsibilities:** The City of Saxman agrees to pay for the clearing of trees and branches along Dockside and for the installation of D1 material in the lower parking lot to facilitate proper parking.

(b) **Lessee's Responsibilities:** Lessee shall perform minor repairs and maintenance as needed to maintain the operational capability of its fleet.

6. Fuel Purchases



(a) Lessee intends to redirect its purchases of gasoline, diesel, and propane to the Three Bears Gas Station in Saxman, if such fuel is available.

(b) Lessee agrees that all fuel purchases for its fleet will be made from the City of Saxman if the fuel is made available at the Three Bears Gas Station, contributing to the local economy.

7. Security and Safety

(a) Both parties agree to install fencing, gates, and/or cameras to ensure the safety and security of the vehicles on the Premises when necessary.

(b) The cost for such installations shall be discussed and agreed upon by both parties when the time comes.

8. Insurance and Indemnification

(a) **Lessee's Insurance:** Lessee shall maintain at its own expense general liability insurance covering its operations on the Premises in an amount not less than \$1,000,000 per occurrence. Lessee shall name Lessor as an additional insured on its policy.

(b) **Indemnification:** Lessee agrees to indemnify and hold harmless Lessor from any and all claims, damages, or liabilities arising from Lessee's use of the Premises, except in cases of Lessor's own negligence or willful misconduct.

9. Termination

(a) Either party may terminate this Agreement by providing **[60] days'** written notice to the other party. Upon termination, Lessee agrees to vacate the Premises and remove all vehicles and property by the termination date.

(b) If Lessee defaults on its obligations under this Agreement, Lessor may terminate the Agreement with **[60 days]** notice and retain any security deposits or pre-paid rent, if applicable.

10. Miscellaneous

(a) **Entire Agreement:** This Agreement contains the entire understanding of the parties with respect to the subject matter hereof and supersedes all prior agreements, representations, or understandings between the parties.



(b) **Governing Law:** This Agreement shall be governed by and construed in accordance with the laws of the State of Alaska.

(c) **Amendments:** Any amendments or modifications to this Agreement must be in writing and signed by both parties.

(d) **Notices:** All notices under this Agreement shall be in writing and shall be delivered to the addresses of the parties set forth below:

For Lessor: City of Saxman

[Address]

Attention: [Name/Title]

For Lessee: Cape Fox Tours, LLC

[Address]

Attention: [Name/Title]

IN WITNESS WHEREOF, the parties hereto have executed this Lease Agreement as of the date first above written.

LESSOR:

City of Saxman

By: _____

Name:

Title:

Date:

LESSEE:

Cape Fox Tours, LLC

By: _____

Name:

Title:

Date: