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City of Dillingham  
Box 889  
Dillingham, Alaska 99576

**REQUEST FOR PROPOSALS  
RFP 2021-05 Harbor Office Building Lease**

The City of Dillingham is soliciting sealed proposals from businesses that engage in and support the commercial and/or sport fisheries in Dillingham and the region, can provide a clear connection to fisheries related economic development, can provide evidence of past and future employment in the fishing industry, and have an interest in a long-term lease of the Old Harbor Office Building (approx. 1000 sq. ft.), located at 317 Harbor Road.

**SPECIFICATIONS**

**Submittal Requirements and Information**

To be considered, one original and two copies of the proposal must be delivered to the address below, on or before the deadline no later than 4:00 p.m. on January 6, 2022. Proposals must include original signatures by an individual able to legally represent the firm. Late proposals will not be opened or evaluated.

Please mark the envelope to identify the project:  
**RFP 2021-05 Harbor Office Building Lease**

Delivery instructions – mail or hand deliver in a sealed envelope to:

Planning Office  
City of Dillingham  
PO Box 889  
Dillingham, AK 99576

**Electronic and faxed proposals will not be accepted.**

**A pre-proposal meeting will not be held.**

**Background**

The City of Dillingham (COD) has a property ready for lease “as is,” with the COD providing any upgrades to meet code if found lacking. The property is located in the Dillingham Harbor and was the harbor office building. The top floor of the building is approximately 720 square feet, has a kitchen, full bathroom, and a couple of other rooms. There is a full basement, with 6’ ceilings, which could be used for storage. The lessee will be responsible for paying all utilities. However, the COD will provide normal maintenance for the heating and water utilities systems. The lessee will be responsible for janitorial and snow removal of the leased property. The lease contract will be awarded for a 2 (two) year period with the possibility of extension by both parties.

Preference will be given to those entities that directly engage in and support the commercial and/or sport fisheries in Dillingham and the region, whose location in the harbor provides a clear connection to fisheries related economic development, and who can provide evidence of past and future employment in the fishing industry.

The proposals will provide the monthly rental amount you propose, with the understanding that the City will exercise the option to negotiate the rent to a reasonable market rate.

See Exhibit A for floor plan and exterior pictures.  
See Exhibit B for Sample Lease Agreement

### **Oral Interpretations and RFP Modifications**

No oral change or interpretation of any provision contained in this RFP is valid. Written addenda will be issued when changes, clarifications or amendments are deemed necessary. It is the responsibility of the proposer to ensure their information is included on the proposal plan holder list.

Acknowledgement of all addenda made part of this RFP is required to be stated in the proposal cover letter.

### **Confidentiality**

The content of all proposals will be kept confidential until the contract agreement is signed and a Notice to Proceed is issued to the selected firm. All materials submitted in response to this RFP will become the property of the City of Dillingham.

## **SUBMISSIONS OF PROPOSALS AND BIDS**

### **Proposal Content**

Each proposal is required to provide:

- Detailed description of the intended use;
- Description of the business and how long you have been in operation;
- Explanation of how the business engages in and supports the commercial and/or sport fisheries in Dillingham and the region;
- Explanation how location in the harbor provides a clear connection to fisheries related economic development;
- Demonstration of evidence of past and future employment in the fishing industry;
- Plan for year round or seasonal occupancy;
- Approximate number of people who will be occupying the building;
- Number of parking spots required;
- Monthly rent you are offering (Once the City identifies the business entity it intends to lease the building to, the rent will be negotiated);
- Three (3) references with names and phone numbers.

### **Proposal Format**

To achieve a uniform review process and obtain the maximum degree of compatibility, it is required that the proposals and bids be organized in the manner specified below. Information in excess of pages allowed will not be evaluated/scored. One page shall be interpreted as one side of single spaced, typed, 8-1/2" x 11" piece of paper, minimum 10 point font.

- Cover Letter 1 page maximum
- Proposal Narrative 10 pages maximum

## **Equal Employment Opportunity Reporting Requirements**

The successful proposer shall be required to comply with all federal and state laws including Equal Employment Opportunity hiring. Failure to meet these regulations shall be grounds for not awarding a contract.

## **SELECTION PROCESS & CONTRACT AWARD**

### **Criteria**

- Proposals will be evaluated based on proposed use;
- Business description;
- How business engages in and supports the commercial and/or sport fisheries in Dillingham and the region;
- How location in the harbor provides a clear connection to fisheries related economic development;
- Demonstration of evidence of past and future employment in the fishing industry;
- Proposed Rental Rate
- References

### **Evaluation Process**

Proposals will be reviewed by a Selection Committee established for this particular RFP.

### **Contract Negotiations**

The City of Dillingham intends to negotiate a contract with the firm which in the committee's sole judgment, is best suited to lease the property. The highest ranked potential tenant may be invited to enter into negotiations with the City of Dillingham for purposes of award. If a lease contract cannot be reached with the highest ranked proposer, the second-highest ranked proposer may be contacted for negotiations. This process may continue until successful negotiations are achieved. However, the City reserves the right to terminate negotiations with any proposer should it be in their best interest.

The successful tenant will provide suitable fire and liability insurances, will hold a valid and applicable business license, and be current on payment of fees and taxes. The City reserves the right to reject any or all Proposals.

### **Proof of Insurance and Licensing**

Responding bidders will be required to provide the following prior to a "Notice of Intent to Award":

- Copy of City of Dillingham Business License
- State of Alaska Business License [Per AS 43.70 any individual, partnership, or company which engages in business activity in Alaska must have a business license. "Business" means a for profit or nonprofit entity engaging or offering to engage in a trade, a service, a profession, or an activity with the goal of receiving a financial benefit in exchange for the provision of services, or goods, or other property.]
- Certification of Insurance and Workers Compensation as required under AS23.30 naming all employees [Not required for sole proprietors with no employees.]
- Proof of commercial insurance, covering bodily injury, death, and property damage with a single limit not less than one million (\$1,000,000) dollars.

- Vehicle liability insurance including applicable uninsured/underinsured coverage with limits of liability not less than five hundred thousand (\$500,000) dollars per occurrence combined single limit bodily injury and property damage.

### **Conditions of Offering and Acceptance**

This is a Request for Proposal and is not a guarantee the City of Dillingham will purchase any or all of the products or services indicated in this proposal.

***\*The City of Dillingham reserves the right to reject or accept any and all bids, to waive irregularities or informalities in the procurement process, and to give particular attention to the qualifications of the proposer.\****

The City reserves the right to revise or clarify the Request for Proposal, respond to questions, and/or extend or shorten the due date of proposals.

The City retains the right to cancel the Request for Proposal process if the City determines it is in their best interest.

All costs incurred during proposal preparation, or in any way associated with the proposer's preparation, response, submission, presentation or oral interview if required, shall be the sole responsibility of the proposer and shall not be reimbursed.

A proposal may be corrected or withdrawn at any time prior to the final submission date by sending written notification of this withdrawal, signed by an agent authorized to represent the respondent, to the City's Designated Representative indicated above. The proposer may thereafter submit a new or modified proposal prior to the submission date. A final proposal cannot be changed or withdrawn after the time designated for receipt, except for modifications requested by the City after the date of receipt and following oral presentation (if requested).

All bid proposals and other material submitted become City property and may be returned only at their option.

The City assumes no responsibility or liability for the transmission, delay, or delivery of bid proposals by either public or private carriers.

Any and all media announcements pertaining to this RFP require the City's prior written approval.

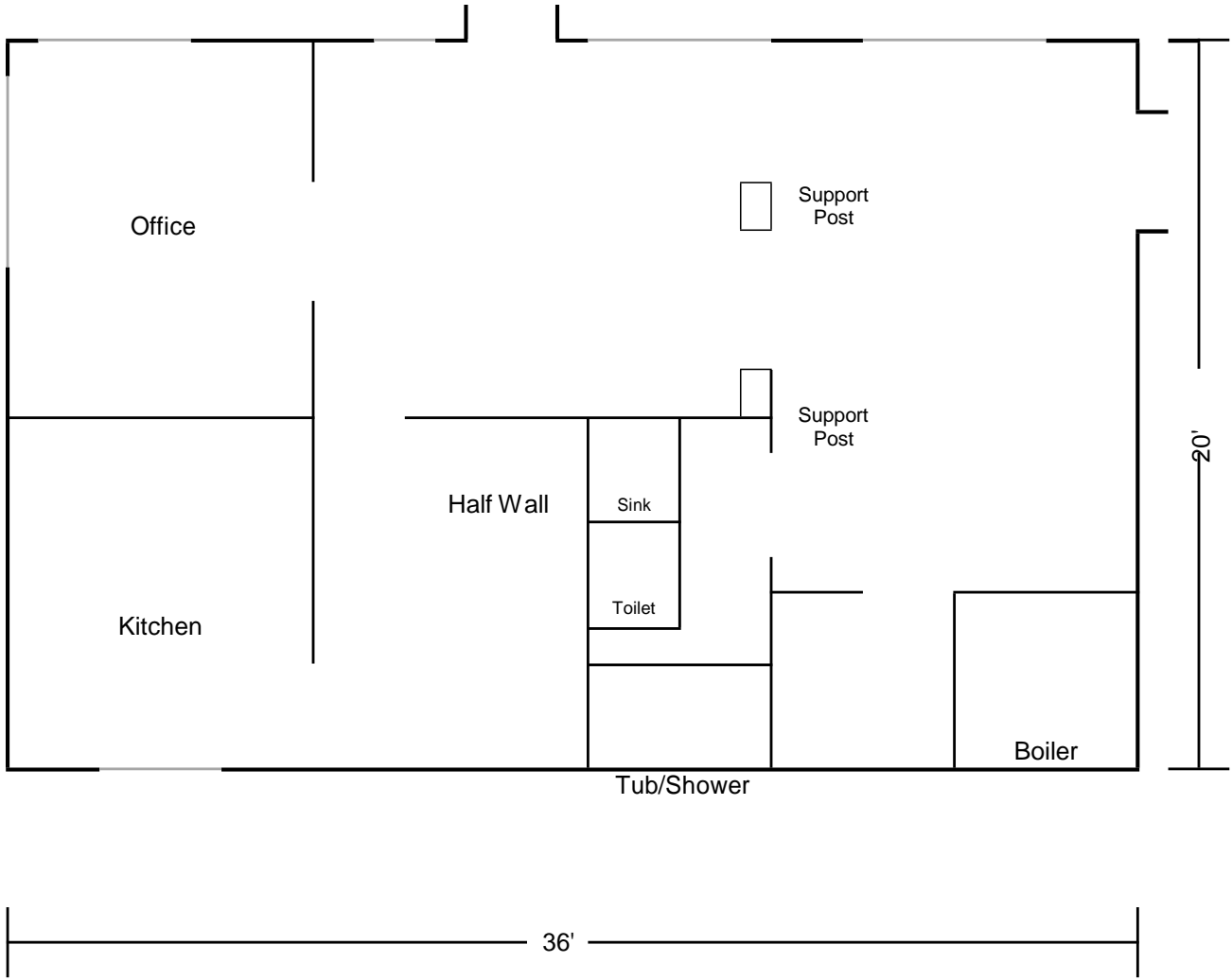
The bidder agrees to allow the City at least 30 days from the bid date to enter into a contract with the selected bidder for the price offered by the bidder.

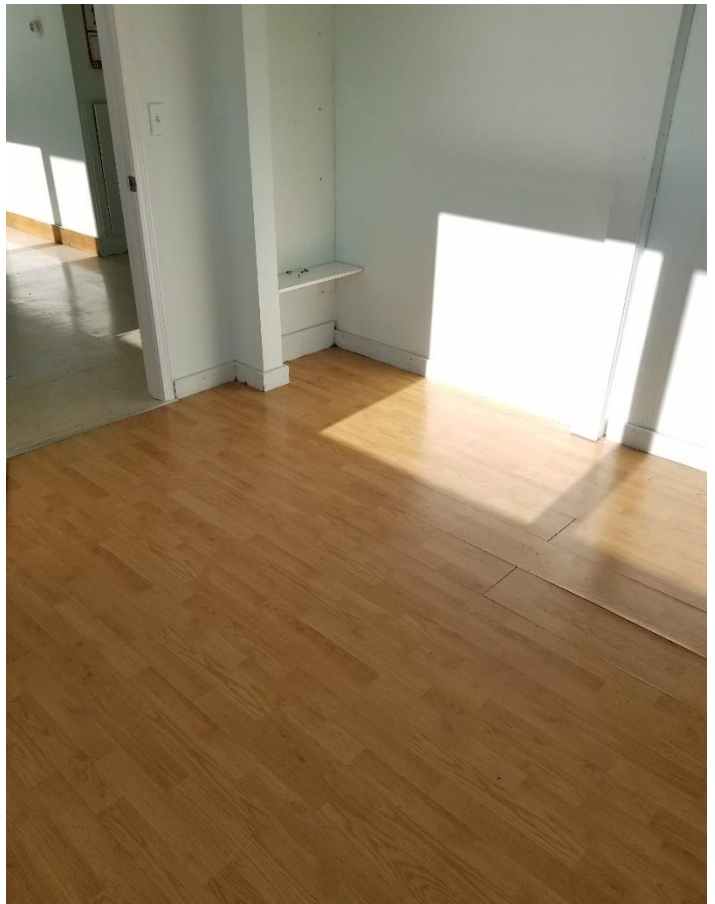
The City intends to award a contract, subject to negotiation of a satisfactory agreement based upon the City's standard professional services contract form.

Contractor shall in the performance of a contract, comply with all applicable federal, state and local laws, ordinance, orders, rules and regulations applicable to its performance.

Contractor must be in compliance with Dillingham Municipal Code 4.20.240, Tax Delinquent List.

**Exhibit A: Floor Plan & Photos**





## Exhibit B: Sample Lease Agreement

### LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease") made this \_\_\_\_\_ day of \_\_\_\_\_, 2022, by and between, the City of Dillingham, whose address is P.O. Box 889, Dillingham, Alaska, 99576 ("Lessor"), and \_\_\_\_\_, whose address is \_\_\_\_\_ ("Lessee").

### WITNESSETH:

WHEREAS, Lessor is the owner of certain property located in Dillingham, Alaska, which includes the land more fully described below and the building thereon, which together are hereinafter referred to as the "Premises"; and

WHEREAS, Lessor desires to lease the Premises to Lessee for use as \_\_\_\_\_

WHEREAS, Lessee desires to lease the Premises from Lessor for the same purpose.

NOW THEREFORE, in consideration of the premises, the covenants made herein, and the acts to be performed by the parties hereto, the parties have agreed and by this lease do agree as follows:

### I RECITALS

The recitals herein above set forth are incorporated herein by reference for all purposes.

### II LEASED PROPERTY

Lessor hereby leases to Lessee and Lessee hereby leases from Lessor the following described property:

A parcel of land located within U.S. Survey 3643, Lot 32; said property more particularly described as 317 Harbor Road, Dillingham, Alaska.

Building contains approximately One thousand (1,000) rentable square feet, more or less.

### III LEASE TERM

The term of this Lease shall be for two (2) years beginning on \_\_\_\_\_, 2022 and ending on \_\_\_\_\_, 2024, unless continued as hereinafter provided.

### IV OPTION TO RENEW

Lessor agrees that Lessee shall have the option to extend this Lease one time for a period of one (1) year. Lessee shall notify Lessor at least 60 days prior to the termination of the lease if Lessee does not intend to renew the lease.

V  
RENTAL PAYMENTS

The monthly rental payment shall be \_\_\_\_\_ to be paid in advance of the first calendar day of each month without demand by Lessor. Rent shall be prorated for any partial month. If the option to renew is exercised, the rent payment shall increase by 10% per month.

VI SECURITY  
DEPOSIT

On the execution of this Lease, Lessee shall pay to Lessor as a security deposit the amount of Fifteen hundred dollars (\$1,500.00).

VII  
USE OF PREMISES/QUIET ENJOYMENT

The Premises shall be used by Lessee for the purpose of \_\_\_\_\_. Lessee shall not use or permit the Premises or any part thereof to be used for any other purpose or in violation of any municipal, borough, state, federal, or other governmental law, ordinance, rule or regulation. No use will be made upon the Premises, or acts done which will increase the existing rate of insurance upon the property or cause cancellation of the insurance policies covering the property.

VIII  
TAXES AND ASSESSMENTS

(a) Lessor shall pay all taxes and assessments upon the Premises and upon the buildings and improvements thereon, which are assessed during the Lease Term or any extension thereof.

(b) Lessee shall pay all taxes on trade or other fixtures on the Premises, any license and excise fees or occupation taxes concerning any business conducted on the Premises, any sales tax which may become payable as a result of this Lease, and timely remit all sales taxes owed to the City of Dillingham. Failure to timely remit sales taxes owed to the City shall constitute a violation of this Lease.

IX  
UTILITIES AND SERVICES

(a) Lessor shall at its expense furnish structural, building, and mechanical systems maintenance to the Premises on a regular basis requiring access that Lessee acknowledges and agrees to.

(b) Lessee shall at its expense furnish all utilities, except electricity, including but not limited to heat (leaving tank full), water, sewer, trash and snow removal, janitorial, interior maintenance, bulbs.

(c) Lessor shall not be liable for any loss or damage caused by or resulting from any violation, interruption, or failure of such utility or services due to any cause whatsoever.

X INDEMNIFICATION OF  
LESSOR

Lessee shall indemnify Lessor against all liabilities, expenses, and losses incurred by Lessor as a result of:

(a) failure by Lessee to perform any covenant required to be performed by Lessee hereunder;

(b) any accident, injury, or damage which may occur in or about the Premises or



appurtenances, or on or under the adjoining streets, sidewalks, curbs, or vaults resulting from the condition, maintenance, or operation of the Premises, or from any act or omission of Lessee or Lessee's agents;

(c) failure to comply with any requirement of any governmental authority; and

(d) any mechanic's liens or security agreement filed against the Premises, any equipment therein, or any materials used in the construction or alteration of any materials used in the construction or alteration of any building or improvements thereon.

## XI INSURANCE

(a) Lessee, during the Lease Term, shall carry, at its sole expense, plate glass, public liability, general liability, and property damage insurance covering the Premises insuring Lessor and Lessee with minimum liability limits of \$1,000,000.00 CLS.

(b) All insurance policies required to be maintained by Lessee under subsection (a) above shall name Lessor (or Lessor's designee) and Lessee as the insured, as their respective interests appear. All such policies shall contain an agreement by the insurer(s) that such policies shall not be cancelled without at least ten (10) days' prior written notice to Lessor. Certificates or copies of all insurance policies shall be furnished to Lessor promptly after the issuance thereof.

(c) Lessor shall not be liable to Lessee, its sub-lessee, or their respective agents, employees, licensees, and invitees for any loss or damage caused by fire or any of the risks enumerated in a standard fire insurance policy with a broad form extended coverage.

(d) Lessor, at his/her expense will maintain property insurance covering the building and improvements owned by the Lessor throughout the Lease term. Lessor's insurance will not insure Lessee's personal property, leasehold improvements or trade fixtures.

## XII CASUALTY

In case of damage by fire or other casualty to the building in which the Premises are located, without the fault of Lessee, if the damage is so extensive as to amount practically to the total destruction of the Premises or of such building, this lease shall cease, and the rent shall be apportioned to the time of the damage. In all other cases where the Premises are damaged by fire or other casualty without the fault of Lessee, Lessor may repair the damage or terminate this Lease at Lessor's sole option, if the damage has rendered the Premises untenable, in whole or in part, there shall be an apportionment of the rent until the damage has been repaired.

## XIII DEFAULT BY LESSEE AND REMEDIES

The following events shall be deemed to be events of default by Lessee under this Lease:

(a) Lessee fails to pay any installments of rent, sales tax, or other obligation hereunder involving the payment of money and such failure shall continue for a period of ten (10) days after the due date.

(b) Lessee fails to comply with any term, provision, or covenant of this lease, other than as described in subsection (a) above, and shall not cure such failure within fifteen (15) days after written notice thereof to Lessee.

(c) Lessee or any guarantor of Lessee's obligations under this Lease becomes insolvent, or makes a transfer in fraud of creditors, or makes an assignment of this Lease for the benefit of creditors.

(d) Lessee or any guarantor of Lessee's obligations under this Lease files a petition under any section or chapter of the National Bankruptcy Act, as amended, or under any similar law or statute of the United States or any state thereof, or Lessee or any guarantor of Lessee's obligations under this Lease shall be adjudged bankrupt or insolvent in proceedings filed against Lessee or any guarantor of Lessee's obligations under this Lease.

(e) A receiver or Trustee is appointed for the Premises or for all or substantially all of the assets of Lessee or of any guarantor of Lessee's obligations under this Lease.

(f) Lessee deserts or vacates, or commences to desert or vacate, the Premises or any substantial portion of the Premises, or removes or attempts to remove without the prior written consent of Lessor all or a substantial portion of Lessee's goods, wares, equipment, fixtures, furniture, or other personal property.

(g) Lessee does or permits to be done anything which creates a lien upon the Premises.

Upon the occurrence of any such events of default, Lessor shall have the option to pursue either of the following alternative remedies:

(1) Without any notice or demand whatsoever, Lessor may take any action permissible at law to insure performance by Lessee of Lessee's covenants and obligations under this Lease. In this regard, it is agreed that if Lessee deserts or vacates the Premises, Lessor may enter upon and take possession of such premises in order to protect them from deterioration and continue to demand from Lessee the monthly rentals and other charges provided in this Lease, without any obligation to re-let; but that if Lessor does, at its sole discretion, elect to re-let the Premises, such action by Lessor shall not be deemed as an acceptance of Lessee's surrender of the Premises unless Lessor expressly notifies Lessee of such acceptance in writing. Lessee hereby acknowledges that Lessor shall be re-letting as Lessee's agent and Lessee hereby agrees to pay to Lessor on demand any deficiency that may arise between the monthly rentals and other charges provided in this Lease and that actually collected by Lessor. It is further agreed that in the event of any default described in this Section XIII, Lessor has the right to enter upon the Premises by force if necessary without being liable for prosecution or any claim for damages therefore, and do whatever Lessee is obligated to do under the terms of this lease; and Lessee agrees to reimburse Lessor on demand for any expenses which Lessor may incur in thus effecting compliance with Lessee's obligations under this lease, and Lessee further agrees that Lessor shall not be liable for any damages resulting to Lessee from such action.

(2) Lessor may terminate this Lease by written notice to Lessee, in which event Lessee shall immediately surrender the Premises to Lessor, and if Lessee fails to do so, Lessor may, without prejudice to any other remedy which Lessor may have for possession or arrearages in rent, enter upon and take possession of the Premises and expel or remove Lessee and any other person who may be occupying said premises or any part thereof, by force if necessary, without being liable for prosecution or any claim for damages therefore. Lessee hereby waives any statutory requirement of prior written notice for filing eviction or damage suits for nonpayment of rent. In addition, Lessee agrees to pay to Lessor on demand the amount of all loss and damage which Lessor may suffer by reason of any termination carried out pursuant to this subsection (2), including actual reasonable attorney's fees..

It is further agreed that Lessee shall compensate Lessor for all expenses incurred by Lessor in effecting such repossession (including among other expenses, reasonable actual attorney's fees and any increase in insurance premiums caused by the vacancy of the Premises), all expenses incurred by Lessor in re-letting (including among other expenses, repairs, remodeling, replacements, advertisements, and brokerage fees), all concessions granted to a new tenant upon re-letting (including among other concessions, renewal options) and all losses incurred by Lessor as a direct or indirect result of Lessee's default.

XIV  
LESSOR MAY CURE DEFAULTS

In the event of any breach hereunder by Lessee, Lessor may, on reasonable notice to Lessee, cure such breach at the expense of Lessee. If Lessor, at any time, by reason of such breach, is compelled to pay or elects to pay any sums or money, or is compelled to incur any expenses, including reasonable attorney's fees, in instituting, prosecuting, an/or defending any action or proceeding to enforce Lessor's rights hereunder, or otherwise, the sum or sums paid by Lessor, with all interest, costs, and damages, shall be deemed to be additional rent hereunder and shall be due from Lessee to Lessor on the first day of the month following the incurring of such respective expenses.

XV  
DEFAULT BY LESSOR

Lessor shall not be in default unless Lessor fails to perform its obligations under this Lease within thirty (30) days after written notice by Lessee, or if such failure is not reasonably capable of being cured within such thirty (30) day period, Lessor shall not be in default unless Lessor has failed to diligently pursue the cure to the extent possible.

XVI  
SUBORDINATION

Lessee accepts that this Lease is subject and subordinate to any mortgage, deed of trust or other lien presently existing upon the Premises and to any renewals and extensions thereof.

XVII  
LIENS AND ENCUMBRANCES

Lessee shall keep the Premises free and clear from any liens and encumbrances arising or growing out of the use and occupancy of the Premises by Lessee.

XVIII  
ADDITIONS, ALTERATIONS OR IMPROVEMENTS TO PREMISES

Lessee shall not make any structural alterations, additions, or improvements in or to the Premises without first obtaining the express written consent of Lessor. Any such alterations, additions or improvements approved by Lessor shall be made at Lessee's expense, and Lessor may require, as a condition of approval, that Lessee agrees to return the Premises to its original condition before expiration of the term of this Lease. In addition, Lessor may require, as a condition for such approval, that Lessee deposit with Lessor sufficient security to protect Lessor from any and all liens for materials or labor supplied to the Premises and require Lessee to furnish proof prior to the commencement of any work on the Premises that the persons employed in connection with the work have Workmen's Compensation Insurance and liability insurance sufficient, in Lessor's sole and absolute discretion, to protect Lessor from any liability in connection with the making of such alterations, additions or improvements. Notice is hereby given that Lessor will not be responsible for payment for any labor or materials furnished to the Premises at Lessee's request, and no mechanic's or materialman's liens for such labor or materials shall attach to Lessor's interest in the Premises.

XIX MAINTENANCE OF  
PREMISES

Lessor shall, at his expense, maintain and keep in good repair the foundations, exterior walls, roof, and other structural portions of the Premises. Lessee shall, at its expense, maintain the interior of the Premises at all times in good condition and repair, and shall commit no waste of any kind in, on or about the Premises, nor create or suffer a nuisance to exist on the Premises. At the expiration of the term of this Lease, Lessee shall surrender the Premises to Lessor in good condition, normal wear and

tear excepted. Lessee shall pay for any and all damage to the Premises, the building located on the Premises and its appurtenances, and the personal property of Lessor. If abnormal wear and tear, abuse or waste of the Premises is found during the term of this Lease, Lessee shall, upon demand by Lessor, immediately eliminate such abnormal wear and tear, abuse or waste and restore the Premises to its condition at the beginning of the Lease, normal wear and tear excepted. Lessee shall be responsible for repair and replacement of doors and windows located on the Premises for any cause except for causes attributable to Lessor. At the end of the leased period, Lessee shall leave the rental space clean, including the repair of any damages to the interior walls.

XX  
LESSEE'S OWNERSHIP OF TRADE  
FIXTURES, MACHINERY AND EQUIPMENT

It is expressly understood and agreed that any and all trade fixtures, machinery and equipment of whatsoever nature at any time constructed, placed or maintained upon any part of the Premises shall be and remain the property of Lessee or its tenants and may be removed or replaced at any time during the Lease Term, provided Lessee or its tenants repair any and all damage to the building or improvements resulting from such removal or replacement.

XXI  
LESSEE'S RIGHT TO REMOVE IMPROVEMENTS AND  
LESSOR'S OWNERSHIP THEREOF

Neither Lessee nor its tenants shall have the right to remove any buildings or improvements constructed or placed upon the Premises without the prior written consent of Lessor, and, at the expiration of the Lease Term, all buildings and improvements on the Premises shall become the property of Lessor without the payment of any compensation to Lessee or its tenants. Lessee shall have the right to remove any and all of its personal property and fixtures, including furniture not permanently attached to the Premises.

XXII  
ASSIGNMENT SUBLEASE

Neither Lessee nor Lessee's legal representatives or successors in interest, shall assign or mortgage this Lease, or sublet the whole or any part of the Premises, or permit the Premises or any part thereof to be used by others without the express written consent of Lessor. Any consent by Lessor to any act of assignment or subletting shall be held to apply only to the specific transaction thereby authorized and shall not relieve or release Lessee from its obligations or duties to Lessor under this Lease; that is, the assignor Lessee continues to be liable hereunder. Such consent shall not be construed as a waiver of the duty of Lessee, or its legal representatives, or the assigns of Lessee, to obtain from Lessor consent to any other or subsequent assignment or subletting, or as modifying or limiting the rights of Lessor under the foregoing covenant by Lessee not to assign or sublease without such consent. Any violation of any provision of the Lease, whether by act or omission, by any assignee, subtenant or undertenant, or occupant shall be deemed a violation of such provision by Lessee, it being the intention and meaning of the parties hereto that Lessee shall assume and be liable to Lessor for any and all acts and omissions of any and all assignees, subtenants, undertenants, and occupants. If this Lease is assigned, Lessor may and is hereby empowered to collect rent from the assignee. If the premises or any part thereof be under-let or occupied by any person other than Lessee, Lessor, in the event of Lessee's default, may and is hereby empowered to collect rent from the undertenant or occupant. In either of such events, Lessor may apply the net amount received by it to the rent herein reserved, and no such collection shall be deemed a waiver of the covenant herein against assignment and under-letting, or the acceptance of the assignee, undertenant, or occupant as tenant, or a release of Lessee from the further performance of the covenants herein contained on the part of Lessee.

XXIII  
SIGNS

(a) Lessee shall be entitled at its sole cost and expense, to place appropriate signage on the exterior walls of the premises, subject to Lessor's written approval. Approval will not be unreasonably withheld.

(b) During the three (3) months prior to the expiration of the Lease Term, Lessor may place upon the Leased Land reasonably sized notices "To Rent" or "For Sale", which notices Lessee shall permit to remain without molestation.

XXIV  
NOTICE OF NON-RESPONSIBILITY

Notice is hereby given that Lessor shall not be liable for any labor or materials furnished or to be furnished to Lessee on credit and no lien of any nature or type shall be attached to or affect the reversion or other estate of the Lessor in and to the premises herein let. At least twenty (20) days before commencing any work that is or may be the subject of a lien for work or materials furnished to the Premises, Lessee shall notify Lessor in writing thereof, to allow Lessor, if Lessor desires, to post and record notices of non-responsibility or to take other steps the Lessor deems appropriate to protect Lessor's interests. The provisions of this section do not eliminate the requirement for written consent(s) of Lessor.

XXV  
TIMELINESS REQUIRED

Time is of the essence in all actions required to be performed under this Lease.

XXVI  
"AS IS, WHERE IS"

Lessee leases the property "as is" and "where is" and assumes the responsibility and risks of all defects and conditions, including but not limited to environmental hazards. The intent of the parties is that Lessee has had already and shall continue to have a thorough opportunity to inspect and study the property before signing this Lease, but that once the Lease is signed, Lessor shall have no further responsibility or liability to Lessee or any third party for any claims of any kind that may arise as to the property.

XXVII  
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 is brought for the enforcement thereof, the defaulting party shall pay to the other all the expenses incurred therefore, including full, actual, reasonable attorney's fees. Any sums due from the Lessee under this lease shall accrue interest at 10.5% per annum from the date they are due until paid in full.

XXVIII  
NO WARRANTIES PROVIDED BY LESSOR

Neither Lessor, nor any of its officers, employees, agents, attorneys, or representatives have previously nor does under this agreement make any representations or warranties, and none of the persons or entities described above shall in any way be liable for or with respect to:

(1) the condition of the real property or the suitability of the real property for Lessee's

intended use, or for any use whatsoever;

(2) the presence or existence of any hazardous substances, asbestos, oil or other petroleum product contamination or any other substance as to which the discharge, leakage, spillage, or presence on the property would be regulated by applicable state or federal law.

XXIX  
NOTICES

All notices hereunder may be delivered or mailed. If mailed, they shall be sent by certified or registered mail to the following respective addresses:

LESSOR:  
City of Dillingham  
PO Box 889  
Dillingham, Alaska 99576

LESSEE:  
(Business Name & Address)

With a courtesy copy to:  
Patrick W. Munson, Esq.  
Boyd, Chandler & Falconer, LLP  
911 West 8<sup>th</sup> Ave., Suite 302  
Anchorage, Alaska 99501

or to such other respective addresses as either Lessor or Lessee may hereafter from time to time designate in writing. Notices sent by mail shall be deemed to have been given when properly mailed.

XXX  
COMPLIANCE WITH LAWS

Lessee shall comply with all applicable laws, ordinances, and regulations of duly constituted public authorities then in force in any manner affecting the Premises, 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 same. Lessee further agrees 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.

XXXI  
WAIVER

Neither the acceptance of rent nor any other act or omission of Lessor at any time or times after the happening of any event which would enable Lessor to cancel this Lease or declare Lessee's interest hereunder forfeited, shall operate as a waiver of any past or future violation, breach or failure to keep or perform any covenant, agreement, term or condition hereof or to deprive Lessor of right to cancel or terminate this Lease at any time that cause for cancellation or termination may exist, or be construed so as to at any future time estop Lessor from promptly exercising any other option, right or remedy that it may have under any term or provision of this Lease.

XXXII  
HOLDING OVER

In the event Lessee remains in possession of the Premises after expiration of this Lease and all renewal terms without a written Lease, Lessee shall be deemed to be occupying the Premises as a tenant from month-to-month, subject to all the conditions, provisions and obligations of this Lease insofar as they may be applicable to such month-to-month tenancy.

XXXIII  
BENEFIT

Subject to the restrictions stated in Article XXII hereof, all the terms, conditions, covenants and agreement in this Lease shall extend to and be binding upon the Lessor, Lessee and their respective successors and assigns and upon any person, firm or corporation coming into ownership or possession of any interest in the Premises by operation of law or otherwise, and shall be construed as covenants running with the land.

XXXIV  
DEFINITIONS

The words "Lessor", Lessors", and "Lessee", "Lessees" as used in this Lease shall include both the singular and plural, the masculine, the feminine and the neuter whenever appropriate and shall include any individual or person acting in a fiduciary capacity as an executor, administrator, and trustee or in any other representative capacity. The titles of paragraphs herein are for identification only and not to be considered to a part of this Lease nor to be restrictive in any manner of the provisions of any of the paragraphs of this Lease.

XXXV  
SEVERABILITY

If any provision of this Lease shall be found to be invalid, the remainder hereof shall nevertheless be carried into effect.

XXXVI  
APPLICABLE LAW

This Lease is made under and shall be construed in accordance with the laws of the State of Alaska. Any legal proceedings arising out of this Lease shall be heard by the Court for the State of Alaska in the Third Judicial District at Anchorage.

Signed by Lessor on the \_\_\_\_\_ day of \_\_\_\_\_ 2022.

LESSOR: CITY OF DILLINGHAM

By: \_\_\_\_\_

Its: \_\_\_\_\_

Signed by Lessee on the \_\_\_\_\_ day of \_\_\_\_\_ 2022.

LESSEE: (Business Name)

By: \_\_\_\_\_

THIS IS TO CERTIFY that on this \_\_\_\_ day of \_\_\_\_\_, 2022 before me, the undersigned Notary Public in and for the State of Alaska, personally appeared \_\_\_\_\_ who is known to me to be the \_\_\_\_\_ of the City of Dillingham, and the person who executed the instrument on behalf of said organization, and affirmed that he or she was authorized to do so.

IN WITNESS HEREOF, I have hereunto set my hand and seal the day and year first herein above written.

\_\_\_\_\_  
NOTARY PUBLIC, State of Alaska  
My Commission Expires: \_\_\_\_\_

THIS IS TO CERTIFY that on this \_\_\_\_ day of \_\_\_\_\_, 2022 before me, the undersigned Notary Public in and for the State of Alaska, personally appeared \_\_\_\_\_, who is known to me to be the \_\_\_\_\_ of the Lessee, and the person who executed the instrument on behalf of said organization, and affirmed that he or she was authorized to do so.

IN WITNESS HEREOF, I have hereunto set my hand and seal the day and year first herein above written.

\_\_\_\_\_  
NOTARY PUBLIC, State of Alaska  
My Commission Expires: \_\_\_\_\_