

Presented by: The Manager
Introduced: 11/07/2016
Drafted by: A. G. Mead

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2016-40

An Ordinance Authorizing the Port Director to Lease Tract A of Alaska Tidelands Survey 1670 to Angoon Trading Company, Inc.

WHEREAS, a 55-year lease (ADL 2852/ATS 54) was executed between the State of Alaska and Channel Flying Service/Parker Tug & Barge Company, Inc., on November 28, 1961; and

WHEREAS, on February 8, 2001, the State of Alaska transferred management of ATS 54 to the City and Borough Docks & Harbors; and

WHEREAS, ATS 54 was replatted to ATS 1670, according to plat 2015-1 filed in the Juneau Recording District on January 9, 2015; and

WHEREAS, an appraisal was conducted with an effective date of August 13, 2015, for ATS 1670, Tract A, recommending a lease rate of .10 cents per square foot per year for 1.46 acres (63,598 sf) along Channel Drive; and

WHEREAS, on August 31, 2016, Channel Flying Service assigned its right, title and interest to Angoon Trading Company; and

WHEREAS, on October 27, 2016, the Docks & Harbors Board recommended the Assembly approve a new 35-year lease with Angoon Trading Company for \$6,359.80 per year; and

WHEREAS, at its meeting on October 31, 2016, the Lands Committee reviewed and recommended approval of the new lease with Angoon Trading Company; and

WHEREAS, the City and Borough Docks & Harbors proposes entering into a new 35-year lease with Angoon Trading Company for Alaska Tidelands Survey No. 1670, Tract A, containing 1.46 acres (63,598 sf) along Channel Drive; and

WHEREAS, the lease of ATS 1670 is entered into pursuant to the authority of CBJ Code Section 85.02.060(a)(5), CBJ Chapter 53.20, and 05 CBJAC 50.

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is a non-code ordinance.

Section 2. The Port Director is authorized to negotiate and execute a lease agreement, in a form substantially similar to the lease attached as Exhibit A, with Angoon Trading Company, Inc., for the property described as:

Alaska Tidelands Survey No. 1670, Tract A, according to the plat 2015-1 filed in the Juneau Recording District on January 9th, 2015 containing 1.46 acres, more or less.

and generally depicted on the map attached to Exhibit A.

Section 3. Minimum Essential Terms and Conditions.

- (A) The leased property shall be used by Lessee for a warehouse, product distribution facility, and barge landing. Should Lessee wish to further development the Leased Premises, Lessee shall be required to obtain approval of its development plans from the CBJ Docks and Harbors Board prior to any further development of the Leased Premises or improvements.
- (B) The term of the lease is 35 years, beginning November 27, 2016, unless sooner terminated.
- (C) Lease Payments and Adjustments.
 - (1) The annual rent for the first year of the lease shall be \$6,359.80, payable annually, or in monthly installments of \$529.99 for the initial lease term.
 - (2) Beginning with the first year (2021) after the initial five-year period of the term, the Port Director will re-evaluate and adjust the annual lease payment for the Leased Premises for the next five-year period of this lease, and then every five years thereafter, pursuant to Appendix B, Section 3(b) of this lease, CBJ 53.20.190(2), CBJ 85.02.060(a)(5), and the Docks and Harbors lease administration regulations, 05 CBJAC Chapter 50. The new annual lease payment amount shall be paid retroactively to the beginning of that lease payment adjustment period. Lessee shall pay all appraisal costs associated with re-evaluating and making adjustments to the annual lease payment.

Section 4. Effective Date. This ordinance shall be effective 30 days after its adoption.

Adopted this 28th day of November, 2016.


Kendell D. Koelsch, Mayor

Attest:

Laurie J. Sica, Municipal Clerk

After Recording Please Return to:
City and Borough of Juneau
Attn: Carl Uchytel, P.E., Port Director
155 S. Seward Street
Juneau, AK 99801

LEASE FOR ATS 1670

PART I. PARTIES. This lease is between the City and Borough of Juneau, Alaska, a municipal corporation in the State of Alaska, hereafter "CBJ" or "City" and Angoon Trading Company, Inc., a corporation organized under the laws of the State of Alaska (with its principal place of business in Angoon, Alaska), a, hereafter "Lessee."

PART II. LEASE ADMINISTRATION. All communications about this lease shall be directed as follows, and any reliance on a communication with a person other than that listed below is at the party's own risk.

CBJ:

City and Borough of Juneau
Attn: Carl Uchytel, P.E.
155 S. Seward Street
Juneau, AK 99801
Phone: (907) 586-0292
Fax: (907) 586-0295
Email: Carl.Uchytel@juneau.org

Lessee:

Angoon Trading Company, Inc.
Attn: Shayne Thompson
P.O. Box 10
Angoon, AK 99820
Phone: 907-788-3111

PART III. LEASE DESCRIPTION. The following appendices are attached hereto and are considered to be part of this lease agreement as well as anything incorporated by reference or attached to those appendices.

- Appendix A: Property Description & Additional Lease Provisions
- Appendix B: Lease Provisions Required by CBJ Chapter 53.20
- Appendix C: Standard Provisions

If in conflict, the order of precedence shall be: this document, Appendix A, B, and then C.

PART IV. PRIOR LEASE AGREEMENTS SUPERSEDED. This lease agreement supersedes and replaces any lease agreement for Alaska Tidelands Survey No. 54/ADL 2852, entered into between the State of Alaska and a predecessor lessee on November 28, 1961, and any amendments to, or assignments of, that lease agreement.

PART V. LEASE EXECUTION. CBJ and Lessee agree and sign below. This lease is not effective until signed by the CBJ.

Lessee:

Date: _____

By: _____

Shayne Thompson
President and Director, Angoon Trading Company, Inc.

LESSEE ACKNOWLEDGMENT

STATE OF ALASKA)
) ss:
FIRST JUDICIAL DISTRICT)

This is to certify that on the _____ day of _____, 201__, before the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared Shayne Thompson, **President and Director, of Angoon Trading Company, Inc.**, to me known to be the identical individuals described in and who executed the foregoing instrument for and on behalf of said corporation, as Lessee, which executed the above and foregoing instrument; who on oath stated that s/he was duly authorized to execute said instrument; who acknowledged to me that s/he signed the same freely and voluntarily for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day and year in the certificate first above written.

Notary Public in and for the State of Alaska
My Commission Expires: _____

CBJ:

Date: _____

By: _____
Carl Uchytel
CBJ Port Director

CBJ ACKNOWLEDGMENT

STATE OF ALASKA)
) ss:
FIRST JUDICIAL DISTRICT)

This is to certify that on the _____ day of _____, 2016, before the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared **Carl Uchytel**, to me known to be the **Port Director of the City and Borough of Juneau**, Alaska, a municipal corporation which executed the above foregoing instrument, who on oath stated that he was duly authorized to execute said instrument on behalf of said corporation; who acknowledged to that that he signed the same freely and voluntarily on behalf of said corporation for the uses and purposes therein mentioned.

WITNESS my hand and official seal the day and year in the certificate first above written.

Notary Public in and for the State of Alaska
My Commission Expires: _____

Risk Management Review: _____, Risk Manager

Approved as to Form: _____, Law Department

**APPENDIX A:
PROPERTY DESCRIPTION & ADDITIONAL LEASE PROVISIONS**

1. DESCRIPTION OF PROPERTY

The property subject to this lease is generally referred to as “the Leased Premises” or “the Property.” The Leased Premises subject to this lease is also known as Angoon Trading Company Inc. The Leased Premises are described as follows:

Alaska Tidelands Survey No. 1670, Tract A, according to the plat 2015-1 filed in the Juneau Recording District on January 9th, 2015 containing 1.46 acres, more or less.

The Leased Premises, depicted on Plat 2015-1 are subject to any legally enforceable encumbrances. A copy of Plat 2015-1 is attached as Exhibit A.

There is a 12’ x 9’ electrical easement in the northwest corner of the property also depicted on Plat 2015-1.

2. AUTHORITY

This lease is entered into pursuant to the authority of CBJ Code Section 85.02.060(a)(5) and CBJ Chapter 53.20; and CBJ Ordinance No. 2016-____, adopted by the City and Borough of Juneau Assembly on _____, 2016 and effective 30 days thereafter.

3. TERM

The parties agree that it was their intent to enter into this lease arrangement for the 35 year period starting November 27, 2016. Accordingly, the parties agree and intend that this lease shall be interpreted as having the effective date be retroactive to November 27, 2016. The parties agree and consent to being bound by the terms of this agreement as if it had been entered into as of November 27, 2016.

The term of the lease is 35 years and shall remain in effect until November 27, 2051, unless sooner terminated.

4. LEASE PAYMENTS AND ADJUSTMENTS

- a) The annual rent for each year for the first five years of the lease, November 27, 2016 – November 26, 2021, shall be **\$6,359.80**. Lessee has the option to pay the CBJ a monthly payment of five hundred and twenty-nine dollars and ninety-nine cents (\$529.99). Payments shall be made to City and Borough of Juneau, 155 S. Seward Street Juneau, AK 99801 and reference D&H Lease ATS 1670 Tract A.

- b) Lessee shall pay CBJ without demand, deduction or offset the monthly rental in advance or on the first (1st) day of each month during the Lease. Payments for any partial month at the beginning or end of the Lease term shall be prorated.

- c) CBJ's acceptance of less than the full amount of any payment due from Lessee shall not be deemed an accord and satisfaction or compromise of such payment unless CBJ specifically consents in writing to payment of such lesser sum as an accord and satisfaction or compromise of the amount which CBJ claims.
- d) Beginning with the first year after the initial five-year period of the term, November 27th, 2021, the Port Director will re-evaluate and adjust the annual lease payment for the Leased Premises for the next five-year period of this lease, and then every five years thereafter, pursuant to Appendix B, Section 3(b) of this lease, CBJ 53.20.190(2), CBJ 85.02.060(a)(5), and the Docks and Harbors lease administration regulations, 05 CBJAC Chapter 50. The new annual lease payment amount shall be paid retroactively to the beginning of that lease payment adjustment period. Lessee shall pay all appraisal costs associated with re-evaluating and making adjustments to the annual lease payment.

5. AUTHORIZED USE OF PREMISES

Lessee is authorized to use the Leased Premises for a warehouse, product distribution facility, and barge/vessel landing. Should Lessee wish to further develop the Leased Premises, Lessee shall be required to obtain approval of its development plans from the CBJ Docks and Harbors Board prior to any further development of the Leased Premises or improvements. Lessee shall be responsible for obtaining all necessary permits and approvals for Lessee's development of the Leased Premises.

6. TAXES

Lessee is hereby on notice that this lease may make all or a portion of the Leased Premises taxable. Lessee shall pay all taxes, assessments, liens and license fees levied, assessed or imposed by any authority having the direct or indirect power to tax or assess any such liens, by reason of Lessee's use of the Leased Premises.

7. UTILITIES AND SERVICES

If the Lessee wants utilities or services provided to the Leased Premises, the Lessee shall furnish and pay, at Lessee's sole expense, the desired utilities and services (including but not limited to power, water, waste water, trash, janitorial, telephone, internet, and cable).

8. INSURANCE

Lessee shall provide a certification of proper insurance coverage to the CBJ. Lessee has secured and agrees to keep and maintain in full force and effect, at its own expense, the insurance approved by CBJ Risk Management as outlined below. All insurance required under this contract shall name the CBJ as an additional insured, except with respect to Workers Compensation policies. At least 30 days prior to the cancellation, non-renewal or reduction in the amount of coverage, Lessee shall provide written notice to the CBJ's Risk Management. The Lessee's insurance shall be primary and any insurance maintained by the CBJ shall be non-contributory. Failure of CBJ to demand such certificate or other evidence of full compliance with these insurance requirements or failure of CBJ to identify a deficiency from evidence that is

provided shall not be construed as a waiver of the obligation of the Contractor to maintain the insurance required by this contract.

Commercial General Liability Insurance. Lessee shall maintain in full force and effect, at its own expense, at all times during this lease, commercial general liability insurance in the amounts of \$1,000,000 per occurrence and \$2,000,000 general aggregate. The insurance policy shall name CBJ as an "Additional Insured" and shall require that the insurance company give prior written notice consistent with the terms of the policy, to the CBJ's Risk Management Officer prior to any cancellation, non-renewal, or reduction in the amount of coverage. If the Lessee maintains higher limits than shown below, the CBJ shall be entitled to coverage for the higher limits maintained by the Lessee.

Comprehensive Automobile Liability Insurance. The coverage shall include all owned, hired, and non-owned vehicles to a one million dollar (\$1,000,000.00) combined single limit coverage. **The CBJ shall be named as additional insured on this policy.**

Workers Compensation Insurance. As required by Alaska Statute (AS 23.30), the Lessee must maintain Workers Compensation Insurance to protect the Lessee from any claims or damages for any personal injury or death which may arise from services performed on the Leased Premises. This requirement applies to the Lessee's firm, any subcontractors or assignees, and anyone directly or indirectly employed to perform work by the Lessee on the Leased Premises. The Lessee must notify the CBJ as well as the State Division of Workers Compensation immediately when changes in the Lessee's business operation affect the Lessee's insurance status. Statutory limits apply to Workers Compensation Insurance. The policy must include employer's liability coverage of one hundred thousand dollars (\$100,000.00) per injury and illness, and five hundred thousand dollars (\$500,000.00) policy limits. Lessee also agrees to provide evidence of Longshore and Harbor Worker's Insurance and Jones Act coverage if applicable to the Lessee's use of the Leased Premises. **The policy shall be endorsed to waive subrogation rights against the CBJ.**

Property Insurance. Lessee acknowledges that CBJ carries no fire or other casualty insurance on the Lease Premises or improvements located thereon belonging to Lessee, and that it is the Lessee's obligation to obtain adequate insurance for protection of Lessee's buildings, fixtures, or other improvements, or personal property located on the Leased Premises, and adequate insurance to cover debris removal.

**APPENDIX B: LEASE PROVISIONS REQUIRED BY
CBJ CHAPTER 53.20 and CBJ CHAPTER 50**

1. RESPONSIBILITY TO PROPERLY LOCATE ON LEASED PREMISES.

As required by CBJ 53.20.160, it shall be the responsibility of Lessee to properly locate Lessee's improvements on the Lease Premises and failure to so locate shall render Lessee's liable as provided by law.

2. APPROVAL OF OTHER AUTHORITIES.

As required by CBJ 53.20.180, the issuance by CBJ of leases, including this lease, under the provisions of CBJ Title 53 does not relieve Lessees of responsibility for obtaining licenses, permits, or approvals as may be required by CBJ or by duly authorized state or federal agencies.

3. TERMS AND CONDITIONS OF LEASES REQUIRED BY CBJ 53.20.190.

As required by CBJ 53.20.190, the following terms and conditions govern all leases and are incorporated into this lease unless modified by the Assembly by ordinance or resolution for this specific lease. Modifications of the provisions of this Appendix B applicable to this specific lease, if any, must specifically modify such provisions and be supported by the relevant ordinance or resolution to be effective.

(a) **Lease Utilization.** The Leased Premises shall be utilized only for purposes within the scope of the application and the terms of the lease, and in conformity with the provisions of CBJ code, and applicable state and federal laws and regulations. Utilization or development of the Leased Premises for other than the allowed uses shall constitute a violation of the lease and subject the lease to cancellation at any time.

(b) **Adjustment of Rental.** Lessee agrees to a review and adjustment of the annual rental payment by the Port Director not less often than every fifth year of the lease term beginning with the rental due after completion of each review period. Any changes or adjustments shall be based primarily upon the values of comparable land in the same or similar areas; such evaluations shall also include all improvements, placed upon or made to the land, to which the CBJ has right or title, excluding landfill placed upon the land by Lessee, except that the value of any improvements credited against rentals shall be included in the value.

(i) **Delays in setting rents.** Delays in setting or adjusting lease rents due to the appraisal process shall not change the effective date of the lease rent change. In the case of renewals, the new rent shall apply retroactively to the date the lease expired. In the case of rent adjustments during a lease, the new rent shall apply retroactively to the date of rent adjustment as set out in the lease.

(ii) **Adjustment Dispute Resolution.** Should the Lessee disagree with the lease rent adjustment proposed by the Port Director, the Lessee shall pay for an appraisal and have the appraisal undertaken in accordance with the requirements set out in 05 CBJAC 50.050.

In the event the Docks and Harbors Board disagrees with an appraisal, and the Board cannot reach an agreement with the lessee on the lease rent adjustment, the Board shall pay for an additional appraisal and have the appraisal undertaken in accordance with the requirements set out in 05 CBJAC 50.050. The Board shall establish the lease rent adjustment based on this additional appraisal. In the event the Lessee disagrees with the lease rent adjustment, the lessee may appeal to the Assembly. The decision of the Assembly shall be final.

(c) **Subleasing.** Lessee may sublease Leased Premises or any part thereof leased to Lessee hereunder; provided, that the proposed sub-lessee shall first apply to CBJ for a permit therefore; and further provided, that the improvements on the Leased Premises are the substantial reason for the sublease. Leases not having improvements thereon shall not be sublet. Subleases shall be in writing and be subject to the terms and conditions of the original lease; all terms, conditions, and covenants of the underlying lease that may be made to apply to the sublease are hereby incorporated into the sublease.

(d) **Assignment.** Lessee may assign its rights and obligations under this lease; provided that the proposed assignment shall be approved by CBJ prior to any assignment. The assignee shall be subject to all of the provisions of the lease. All terms, conditions, and covenants of the underlying lease that may be made applicable to the assignment are hereby incorporated into the assignment.

(e) **Modification.** The lease may be modified only by an agreement in writing signed by all parties in interest or their successor in interest.

(f) **Cancellation and Forfeiture.**

(i) The lease, if in good standing, may be cancelled in whole or in part, at any time, upon mutual written agreement by Lessee and CBJ.

(ii) CBJ may cancel the lease if it is used for any unlawful purpose.

(iii) If Lessee shall default in the performance or observance of any of the lease terms, covenants or stipulations thereto, or of the regulations now or hereafter in force, or service of written notice by City without remedy by Lessee of the conditions warranting default, CBJ may subject Lessee to appropriate legal action including, but not limited to, forfeiture of the lease. No improvements may be removed by Lessee or other person during any time Lessee is in default.

(iv) Failure to make substantial use of the land, consistent with the proposed use, within one year shall in the discretion of CBJ with approval of the Assembly constitute grounds for default.

(g) **Notice or Demand.** Any notice or demand, which under terms of a lease or under any statute must be given or made by the parties thereto, shall be in writing, and be given or made by registered or certified mail, addressed to the other party at the address of record. However, either party may designate in writing such new or other address to which the notice or demand shall thereafter be so given, made or mailed. A notice given hereunder shall be deemed delivered when deposited in a United States general or branch post office enclosed in a registered or certified mail prepaid wrapper or envelope addressed as hereinbefore provided.

(h) **Rights of Mortgage or Lienholder.** In the event of cancellation or forfeiture of a lease for cause, the holder of a properly recorded mortgage, conditional assignment or collateral assignment will have the option to acquire the lease for the unexpired term thereof, subject to the same terms and conditions as in the original lease.

(i) **Entry and Reentry.** In the event that the lease should be terminated as hereinbefore provided, or by summary proceedings or otherwise, or in the event that the demised lands, or any part thereof, should be abandoned by Lessee during the term, CBJ or its agents, servants, or representative, may, immediately or any time thereafter, reenter and resume possession of lands or such thereof, and remove all personals and property there from either by summary proceedings or by a suitable action or proceeding at law without being liable for any damages therefor. No reentry by CBJ shall be deemed an acceptance of a surrender of the lease.

(j) **Lease.** In the event that the lease should be terminated as herein provided, or by summary proceedings, or otherwise, CBJ may offer the lands for lease or other appropriate disposal pursuant to the provisions of CBJ code.

(k) **Forfeiture of Rental.** In the event that the lease should be terminated because of any breach by Lessee, as herein provided, the annual rental payment last made by Lessee shall be forfeited and retained by CBJ as partial or total damages for the breach.

(l) **Written Waiver.** The receipt of rent by CBJ with knowledge of any breach of the lease by Lessee or of any default on the part of Lessee in observance or performance of any of the conditions or covenants of the lease, shall not be deemed a waiver of any provision of the Lease. No failure on the part of the CBJ to enforce any covenant or provision therein contained, nor any waiver of any right thereunder by CBJ unless in writing, shall discharge or invalidate such covenants or provisions or affect the right of CBJ to enforce the same in the event of any subsequent breach or default. The receipt, by CBJ, of any rent or any other sum of money after the termination, in any manner, of the term demised, or after the giving by CBJ of any notice thereunder to effect such termination, shall not reinstate, continue, or extend the resultant term therein demised, or destroy, or in any manner impair the efficacy of any such notice or termination as may have been given thereunder by CBJ to Lessee prior to the receipt of any such sum of money or other consideration, unless so agreed to in writing and signed by CBJ.

(m) **Expiration of Lease.** Unless the lease is renewed or sooner terminated as provided herein, Lessee shall peaceably and quietly leave, surrender and yield up to the City all of the leased land on the last day of the term of the lease.

(n) **Renewal Preference.** Any renewal preference granted to Lessee is a privilege, and is neither a right nor bargained for consideration. The lease renewal procedure and renewal preference shall be that provided by ordinance in effect on the date the application for renewal is received by the designated official.

(o) **Removal or Reversion of Improvement upon Termination of Lease.** Improvements owned by Lessee shall within sixty calendar days after the termination of the lease be removed by Lessee; provided, such removal will not cause injury or damage to the lands or improvements demised; and further provided, that CBJ may extend the time for removing such improvements in cases where hardship is proven. Improvements owned by Lessee may, with the consent of CBJ, be sold to the succeeding Lessee. All periods of time granted Lessee to remove improvements is subject to Lessee's paying the CBJ pro rata lease rentals for the period.

(i) If any improvements and/or chattels not owned by CBJ and having an appraised value in excess of five thousand dollars as determined by the assessor are not removed within the time allowed, such improvements and/or chattels on the lands, after deducting for CBJ rents due and owning and expenses incurred in making such sale. Such rights to proceeds of the sale shall expire one year from the date of such sale. If no bids acceptable to the Port Director are received, title to such improvements and/or chattels shall vest in CBJ.

(ii) If any improvements and/or chattels having an appraised value of five thousand dollars or less, as determined by the assessor, are not removed within the time allowed, such improvements and/or chattels shall revert to, and absolute title shall vest in, CBJ.

(p) **Rental for Improvements or Chattels not Removed.** Any improvements and/or chattels belonging to Lessee or placed on the lease during Lessee's tenure with or without his permission and remaining upon the premises after the termination date of the lease shall entitle CBJ to charge Lessee a reasonable rent therefor.

(q) **Compliance with Regulations Code.** Lessee shall comply with all regulations, rules, and the code of the City and Borough of Juneau, and with all state and federal regulations, rules and laws as the code or any such rules, regulations or laws may affect the activity upon or associated with the leased land.

(r) **Condition of Premises.** Lessee shall keep the premises of the lease in neat, clean, sanitary and safe condition and shall take all reasonable precautions to prevent, and take all necessary action to suppress destruction or uncontrolled grass, brush or other fire on the leased lands. Lessee shall not undertake any activity that causes or increases a sloughing off or loss of surface materials of the leased land.

(s) **Inspection.** Lessee shall allow an authorized representative of CBJ to enter the lease land for inspection at any reasonable time.

(t) **Use of Material.** Lessee of the surface rights shall not sell or remove for use elsewhere any timber, stone, gravel, peat moss, topsoils, or any other materials valuable for building or commercial purposes; provided, however, that material required for the development of the leasehold may be used, if its use is first approved by the CBJ.

(u) **Rights-of-Way.** CBJ expressly reserves the right to grant easements or rights-of-way across leased land if it is determined in the best interest of the CBJ to do so. If CBJ grants an easement or right-of-way across the leased land, Lessee shall be entitled to damages for all Lessee-owned improvements or crops destroyed or damaged. Damages shall be limited to improvements and crops only, and loss shall be determined by fair market value. Annual rentals may be adjusted to compensate Lessee for loss of use.

(v) **Warranty.** CBJ does not warrant by its classification or leasing of land that the land is ideally suited for the use authorized under the classification or lease and no guaranty is given or implied that it shall be profitable to employ land to said use.

(w) **Lease Rental Credit.** When authorized in writing by CBJ prior to the commencement of any work, Lessee may be granted credit against current or future rent; provided the work accomplished on or off the leased area results in increased valuation of the leased or other city and borough-owned lands. The authorization may stipulate type of work, standards of construction and the maximum allowable credit for the specific project. Title to improvements or chattels credited against rent under this section shall vest immediately and be in CBJ and shall not be removed by Lessee upon termination of the lease.

APPENDIX C: STANDARD PROVISIONS

- (1) **Holding Over.** If Lessee holds over beyond the expiration of the term of this lease and the term has not been extended or renewed in writing, such holding over will be a tenancy from month-to-month only.
- (2) **Interest on Late Payments.** Should any installment of rent or other charges provided for under the terms of this lease not be paid when due, the same shall bear interest at the rate established by ordinance for late payments or at the rate of 12 percent per annum, if no rate has been set by ordinance.
- (3) **Taxes, Assessments, and Liens.** During the term of this lease, Lessee shall pay, in addition to the rents, all taxes, assessments, rates, charges, and utility bills for the Leased Premises and Lessee shall promptly pay or otherwise cause to be discharged, any claim resulting or likely to result in a lien, against the Leased Premises or the improvements placed thereon.
- (4) **Easements.** Lessee shall place no building or structure over any portion of the Leased Premises where the same has been set aside or reserved for easements.
- (5) **Encumbrance of Parcel.** Lessee shall not encumber or cloud CBJ's title to the Leased Premises or enter into any lease, easement, or other obligation of CBJ's title without the prior written consent of the CBJ; and any such act or omission, without the prior written consent of CBJ, shall be void against CBJ and may be considered a breach of this lease.
- (6) **Valid Existing Rights.** This lease is entered into and made subject to all existing rights, including easements, rights-of-way, reservations, or other interests in land in existence, on the date of execution of this lease.
- (7) **State Discrimination Laws.** Lessee agrees, in using and operating the Leased Premises, to comply with applicable sections of Alaska law prohibiting discrimination, particularly Title 18 of the Alaska Statutes, Chapter 80, Article 4 (Discriminatory Practices Prohibited). In the event of Lessee's failure to comply any of the above non-discrimination covenants, CBJ shall have the right to terminate the lease.
- (8) **Unsafe Use.** Lessee shall not do anything in or upon the Leased Premises, nor bring or keep anything therein, which will unreasonably increase or tend to increase the risk of fire or cause a safety hazard to persons or obstruct or interfere with the rights of any other tenant(s) or in any way injure or annoy them or which violates or causes violation of any applicable health, fire, environmental or other regulation by any level of government.
- (9) **Hold Harmless.** Lessee agrees to defend, indemnify, and save CBJ, its employees, volunteers, consultants, and insurers, with respect to any action, claim, or lawsuit arising out of or related to the use and occupancy of the Leased Premises by Lessee. This agreement to defend,

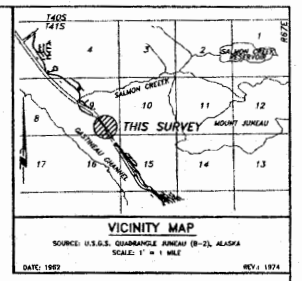
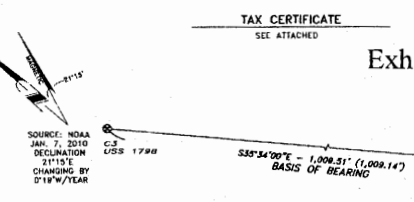
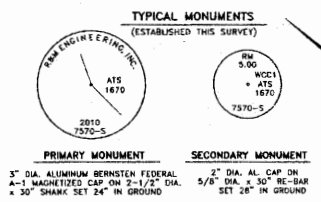
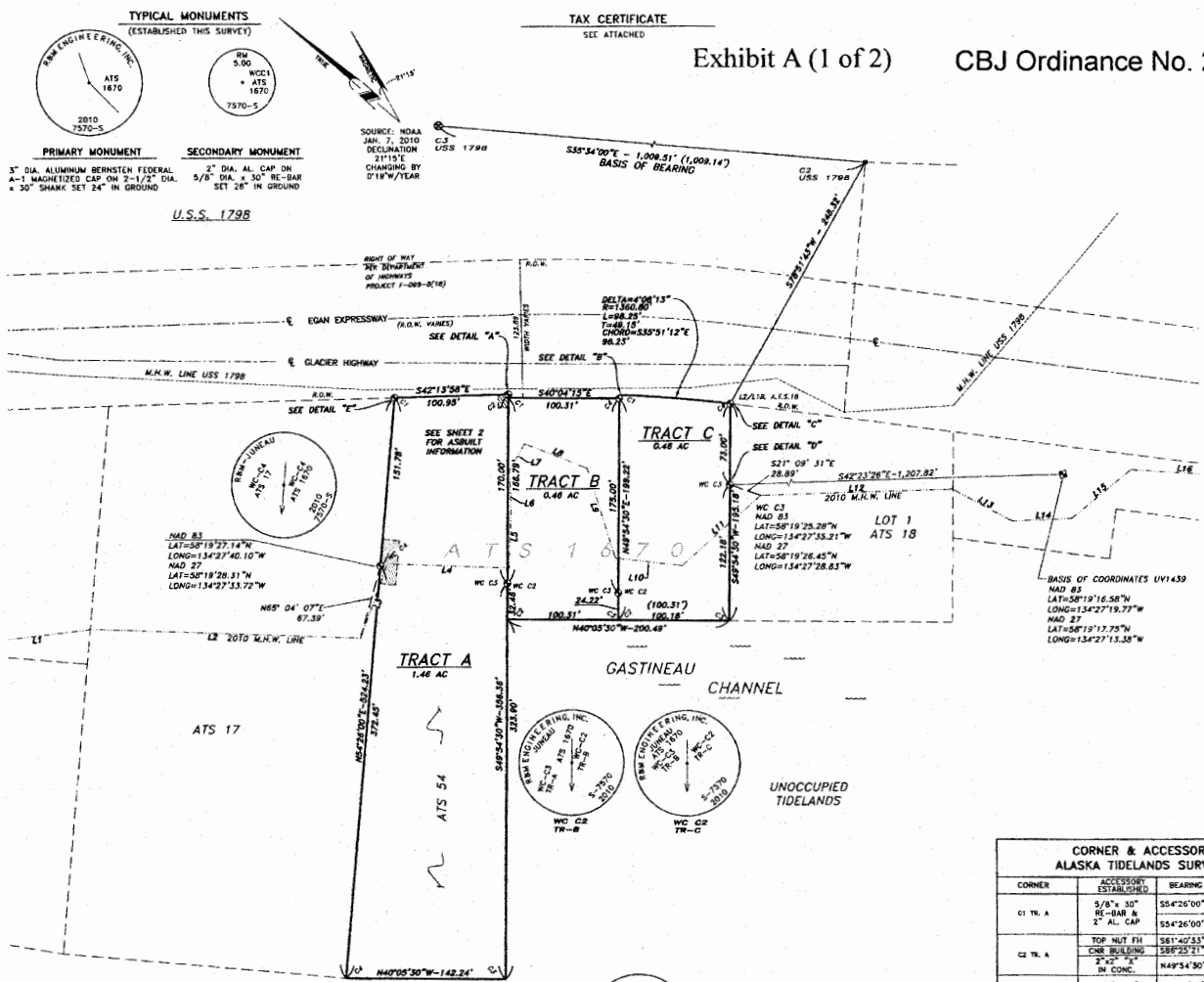
indemnify, and hold harmless is without limitation as to the amount of fees, costs, expense, or damages resulting from settlement, judgment or verdict, and includes the award of any costs and attorneys fees even if in excess of Alaska Civil Rules 79 or 82. This indemnification agreement applies to the fullest extent permitted by law and is in full force and effect whenever and wherever any action, claim, or lawsuit is initiated, filed, or otherwise brought against CBJ relating to this lease. The obligations of Lessee arise immediately upon actual or constructive notice of any action, claim, or lawsuit. CBJ shall notify Lessee in a timely manner of the need for indemnification, but such notice is not a condition precedent to Lessee's obligations and may be waived where the Lessee has actual notice.

(10) **Successors.** This lease shall be binding on the successors, administrators, executors, heirs, and assigns of Lessee and CBJ.

(11) **Choice of Law; Venue.** This lease shall be governed by the law of the State of Alaska. Venue shall be in the State of Alaska, First Judicial District at Juneau.

DRAFT

Exhibit A (1 of 2) CBJ Ordinance No. 2016-40



TIDAL DATUM

GASTINEAU CHANNEL
LAT=58°17.9' N / LONG=134°24.7' W

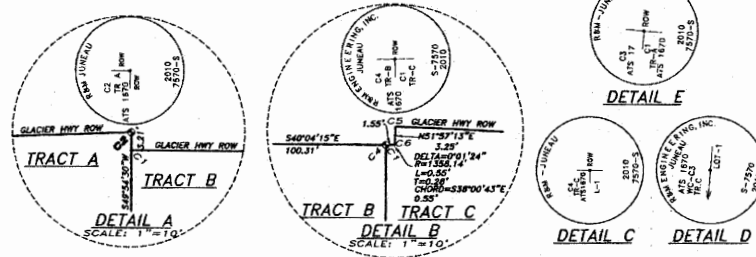
M.H.W.	16.30'
M.H.L.	15.34'
M.S.L.	8.56'
M.L.W.	1.60'
M.L.L.W.	0.00'

LINE TABLE OF MEANDERS

NUMBER	DIRECTION	DISTANCE
L1	N47°07'45"W	107.17'
L2	S38°30'21"E	241.33'
L3	N49°28'26"E	71.12'
L4	S38°24'54"E	108.14'
L5	N51°22'14"E	36.17'
L6	S47°00'21"W	33.11'
L7	N73°26'10"E	27.28'
L8	S11°02'19"E	60.48'
L9	S51°15'59"W	64.79'
L10	S33°58'54"E	60.68'
L11	S82°22'43"E	94.42'
L12	S42°20'15"E	174.32'
L13	S12°23'41"E	60.20'
L14	S43°28'44"E	53.06'
L15	S72°27'11"E	89.45'
L16	S27°00'24"E	120.38'

CORNER & ACCESSORY SUMMARY
ALASKA TIDELANDS SURVEY NO. 1670

CORNER	ACCESSORY ESTABLISHED	BEARING	DISTANCE	MARKING
C1 TR. A	5/8" x 30" RE-BAR & 2" AL. CAP	S54°26'00"W	5.00'	RM-1
		S54°26'00"W	10.00'	RM-2
C2 TR. A	TOP NUT FFI CONR BUILDING	S61°40'53"W	11.66'	BO #1
		S88°25'21"W	30.13'	BO #2
C4 TR. B	5/8" x 30" RE-BAR & 2" AL. CAP	N49°54'30"E	30.37'	BO #3
		N49°54'30"E	5.00'	RM-1
C4 TR. C	5/8" x 30" RE-BAR & 2" AL. CAP	N37°10'30"W	4.85'	RM-1
		N49°54'30"E	5.00'	RM-2
WC C2 TR. C	5/8" x 30" RE-BAR & 2" AL. CAP	N49°54'30"E	5.00'	RM-1
		N49°54'30"E	10.00'	RM-2
WC C2 TR. B	5/8" x 30" RE-BAR & 2" AL. CAP	N49°54'30"E	5.00'	RM-1
		N49°54'30"E	10.00'	RM-2
WC C3 TR. C	5/8" x 30" RE-BAR & 2" AL. CAP	N49°54'30"E	5.10'	RM-1
		N40°18'12"W	5.00'	RM-2
WC C4 TR. A	5/16" x 36" DRILL HOLE IN ROCK	S70°38'48"W	5.85'	BO #1
		S53°20'05"W	69.22'	BO #2
WC C4 TR. A	1" SURV. SPIKE W/ 2" WASHER	N88°30'00"E	10.47'	BO #3



- LEGEND**
- GLD MONUMENT 3" BRASS CAP
 - 7570-S PRIMARY MONUMENT ESTABLISHED 3" DIA. ALUMINUM BERNSTEIN FEDERAL A-1 MAGNETIZED CAP ON 2-1/2" DIA. x30" PIPE
 - 7570-S SECONDARY MONUMENT ESTABLISHED 2" DIA. AL. CAP ON 5/8" DIA. x 30" RE-BAR
 - IRON PIPE BY OTHERS RECOVERED
 - NDS MONUMENT OF RECORD
 - TRACT BOUNDARY
 - UNSURVEYED
 - 2010 MEAN HIGH WATER (M.H.W.)
 - USS 1798 MEAN HIGH WATER (M.H.W.)
 - R.O.W.
 - CENTERLINE GLACIER HIGHWAY
 - TOE OF FILL
 - TOP OF SLOPE
 - FENCE
 - FIRE HYDRANT
 - TRANSFORMER
 - PHONE PEDESTAL
 - ELECTRIC PEDESTAL
 - WATER VALVE
 - STORM DRAIN PIPE
 - SANITARY SEWER LINE
 - MANHOLE (AS NOTED)
 - UTILITY EASEMENT
 - DRAINAGE EASEMENT

SCALE 1" = 50' (15.24 Meters)

DATE OF SURVEY: JAN. 25, 2010
DRAWN BY: GDM
DATE: 9-18-14

NAME OF SURVEYOR: RSM ENGINEERING, INC.
JUNEAU, ALASKA 99901
REG. NO. 081811

STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF MINING, LAND AND WATER
ALASKA TIDELAND SURVEY NO. 1670

A REPLAT OF LOTS 2 AND 3, ATS 18
AND REPLAT OF LOTS 5, 4

LOCATED WITHIN
PROTRACTED SECTION 9
TOWNSHIP 41 SOUTH, RANGE 67 EAST,
COPPER RIVER MERIDIAN, ALASKA
CONTAINING 2.38 ACRES
JUNEAU RECORDING DISTRICT

CHECKED M.A.J. FILE NO. ATS 1670

CBJ Ordinance No. 2016-40

Exhibit A (2 of 2)

CERTIFICATE OF PLAT APPROVAL

I HEREBY CERTIFY THAT THE PLAT SHOWN HEREON HAS BEEN FOUND TO COMPLY WITH THE TITLE 04 COMMUNITY DEVELOPMENT REGULATIONS AND TITLE 49 OF THE CODE OF THE CITY AND BOROUGH OF JUNEAU AND IS APPROVED BY THE CITY AND BOROUGH OF JUNEAU DEPARTMENT OF COMMUNITY DEVELOPMENT FOR RECORDING IN THE OFFICE OF THE JUNEAU RECORDING DISTRICT, JUNEAU, ALASKA.

DATED: October 30, 2014



HAL HART, DIRECTOR
CITY AND BOROUGH OF JUNEAU
COMMUNITY DEVELOPMENT DEPARTMENT

ATTEST: *Jamie J. Aie*
CLERK,
CITY AND BOROUGH OF JUNEAU

LEGEND

- ⊙ OLD MONUMENT 3" BRASS CAP
- ⊙ 7570-S PRIMARY MONUMENT ESTABLISHED 3" DIA. ALUMINUM BERNSTEIN FEDERAL A-1 MAGNETIZED CAP ON 2-1/2" DIA. X30" PIPE
- ⊙ 7570-S SECONDARY MONUMENT ESTABLISHED 2" DIA. AL. CAP ON 5/8" DIA. X 30" RE-BAR
- IRON PIPE BY OTHERS RECOVERED
- ⊖ NGS MONUMENT OF RECORD
- TRACT BOUNDARY
- SURVEYED
- UNSURVEYED
- 2010 MEAN HIGH WATER (M.H.W.)
- USS 1798 MEAN HIGH WATER (M.H.W.)
- R.O.W.
- CENTERLINE GLACIER HIGHWAY
- TOE OF FILL
- TOE OF SLOPE
- FENCE
- FIRE HYDRANT
- TRANSFORMER
- PHONE PEDESTAL
- ELECTRIC PEDESTAL
- WATER VALVE
- STORM DRAIN PIPE
- SANITARY SEWER LINE
- MANHOLE (AS NOTED)
- UTILITY EASEMENT
- DRAINAGE EASEMENT

CERTIFICATE OF OWNERSHIP AND DEDICATION

I, THE UNDERSIGNED, HEREBY CERTIFY THAT I AM THE DIRECTOR, DIVISION OF MINING, LAND AND WATER AND THAT THE STATE OF ALASKA IS THE OWNER OF A.T.S. NO. 1670, AS SHOWN HEREON. I HEREBY APPROVE THIS SURVEY AND PLAT FOR THE STATE OF ALASKA, AND DEDICATE FOR PUBLIC OR PRIVATE USE AS NOTED, ALL EASEMENTS, PUBLIC UTILITY AREAS, AND RIGHTS-OF-WAY AS SHOWN AND DESCRIBED HEREON.

DATED: Dec 23, 2014
DIRECTOR: *Hard Penning*
DIVISION OF MINING, LAND & WATER

NOTARY'S ACKNOWLEDGEMENT

SUBSCRIBED AND SWORN TO BEFORE ME THIS 23rd DAY OF December, 2014
BY: *Gerald Jennings*



Bonda Wilson
NOTARY PUBLIC FOR ALASKA
MY COMMISSION EXPIRES: 6/21/16

APPLICANT CERTIFICATE

I, THE UNDERSIGNED, HEREBY CERTIFY THAT I AM THE APPLICANT AS SHOWN HEREON. I HEREBY APPROVE THIS SURVEY AND PLAT. A.S.T. NO. 10878, TRACTS A, B, AND C.

Carly Uchytel
30 OCTOBER 2014
CARLY UCHYTEL, DIRECTOR
CITY AND BOROUGH OF JUNEAU

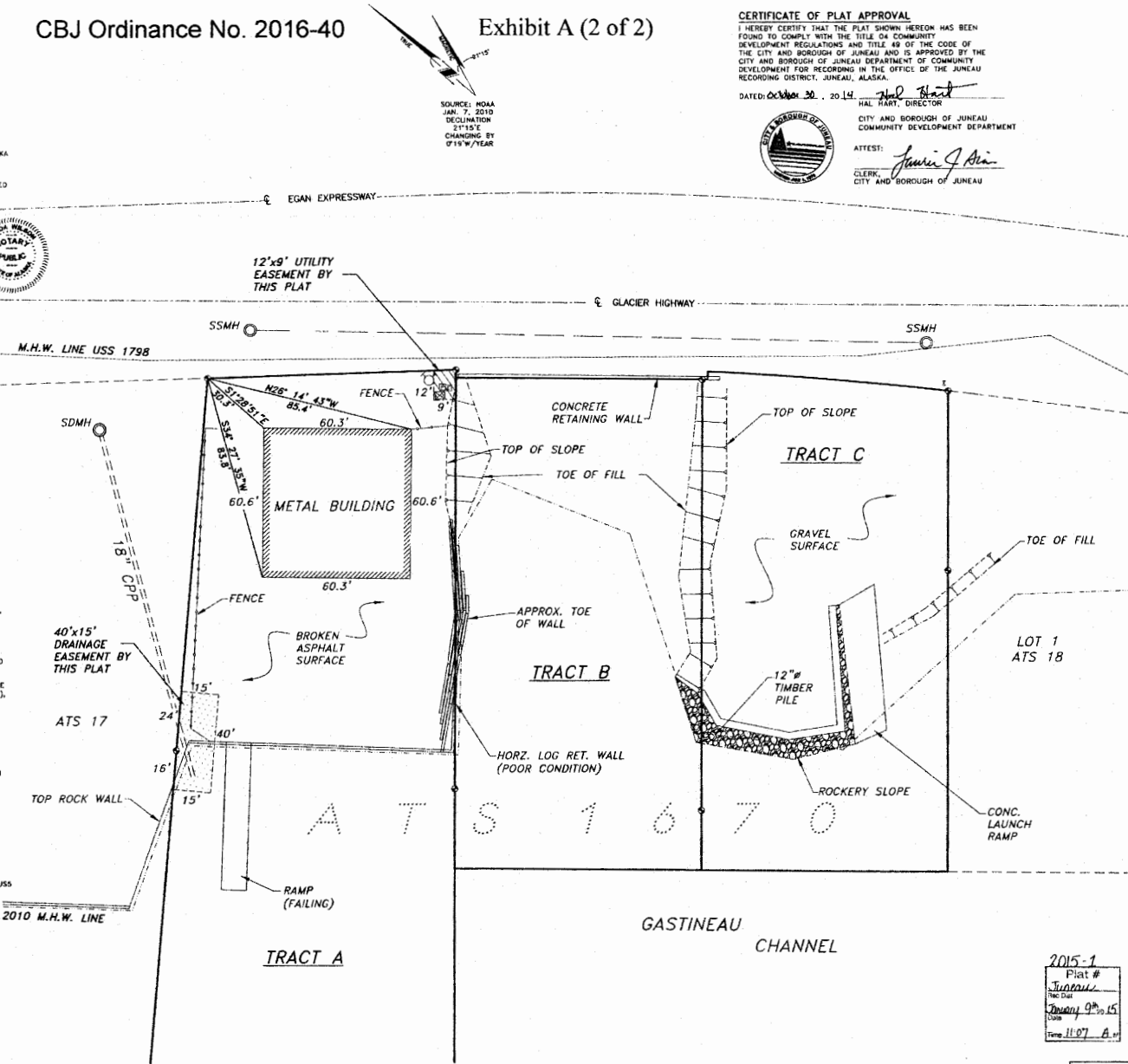
NOTARY'S ACKNOWLEDGEMENT

SUBSCRIBED AND SWORN TO BEFORE ME THIS 30th DAY OF OCTOBER, 2014
BY: *Carly Uchytel*

Jamie J. Aie
NOTARY PUBLIC FOR ALASKA
MY COMMISSION EXPIRES: 11/1/16

GENERAL NOTES

- THE BASIS OF BEARING FOR THIS SURVEY WAS BETWEEN A RECOVERED IRON PIPE MONUMENT LOCATED AT CORNER C-2 OF USS 1798 AND A RECOVERED OLD BRASS CAP MONUMENT AT CORNER C-3, USS 1798, HAVING A RECORD BEARING OF N55°54'0"W.
- WHERE RECORD SURVEY COURSES (BEARINGS AND/OR DISTANCES) DIFFER FROM THAT OF ACTUAL FIELD MEASURED AND/OR COMPUTED SURVEY COURSES, THE RECORD BEARING AND/OR DISTANCE IS SHOWN WITHIN PARENTHESES WHILE THE ACTUAL MEASURED AND/OR COMPUTED SURVEY COURSE IS SHOWN WITHOUT PARENTHESES.
- THIS SURVEY IS BASED UPON THE FOLLOWING DOCUMENTS ON FILE IN THE JUNEAU RECORDERS OFFICE: A.T.S. NO. 18 (PLAT NO. 2001-7), A.T.S. 54 (PLAT NO. 2001-4)
- THIS SURVEY WAS ACCOMPLISHED IN ACCORDANCE WITH A.S. 35.03.025 AND ALASKA TIDELANDS SURVEY 50, NO. 1670.
- ALL BEARINGS SHOWN ARE TRUE BEARINGS AS ORIENTED TO THE BASIS OF BEARINGS AND DISTANCES SHOWN ARE REDUCED TO HORIZONTAL FIELD DISTANCES.
- THE ERROR OF CLOSURE FOR THIS SURVEY IS NOT GREATER THAN 1:5000.
- MEAN HIGH TIDE WAS DETERMINED BY THE COORDINATED TIDAL OBSERVATIONS ON FEB. 16, 2010 AS EXTRAPOLATED FROM THE NOAA PUBLICATION FOR THE PREDICTIONS OF HIGH AND LOW WATERS FOR 2007.
- THE BASIS OF COORDINATES DN THIS PLAT WAS DETERMINED BY A HIGH PRECISION GPS SURVEY, USING TRIMBLE RB-2 RECEIVERS, DIFFERENTIALLY CORRECTED AND PROCESSED USING TRIMBLE BUSINESS CENTER, VERSION 2.4 SOFTWARE.
- THE COORDINATES USED WERE CONSTRAINED TO THE NATIONAL SPATIAL REFERENCE SYSTEM (NAD83) USING CORS STATIONS JNU-1, GUS5 AND GUS6.



SURVEYOR'S CERTIFICATE

I HEREBY CERTIFY THAT I AM PROPERLY REGISTERED AND LICENSED TO PRACTICE LAND SURVEYING IN THE STATE OF ALASKA, THAT THIS PLAT REPRESENTS A SURVEY MADE BY ME OR UNDER MY DIRECT SUPERVISION, THAT THE MONUMENTS SHOWN HEREON ACTUALLY EXIST AS DESCRIBED, AND THAT ALL DIMENSIONS AND OTHER DETAILS ARE CORRECT.

DATE: 2-20-14 REGISTRATION NO. LS 7670
Jamie J. Aie
REGISTERED LAND SURVEYOR



SCALE 1" = 20' (6.10 Meters)

1 METER = 3.280835 U.S. SURVEY FEET
U.S. ACRES = 0.4047 HECTARES

DATE OF SURVEY: JAN. 25, 2010
NAME OF SURVEYOR: *Jamie J. Aie*
REGISTERING: MAY 3, 2010

STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF MINING, LAND AND WATER
ANCHORAGE, ALASKA

ALASKA TIDELAND SURVEY NO. 1670

A REPLAT OF LOTS 2 AND 3, ATS 18 AND REPLAT OF ATS 54

LOCATED WITHIN PROTRACTED SECTION 9 TOWNSHIP 41 SOUTH, RANGE 67 EAST, COPPER RIVER MERIDIAN, ALASKA CONTAINING 2.58 ACRES JUNEAU RECORDING DISTRICT

DRAWN BY: GDW DATE: 9-18-14 APPROVAL RECOMMENDED: *is/edward* DATE: 11-07-14

CHECKED: M.A.J. FILE NO. ATS 1670

SHEET 2 OF 2

2015-1
Plat #
Juneau
Drawing 9th 15
Time 11:07 A.M.