

## LEASE AGREEMENT

This Lease Agreement, dated April 15, 2021, is hereby entered into by and between the City of Seldovia, Alaska ("Landlord"), and \_\_\_\_\_ ("Tenant"). The Parties agree as follows:

1. **PREMISES.** Landlord, in consideration of the lease payments described in Section 3 of this Lease Agreement, shall lease to Tenant, Seldovia Harbor Kiosks, Kiosk \_\_\_\_, located at Lot 6, Block 10 Waterfront ReSub No 1, Seldovia, Alaska 99663 (the "Premises").
2. **TERM.** The lease term shall begin on April 15, 2021 and shall terminate on \_\_\_\_\_, 2021.
3. **LEASE PAYMENTS AND DEPOSIT.** Tenants shall pay to Landlord monthly payments in the amount of FIVE HUNDRED FIFTY DOLLARS (\$550.00), payable in advance on the first day of each month, for a total lease payment of \_\_\_\_\_. Lease payments shall be made to Landlord at City of Seldovia, PO Drawer B, Seldovia, Alaska 99663, which address may be changed from time to time by the Landlord. A Deposit of \$\_\_\_\_.\_\_\_\_ will be due upon the first day of the lease and returned to the tenant once the kiosk is returned in the condition it was found upon the execution of the lease (reasonable wear and tear to be expected).
4. **POSSESSION.** Tenants shall be entitled to possession of the Premises on the first day of the Lease Term, and shall surrender possession to Landlord on the last day of Lease Term, unless otherwise agreed to by both parties in writing. Landlord promises to place Tenants in peaceful possession of the Premises, and Tenants, by taking possession of the Premises, will have acknowledged that they are in satisfactory and acceptable condition.
5. **USE OF PREMISES.** Tenants may use the Premises only for Professional, business-related purposes and such activities shall directly relate to Tenants' business. The Premises may be used for any other lawful purpose only with the prior written consent of Landlord, which shall not be unreasonably withheld. Tenant shall notify Landlord of any anticipated extended absence from the Premises greater than 20 days not later than the first day of the extended absence.
7. **STORAGE.** Tenants shall be entitled to store items of personal property within the interior portions of the Premises. Tenants expressly acknowledges that Landlord shall not be liable for any loss of, or damage to, any such personal items stored at the Premises.
8. **INSURANCE.**
  - A. **PROPERTY INSURANCE.** Tenant shall maintain a liability insurance policy for its interests in the Premises and its property located on the Premises covering any damage to the premises resulting from tenants' use thereof, in a total aggregate sum of at least \$500,000.00 that endorses the City of Seldovia as additional insured party on the policy. Tenants expressly acknowledge that Landlord is not responsible for any loss or liability related to any property owned by Tenant.

9. **UTILITIES AND SERVICES.** Premises do not include water, sewer, AC/Heat, or a phone landline. Electricity is supplied to the Premises by the City and Tenants shall be solely responsible for paying all electricity fees and charges incurred for the Premises and all other fees for utilities and services incurred as a result of their use of the Premises.

A. **INTERNET AND WIFI.** Tenants can secure access to Internet and Wi-Fi service through the City with SpitwSpots for \$100.00 per month. If both Kiosks are leased by tenants wishing to have internet service, the internet will then be \$50 per month per tenant. Such service shall be password protected. Landlord will regularly change passwords necessary to access such service, which it shall provide to Tenants. Tenants will not provide any other parties with such passwords, or access to the services described in this section. Tenants expressly acknowledge that any violation of this section shall be a material breach of this Lease Agreement, and Landlord shall have the right to immediately terminate it immediately, notwithstanding any other provisions herein.

10. **USE OF SURROUNDING CITY PROPERTY.** The lease is only for the Premises and porch itself. A tenant is not entitled to any other City property through this lease and may not hinder public access surrounding the Kiosk. The option to lease the surrounding property from the City may be negotiated with City Administrative staff.

11. **JANITORIAL SERVICE AND MAINTENANCE.** Tenants shall at their sole expense provide regular janitorial services for the leased Premises. Unless maintenance issues are resulting from the kiosk itself, tenant will be responsible for all costs associated with the operation of its business within the kiosk.

12. **COVENANT AGAINST WASTE.** Tenants agree that they will not commit waste in or upon the Premises. Tenants shall be responsible for the ventilation and cleanliness of the Premises.

13. **DESTRUCTION OR CONDEMNATION OF PREMISES.** If the Premises are partially destroyed by fire or other casualty to an extent that materially interferes with Tenants' reasonable use of the Premises, if the damage is reasonably repairable within sixty days after the occurrence of the destruction, and if the cost of repair is less than \$5,000.00, Landlord shall repair the Premises, and Tenants' monthly lease payment shall be reduced proportionally to the period of time that the Premises were made unusable to Tenants. However, if the damage is not repairable within sixty days, or if the cost of repair is \$5,000.00 or more, or if Landlord is prevented from repairing the damage by forces beyond Landlord's control, or if the property is condemned, this Lease shall terminate upon twenty days' written notice of such event or condition by any of the parties and any rent paid in advance by Tenants to Landlord shall be refunded to Tenants. Tenants shall give Landlord immediate notice of any damage to the Premises.

14. **DEFAULT.** Tenants shall be in default of this Lease Agreement if Tenants fail to fulfill any lease obligation or term by which Tenants are bound. Subject to any governing provisions of law to the contrary, if Tenants fail to cure its breach of any financial obligation to Landlord within 14 days, or any other obligation within 21 days, after written notice of such default is provided by Landlord to Tenants, Landlord may take possession of the Premises without further notice to the extent

permitted by law, and without prejudicing Landlord's rights to damages. In the alternative, Landlord may elect to cure any default and the cost of such action shall be added to Tenants' financial obligations under this Lease. Tenants shall pay all costs, damages, and expenses, including reasonable attorney fees and expenses, suffered by Landlord by reason of Tenants' default of any term of this Lease Agreement. All sums of money or charges required to be paid by Tenants under this Lease shall be additional rent, whether or not such sums or charges are in excess of the amounts set forth in Section 3 of this Lease Agreement. The rights provided by this paragraph are cumulative in nature and are in addition to any other rights afforded by law.

15. **LATE PAYMENTS.** For any payment not made to Landlord within 5 days after its due date, Tenants shall pay a late fee of \$75.00.

16. **NO HOLDOVER.** If Tenants fail to surrender possession of the Premises to Landlord for any period after the termination of this Lease Agreement, Tenants may not hold over, and a month-to-month tenancy shall not be created; however, each month that Tenants fail to surrender the Premises as required by Section 4 of this Lease Agreement, Tenants shall be required to pay to Landlord an amount equal to the monthly lease payment(s) as described in Section 3.

17. **CUMULATIVE RIGHTS.** The rights of the parties under this Lease are cumulative, and shall not be construed as exclusive unless otherwise required by law.

18. **NON-SUFFICIENT FUNDS.** Tenants shall be charged \$30.00 for each check that is returned to Landlord for lack of sufficient funds.

19. **REMODELING OR STRUCTURAL IMPROVEMENTS.** A tenant may not significantly alter the interiors of the Premises. Any proposed changes must be approved by City Administrative staff. Tenants may install minimal fixtures to the walls however the interiors are to remain as presented throughout the term of the lease and shall restore the Premises to substantially the same conditions that existed at the commencement of this Lease Agreement.

A. **Limitations.** Tenants further agree that except for the improvements by Tenants authorized by this Lease Agreement, Tenants will not install or construct upon the Premises any electrical wires, water or drain pipes, machinery, or other permanently installed devices, including, but not limited to, alarm systems, private music systems, or special ventilation, without the prior written consent of Landlord.

20. **ACCESS BY LANDLORD TO PREMISES.** Subject to Tenants' consent, which shall not be unreasonably withheld, Landlord shall have the right to enter the Premises to make inspections, provide necessary services, or show the unit to prospective buyers, mortgagees, tenants, employees, or contractors. However, Landlord does not assume any liability for the care or supervision of the Premises. As provided by law, in the case of an emergency, Landlord may enter the Premises without Tenants' consent. During the last three months of this Lease Agreement, or any extension of this Lease, Landlord shall be allowed to display signs soliciting renters, and to show the Premises to prospective tenants.

**21. INDEMNITY REGARDING USE OF PREMISES.** To the extent permitted by law, Tenants agree to indemnify, hold harmless, and defend Landlord from and against any and all losses, claims, liabilities, and expenses, including reasonable attorney fees, if any, which Landlord may suffer or incur in connection with Tenants' possession, use or misuse of the Premises, except Landlord's own acts or negligence.

**22. DANGEROUS MATERIALS.** Tenants shall not keep or have on the Premises any article or thing of a dangerous, flammable, or explosive character that might substantially increase the danger of fire on the Premises, or that might be considered hazardous by a responsible insurance company, unless the prior written consent of Landlord is obtained and proof of adequate insurance protection is provided by Tenants to Landlord.

**23. QUIET ENJOYMENT.** Tenants shall not commit any waste upon the Premises, nor cause any public or private nuisance or other act that may disturb the quiet enjoyment of any other tenant, nor shall Tenants allow the Premises to be used for any improper, immoral, unlawful, or unsafe purpose, including, but not limited to, the storage of any flammable materials. Tenants shall not use any apparatus, machinery or device in or on said Premises or Common Areas that shall make any noise or cause any vibration that can be detected by other tenants, or that shall in any way unreasonably interfere with their use and enjoyment.

**24. COMPLIANCE WITH REGULATIONS.** Tenants shall at all times comply with all laws, ordinances, regulations and other requirements of the federal government, State of Alaska, Kenai Peninsula Borough, City of Seldovia, and any and all other applicable authorities, including fire insurance underwriters.

**25. ASSIGNMENT.** Tenants may not have any change in the majority ownership of the Tenant existing at the inception of this Lease Agreement, nor shall Tenants assign, mortgage or pledge this Lease, without the prior written consent of Landlord, which shall not be unreasonably withheld.

A. Sublease. The tenant may sublease the Premises to up to three (3) subtenants however each subtenant must agree to all terms outlined in the tenant's lease with the City and the tenant must cover each subtenant under their insurance policy or require subtenants to have their own insurance coverage that meets these requirements. The subtenants will be charged a sublease fee by the City for use of the space totaling \$50 per month per subtenant.

**26. GOVERNING LAW.** This Lease Agreement shall be construed in accordance with the laws of the State of Alaska and the City of Seldovia.

**27. ENTIRE AGREEMENT/AMENDMENT.** This Lease Agreement contains the entire agreement of the Parties and there are no other promises, conditions, understandings or other agreements, whether oral or written, relating to the subject matter of this Lease. This Lease Agreement may be modified or amended by a written instrument signed by the Parties.

