



CITY of BETHEL

P. O. Box 537 • Bethel, Alaska 99559

543-2297 — Area Code 907

CITY OF BETHEL RESOLUTION NO. 175.

A RESOLUTION TO LEASE THE STATE OF ALASKA, DEPARTMENT OF
MILITARY AFFAIRS REAL PROPERTY WITHIN THE CITY OF BETHEL.

WHEREAS, the City Council of the City of Bethel pursuant to
Resolution No. 3 has provided the State of Alaska,
Department of Military Affairs real property within the
City of Bethel for use as an armory, and

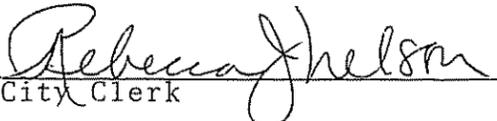
WHEREAS, due to changed circumstances, the State of Alaska
Department of Military Affairs, in order to improve
existing facilities needs a long-term lease for the
land presently used for an armory, specifically Lots 7
through 17 in Block 7, BETHEL TOWNSITE, designated as
Municipal Reserve on official townsite plat, U.S. Survey
3230-A and 3230-B; and

WHEREAS, the Council of the City of Bethel believes it is in the
best interests of the City of Bethel to enter this lease
with the State of Alaska, Department of Military Affairs,

NOW, THEREFORE, LET IT BE RESOLVED:

1. That the City Council of the City of Bethel hereby
authorizes the City Manager to enter into a lease for the
term of forty (40) years with two (2) ten-year (10) year
optional extension periods, with the State of Alaska,
Department of Military Affairs, for the rental value of
One (\$1.00) Dollar per year on such terms and conditions
as the City Manager believes beneficial to the City.

DATED at Bethel, Alaska, this 11th day of August, 1976.


City Clerk


Mayor

LEASE AGREEMENT

THIS INDENTURE OF LEASE is made this 12th day of August, 1976, by and between THE CITY OF BETHEL, a municipal corporation, hereinafter called Landlord, and STATE OF ALASKA, DEPARTMENT OF MILITARY AFFAIRS, hereinafter called the Tenant;

WITNESSETH:

1. Premises. Landlord, for and in consideration of the rents, covenants and conditions hereinafter specified to be paid, performed and observed by Tenant, does hereby let, lease and demise to Tenant that certain real property hereinafter called "Leased Premises", situated in Bethel, Alaska, and more particularly described as:

Lots 7 through 17, Block 7, BETHEL TOWNSITE, designated as Municipal Reserve on official townsite plat, United States Survey 3230-A and 3230-B.

2. Appurtenances, Etc. Landlord leases and grants to Tenant all easements, parking and loading rights, right of ingress and egress, fixtures and appurtenances now or hereafter belonging or appertaining to said premises.

3. Encumbrances. The described premises are leased, subject to deed restrictions, easements, rights-of-way, if any, zoning and building restrictions and governmental regulations now in effect or hereafter adopted by any governmental authority.

4. Term. The term of this lease shall be forty years, commencing August 12, 1976, through and including August 11, 2016, unless sooner terminated as hereinafter provided. Tenant may extend the term at Tenant's option for two (2) additional ten (10) year terms. The conditions of such extensions shall be as if this lease were originally written for fifty (50) and sixty (60) years, respectively. The Tenant shall give the Landlord notice of exercise of the option at least one (1) year prior to the expiration of the term.

5. Rental. Tenant agrees to pay an annual rental fee of One Dollar (\$1.00) for each and every year of the entire term hereof, payable on or before January 31, of each year.

6. Compliance with Laws and Care of Premises. Tenant shall comply with all applicable laws, ordinances and regulations of duly constituted public authorities now or hereafter enacted in any manner affecting the demised premises or the sidewalks, alleys, streets, and way adjacent thereto or any buildings, structures, fixtures and improvements or the use thereof, whether or not any such laws, ordinances or regulations which may be hereafter enacted involve a change of policy on the part of the governmental body enacting the same. Tenant agrees to hold Landlord financially harmless (a) from the consequences of any violation of such laws, ordinances and/or regulations, and (b) from all claims for damages on account of injuries, death or property damage resulting from such violation. Tenant further agrees that it will not permit any unlawful occupation, business or trade to be conducted on said premises or any use to be made thereof contrary to any law, ordinance or regulation as aforesaid with respect thereto.

Tenant, at its own cost and expense, shall keep the leased premises and all improvements which at any time during the term of this lease may be situated thereon, in good condition and repair during the entire term of this lease, hereby expressly waiving the right to make repairs at the expense of Landlord as provided for in any statute or law in effect at the time of the execution of this lease or any amendment thereof, or any other statute or law which may be hereafter passed during the term of this lease.

7. Tenant's Right, Etc. Tenant, when not in default of performance of any of its obligations hereunder shall have the following rights, during the term of this Lease, from time to time, in such manner, and to such extent as Tenant may in its sole judgment deem advisable:

(a) To demolish, remove or otherwise dispose of any improvements presently or subsequently situated upon the demised premises.

(b) To erect, place, or install upon the leased premises buildings, structures, and improvements as from time to time it shall deem advisable.

(c) To make such alterations, additions and repairs to the leased premises as it may desire.

(d) All buildings, structures and permanent improvements, including signs which have been or may be installed, placed or attached in or about the leased premises by Tenant, shall remain the property of Tenant. At the expiration or termination of the term of the Lease, or any extended term thereof, Tenant shall:

(1) Remove all improvements located on the leased land, and upon his failure to do so Landlord may, at his option, remove, demolish, or otherwise dispose of such improvements at the expense of the Tenant, and

(2) Leave said lease land in a clean, cleared and saleable condition.

(e) Upon termination by expiration of time or otherwise of this Lease, or of any renewal thereof, Tenant shall remove all trade fixtures and other moveable items of personalty, provided that any damage caused to the leased premises by reason of such removal shall be paid by Tenant. Any trade fixtures and other moveable items of personalty not so removed by Tenant shall become the property of Landlord. Tenant may, as part of a rebuilding or expansion program, demolish any part or all of the buildings, structures or improvements to be located on the leased premises.

8. Liens. Tenant will not permit any mechanics', laborers' or materialmen's liens to stand against the leased premises or improvements for any labor or materials furnished to Tenant or claimed to have been furnished to Tenant or to Tenant's agents, contractors, or sublessees, in connection with work of any character performed or claimed to have been performed on said premises or improvements by or at the direction or sufferance

of Tenant; provided, however, that Tenant shall have the right to contest the validity or amount of any such lien or claimed lien. In the event of such contest, Tenant shall give to Landlord reasonable security as may be demanded by Landlord to insure payment thereof and prevent any sale, foreclosure or forfeiture of the premises or improvements by reason of such nonpayment. Such security need not exceed one and one-half times the amount of such lien or such claim of lien or Tenant may record the bond contemplated by Section 34.35.072, Alaska Statutes. Tenant will immediately pay any judgment rendered with all proper costs and charges and shall have such lien released or judgment satisfied at Tenant's own expense.

9. Use of premises. The Tenant covenants that the demised premises will be used only for purposes directly related to the operation of the Department of Military Affairs and no commercial use whatsoever shall be made of the demised premises. The Tenant further covenants that he will neither cause, nor maintain, nor permit any public or private nuisance to exist on the leased land, nor will Tenant fail to maintain the land in an orderly, neat, and clean condition, free of hazard and nuisance.

10. Indemnification. Tenant agrees to protect, defend, indemnify and save harmless Landlord from and against any and all claims, demands and causes of action and of any nature whatsoever, and any expenses incident to defense of and by Landlord therefrom, for any injury to or death of persons or loss of or damage to property occurring on the demised premises, or in any manner arising out of Tenant's use and occupation of said premises, or the condition thereof, during the term of this Lease.

Tenant shall procure and maintain public liability insurance coverage, naming Landlord as an insured, which coverage, pertaining to the demised premises, shall not be less than (1) \$_____ per person, \$_____ in the aggregate per accident, and \$_____ property damage; or (2) amounts which the Landlord reasonably requires to adequately cover the risks involved, whichever is greater. Tenant agrees to furnish copies of certificates evidencing insurance coverage of the demised premises to Landlord.

11. Condemnation. If the whole or any part of the demised premises shall be taken for any public or quasi-public use, under any statute or by right of eminent domain or private purchase in lieu thereof by a public body vested with the power of eminent domain, then, when possession shall be taken thereunder of the demised premises, or any part thereof, the following provisions shall be operative:

(a) Taking of All Premises. The term herein demised and all rights of Tenant hereunder shall immediately cease and terminate, and the rent shall be adjusted as of the time of such termination so that Tenant shall have paid rent up to the time of taking only; provided, however, that Tenant shall be entitled to that portion of the award attributable to the value of the buildings or improvements put up by Tenant with its own funds.

(b) Taking of Substantial Part of Premises. If the taking reduces the ground area of the demised premises by at least fifty (50%) percent and materially affects the use being made by the Tenant of the demised premises, Tenant shall have the right, by written notice to Landlord effected not later than thirty (30) days after possession shall be taken, to elect to terminate this lease.

(1) If the election to terminate be made:
The provisions of (a) of this section
relating to the taking of the whole shall
govern; or

(2) If the election not be made:

(a) The lease shall continue;

(b) The Landlord shall be entitled to the full condem-
nation proceeds except the portion thereof attributable to
the value of the buildings or improvements put up by Tenant; and

(c) Rent at the old rate shall be adjusted as of the date
of taking of possession, and the rent for the balance of the term,
except as modified from time to time under provision 8 hereof,
shall be reduced so that the new rent shall be that part of the
former rent (before condemnation) which the unimproved value
of the untaken premises (appraised after the taking, and repair
of any building damage) bears to the unimproved value of the
entire premises demised immediately before the taking.

(d) Taking of Insubstantial Part of Premises. -- If
the taking is of such an insubstantial portion of the ground area
that the use being made by Tenant of the leased premises is not
materially affected, the provisions of (b)(2) above of this sec-
tion (where election not made) shall govern.

12. Quiet Enjoyment. -- Provided Tenant is not in
default hereunder, Landlord covenants that Tenant shall have
peaceful and quiet enjoyment of the leased premises without let
or hindrance on the part of Landlord, and that Landlord will
warrant and defend Tenant in the peaceful and quiet enjoyment of
the demised premises.

13. Notices. -- Any and all notices required or per-
mitted under this lease, unless otherwise specified in writing by
the party whose address is changed, shall be as follows:

Landlord: CITY OF BETHEL
Bethel, Alaska 99559

Tenant: STATE OF ALASKA
DEPARTMENT OF MILITARY AFFAIRS
ALASKA NATIONAL GUARD - BETHEL
P.O. Box 508
BETHEL, ALASKA 99559

14. Default. -- If Tenant at any time during the term
of this lease shall (a) fail to make payment of any installment
of rent or of any other sum herein specified to be paid by
Tenant, or (b) fail to observe or perform any of Tenant's other
covenants, agreements or obligations hereunder, and if any
such default shall not be cured as to (a) within ten (10) days
after such failure to make payment, or as to (b) within thirty
(30) days after Landlord shall have given to Tenant written
notice specifying such default or defaults, Tenant shall not have
commenced to cure such default and proceed diligently to cure
the same, then in any such event Landlord shall have the right
at its election, then or at any time thereafter, and while
such default, defaults or events shall continue, to give Tenant
notice of Landlord's intention to terminate this lease and
all Tenant's rights hereunder, on a date specified in such
notice, which date shall not be less than thirty (30) days
after the date of giving of such notice, and on the date specified

in such notice, the term of this lease and all rights granted Tenant hereunder shall come to an end as fully as if the lease then expired by its own terms, and Tenant hereby covenants peaceably and quietly to yield up and surrender to Landlord said leased premises and all structures, buildings, improvements and equipment located thereon, and to execute and deliver to Landlord such instrument or instruments as shall be required by Landlord as will properly evidence termination of Tenant's rights hereunder or its interest therein.

In the event of termination of this lease as in this paragraph above provided, Landlord shall have the right to repossess the leased premises and such structures, buildings, improvements and equipment, either with process of law or through any form of suit or proceeding, as well as the right to sue for and recover all rents and other sums accrued up to the time of such termination, and damages arising out of any breach on the part of Tenant, including damages for rent not then accrued. Landlord shall also have the right, without resuming possession of the premises or terminating this lease, to sue for and recover all rents and other sums, including damages, at any time and from time to time accruing hereunder.

15. Costs Upon Default. -- In the event either party shall be in default in the performance of any of its obligations under this lease and an action shall be brought for the enforcement thereof, the defaulting party shall pay to the other all the expenses incurred therefor, including a reasonable attorney's fee.

16. Rights or Remedies. -- Except insofar as this is inconsistent with or contrary to any provision of this lease, no right or remedy herein conferred upon or reserved to Landlord is intended to be exclusive of any other right or remedy, and each and every right and remedy shall be cumulative and in addition to any other right or remedy given hereunder, or now or hereafter existing at law or in equity or by statute.

17. Waiver and Forebearance. -- Except to the extent that Landlord may have otherwise agreed in writing, no waiver by Landlord of any breach by Tenant of any of its obligations, agreements or covenants hereunder shall be deemed to be a waiver of any subsequent breach of the same or any other covenant, agreement or obligation. Nor shall any forbearance by Landlord to seek a remedy for any breach of Tenant be deemed a waiver by Landlord of its rights or remedies with respect to such breach.

18. Inspection. -- Landlord shall at all reasonable times during Tenant's business hours have access to the premises for the purpose of inspection.

19. Successors in Interest. -- This lease shall be binding upon and inure to the benefit of the respective heirs, successors and assigns of the parties hereto.

20. Underground Conditions and Water Drainage. --

(a) Tenant has made, or prior to the construction of any building will make, its own soil tests and this lease is made subject to and without liability because of or resulting from any fill or any subsurface or soil condition upon the leased land.

(b) Tenant shall not drain or discharge water from the leased land on to adjoining land; the leased land shall be

graded and drained to cause the discharge of all water on the street adjoining the leased land or into an established drainage easement, if any, on the leased land.

21. Mineral Reservation Clause. -- Landlord ex-

pressly reserves unto itself, its successors and assigns, all oil, gas, associated hydro-carbons and minerals and the right to prospect for, mine and remove said oil, gas, hydro-carbons and minerals. The Tenant's use of the surface and such portion of subsurface as is necessary for effective use of the surface shall not be disturbed or impaired by this mineral reservation or the exercise of any rights pertaining thereto.

22. Destruction of Improvements on Demised Premises.

If all or part of the improvements placed by Tenant on the demised premises are destroyed by fire, earthquake or other cause, Tenant shall remove the debris and clean up the affected area within 270 days of the occurrence of such destruction.

23. Screening of Garbage Storage Area. Tenant must provide a screened or fenced area for the temporary storage of garbage or trash pending removal of such material. Plans for such screening or fencing are subject to Provision 10 hereof.

24. Assignment or Subletting. Tenant must not assign or sublet the demised premises or any part thereof without the prior written consent of Landlord to such subletting or assignment provided that Tenant may assign this Lease, or any part thereof, to a lending institution, for loan security purposes, and provided that this right to assign shall not be construed as a subordination of Landlord's rights hereunder, nor a subordination of its fee. Landlord's permission to subletting or assignment will not be unreasonably withheld. Tenant's request to assign or sublease must be in writing and must show name and address of the proposed assignee or sublessee.

25. Holding Over. In the event that the Tenant holds over at or after the end of the term, or any extended term, the tenancy shall be deemed a month-to-month tenancy commencing on the first day of the holding over period.

26. Integration and Modification. This document contains the entire agreement of the parties hereto. All negotiations, statements, representations, warranties, and assurances, whether oral or written, which are in any way related to the subject matter of this lease and the performance of either party hereto are merged and integrated into the terms of this document.

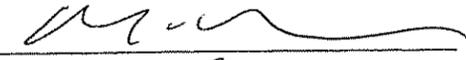
This Lease may not be modified nor amended except by a writing signed by both parties hereto, and any purported amendment or modification is without effect until reduced to a writing signed by both parties hereto.

IN WITNESS WHEREOF, the parties have hereunto executed this Lease Agreement the day and year first hereinabove written.

TENANT
STATE OF ALASKA

LANDLORD
CITY OF BETHEL


DEPARTMENT OF MILITARY AFFAIRS
ALASKA NATIONAL GUARD

By: 
BRUCE C. BARTLETT

STATE OF ALASKA)
) ss:
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this 12th day of August, 1976, before me, the undersigned Notary Public, personally appeared Bruce L. Bartlett to me known and known to be the City Manager of the CITY OF BETHEL, and he acknowledged to me that he executed the foregoing instrument as a free and voluntary act and deed of said corporation for the uses and purposes therein stated, and on oath stated that he was authorized to execute said instrument, and that the seal affixed is the corporate seal of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year hereinabove written.

Rebecca J. Nelson
Notary Public, State of Alaska
My Commission Expires: ~~8-1-79~~
4-2-79

STATE OF ALASKA)
) ss:
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on this 12th day of August, 1976, before me, the undersigned Notary Public, personally appeared Donald Shantz to me known and known to be the Administrative Ass't of the STATE OF ALASKA, DEPARTMENT OF MILITARY AFFAIRS, and he acknowledged to me that he executed the foregoing instrument as a free and voluntary act and deed of said corporation for the uses and purposes therein stated, and on oath stated that he was authorized to execute said instrument, and that the seal affixed is the corporate seal of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year hereinabove written.

Rebecca J. Nelson
Notary Public, State of Alaska
My Commission Expires: 4-2-79