

09/19/2025

LD-RFP-25-06

NOTICE OF LAND DISPOSAL & REQUEST FOR PROPOSALS

Request for Proposals (RFP) for LEASE of A Portion of Lot 1, Block 7A, Tidewater Development Park (Breakwater Fill Lot)

The City of Cordova (the "City") is considering disposing of through a Lease, a Portion of Lot 1, Block 7A, Tidewater Development Park (the "Property"). The Property is currently 40,259 square feet, with a usable pad of approximately 20,000 square feet and 15,000 square feet of riprap extending from the pad down to the mean high tide line. This property is not zoned however, the zoning area surrounding this lot is Waterfront Industrial Park District. The lease of the property will be for a portion of the property to exclude the City T-Dock. Final boundary lines for the lease area to be negotiated between the City and selected proposer.

Proposals and deposits are due Monday October 20, 2025, at 5 PM. Proposals and deposits received after Monday October 20, 2025, at 5 PM will not be considered.

The RFP can be found on the Public Notice page of the City website or can be picked up at City Hall.

Subject
Property



LD-RFP-25-06 Request for Proposals (RFP) for LEASE of A Portion of Lot 1, Block 7A, Tidewater Development Park (Breakwater Fill Lot)

The City of Cordova (the "City") is considering disposing of through a Lease, a Portion of Lot 1, Block 7A, Tidewater Development Park (the "Property"). The Property is currently 40,259 square feet, with a usable pad of approximately 20,000 square feet and 15,000 square feet of riprap extending from the pad down to the mean high tide line. This property is not zoned however, the zoning area surrounding this lot is Waterfront Industrial Park District. The lease of the property will be for a portion of the property to exclude the City T-Dock. Final boundary lines for the lease area to be negotiated between the City and selected proposer.

<u>Proposals and deposits are due Monday October 20, 2025, at 5 PM</u>. Proposals and deposits received after Monday October 20, 2025, at 5 PM will not be considered.

INFORMATION TO PROPOSERS

This RFP is being published to solicit proposals from interested parties that would like to LEASE all or a portion of this property. Proposals received under this RFP will be competing against proposals received under LD-RFP-25-05 which was a solicitation for proposals that were interested in purchasing the subject property. For more information on RFP LD-RFP-25-05 please see the City Public Notice page from Thursday July 31, 2025, which can be found on the City website or contact the City Planner.

The fair market value of the Property as determined by the current lease rate is \$1.02 per square foot per month and shall be the minimum price that the City is willing to accept for the lease of the Property. If the successful proposal amount is greater than the minimum price, the selected proposal amount shall be the amount paid. Proposals must clearly state the number of square feet requested.

All proposals with permanent uses such as a hotel, restaurant, retail structure, seafood industry infrastructure, covered space structure, cantilevered boardwalk, marine vendor with structure, or other similar **permanent uses** the **proposals shall include a deposit of \$4,000.00**.

If a proposal is submitted to lease only a portion of the lot for a non-permanent use such as food trucks, coffee stand, non-food vendors, marine vendor, parking area, park, open space, or other similar **nonpermanent uses** the **proposals shall submit a deposit of** \$1,000.00.

The deposit will be put toward the fees and costs the City incurs, including without limitation City staff time, appraisal costs, attorney's fees and costs, and platting fees. In the event that the City notifies an interested party that its proposal has been selected, and the interested party subsequently withdraws its proposal, the City will retain the interested party's entire deposit. The City will refund in full an interested party's deposit if the interested party's proposal is not selected by the City or the City withdraws request for proposal after selection. Any unexpended portion of a selected proposers deposit shall be applied toward the property's rental rate as per Cordova Municipal Code (CMC) 7.40.100 B

The City may dispose of an interest in City real property for less than fair market value to the United States, the State of Alaska or any political subdivision thereof, or a nonprofit or tribal corporation or association, upon a finding by the Council that the disposal will allow the use of the real property for a purpose beneficial to the City as per CMC 7.40.070

The City may issue addenda to this RFP. Addenda will be posted on the City website with this RFP. It is the responsibility of the proposer to ensure receipt of all addenda. Proposers must acknowledge all addendums in their proposal.

The attached draft lease is an example of what may be negotiated with the proposer that is awarded the Property. The attached agreement is for informational purposes only. The City reserves the right to include new or additional terms, remove terms, or modify any terms contained in the draft agreement.

The City will consider all proposals for the Property subject to any applicable laws and regulations, including CMC Chapter 7.40.

The Planning Commission will review all submitted proposals that meet the minimum requirements and criteria listed within the RFP or its attachments. The Planning Commission will then make a recommendation to the City Council on their preferred proposal. The City Council will then review all proposals that met the minimum requirements and criteria listed within the RFP and its attachments, along with Planning Commission's recommendation.

The City Council reserves the right to reject any proposal, part of any proposal, or all proposals. The City Council may accept and negotiate with any proposer deemed most advantageous to the City of Cordova.

The City Council will determine if the selected proposal will be a lease, lease with option to purchase, or purchase and sale agreement based on the proposal that is selected that was received between this RFP, LD-RFP-25-06, and LD-RFP-25-05, as stated in the intro above.

The City is disposing of the Property <u>AS-IS</u>, <u>WHERE-IS</u>, <u>WITH ALL FAULTS</u> and in its present condition, without any representations or warranties whatsoever, whether express, implied, or statutory, and subject to any liens and encumbrances of record. It is the responsibility of the proposer to understand all conditions of the Property. The lease of the property will require that final lease area be negotiated between the City and selected proposer.

For additional information or questions about the land disposal process, contact the City Planning Department at 424-6224, planning@cityofcordova.net or stop by in person.

ADDITIONAL INFORMATION:

Cordova Land Disposal Proposal Criteria (For Public Use)

Purpose

This is designed to help the public understand and apply the criteria used to evaluate land disposal projects in Cordova. The applicant will develop a detailed project proposal, supported by documents, to demonstrate how their project aligns with the city's goals and values. The attached rubric will be used to assess their proposal.

Grading Rubric

The attached grading rubric will be used to evaluate your project. Please ensure your proposal addresses all categories and includes the required deliverables as outlined above.

	Category	Criteria	Max Points
1.	Alignment with the Comprehensive Plan	Supports Cordova's goals and aligns with specific strategies	20
2.	Community Benefits	Improves quality of life, enhances architectural character, and incorporates community input	20
3.	Economic Development	Creates jobs, provides financial benefits, and includes a business plan	20
4.	Environmental Stewardship	Includes eco-friendly practices and promotes sustainability	10
5.	Proposer's Experience	Demonstrates track record and local knowledge	10
6.	Feasibility and Risk Management	Provides realistic timeline and risk mitigation strategies	10
7.	Compliance with Local Laws	Adheres to land disposal and zoning regulations	20
Total			120

Final Submission: Your completed proposal, deposit, and supporting documents are to be receive by the due date. Late submissions will not be accepted.

Assignment Overview

You are creating a detailed project proposal for land development in Cordova. Your proposal must address the following categories:

1. Alignment with the Cordova Comprehensive Plan (20 points)

- Describe how your project supports Cordova's goals for economic growth, sustainability, and cultural preservation. Provide specific examples. (12 pts)
- Explain how your project aligns with strategies for housing, public spaces, or business development as outlined in the Comprehensive Plan. (8 pts)

Deliverables:

- A written description explaining the project's alignment with the Comprehensive Plan.
- Supporting documents or visuals (e.g., maps, renderings).

2. Community Benefits (20 points)

- Explain how your project improves the quality of life for Cordova residents, including access to housing, parks, or public spaces. (10 pts)
- Describe how your project enhances the architectural character of the community. (5 pts)
- Provide evidence of community engagement, such as surveys, public input sessions, or testimonials. (5 pts)

Deliverables:

- A written explanation of community benefits.
- Documentation of community engagement activities (e.g., concept designs, meeting notes, survey results, community support letters).

3. Economic Development (20 points)

- Detail how your project creates jobs (excluding owner(s)), supports local businesses, or attracts investment opportunities. (10 pts)
- Provide an estimated monetary value of the completed project and its long-term financial benefits for Cordova (e.g., increased tax revenue, reduced city costs). (5 pts)
- Include a comprehensive business plan that outlines funding sources and financial projections. (5 pts)

Deliverables:

- A business plan with financial details.
- Supporting documents (e.g., spreadsheets, charts).

4. Environmental Stewardship (10 points)

• Outline the eco-friendly practices included in your project and how they comply with environmental regulations and explain how the project promotes long-term sustainability and resilience. (10 pts)

Deliverables:

- A sustainability report.
- Evidence of how you will comply with environmental standards (e.g., certifications you will obtain, or detailed processes you will comply with).

5. Proposer's Experience (10 points)

- Highlight your track record with successful projects. (similar projects preferred) (5 pts)
- Demonstrate your understanding of Cordova's community and partnerships with local stakeholders. (5 pts)

Deliverables:

- A professional portfolio showcasing past projects.
- Letters of support or partnership agreements.

6. Feasibility and Risk Management (10 points)

- Provide a realistic project timeline with milestones. (5 pts)
- Identify (5) five potential risks and propose mitigation strategies. (5 pts)

Deliverables:

- A detailed project timeline.
- A risk management plan.

7. Compliance with Local Laws and Ordinances (20 points)

• Demonstrate how your project complies with Cordova's land disposal and zoning regulations. (5 pts)

Deliverables:

- References to relevant laws or ordinances. <u>CMC 7.40 Land Disposal</u> and <u>CMC Title 18 Zoning.</u>
- <u>Site Development Plan</u> (see Attachment D for reference) showing building type, how you will meet the setback requirements, height limit/stories, parking, access to lot, all requirements of the zoning code in that district, etc. (15pts)

REQUEST FOR PROPOSAL COVER SHEET

All proposals including deposit must be received by the Planning Department by Monday October 20, 2025, at 5 PM.

Property: A Portion of Lot 1, Block 7A, Tidewater Develop	ment Park.	
Name of Proposer:		
Name of Organization:		
Address:	Phone #:	
	Email:	
Minimum Price <u>\$ 1.02 per square foot (per month)</u>	<u> </u>	
Proposed Total Monthly Price \$		
Proposed Total Square Footage:		

SUBMITTAL OF PROPOSAL

Deliver your proposal to the front desk at City Hall.

Or mail proposals to: City of Cordova

(must be postmarked before due date and time) Attn: Planning Department

P.O. Box 1210

Cordova, Alaska 99574

Or e-mail proposals to planning@cityofcordova.net: The email subject line shall be "Proposal for a Portion of Lot 1, Block 7A, Tidewater Development Park," and the proposal shall be attached to the email as a PDF file. If submitting via e-mail, deposits (cash or check) must be received, in hand by the City Hall front desk before the due date for the proposal to be considered received timely.

Proposals and deposits received after Monday October 20, 2025, at 5PM will not be considered.

*NOTE: The payment must be made via check or cash (cards are not accepted) to City Hall before the due date to confirm the proposal submission. If proposal is not submitted and confirmed with a payment, it will not be accepted. Supplemental material received after the due date will not be included in any packet for consideration.

ATTACHMENTS

Attachment A: Criteria Used When Evaluating Each Submitted Proposal

Attachment B: Location Map Showing the Subject Property

Attachment C: Sample Site Plan

Attachment D: Sample Lease Agreement

Attachment A:

Criteria Used When the Planning Commission is Evaluating Each Submitted Proposal

Uniform Scoring Criteria for Project Proposals in Cordova

Purpose

This scoring framework ensures fair, unbiased evaluation of project proposals, aligning with Cordova's community goals as outlined in the <u>Comprehensive Plan</u>, <u>Municipal Code</u>, and the original RFP criteria. The system provides clear standards to prioritize projects that best support Cordova's vision and values.

Scoring Guide

- Each section is assigned a maximum number of points, with evaluators scoring based on the standards defined above.
- Total possible points: **120**.
- To ensure fairness and transparency, evaluators should provide written justification for each score awarded, referencing specific criteria and evidence from the proposal.

Final Evaluation

- Proposals with the highest total scores will be prioritized, ensuring that the selected project aligns with Cordova's goals and provides maximum benefit to the community.
- Tie-breaking mechanism: In the event of a tie, proposals with higher scores in "Alignment with Comprehensive Plan Goals" and "Public Benefit and Community Impact" will take precedence.

This updated scoring framework ensures that all project proposals are evaluated for compliance with the <u>Cordova Municipal Code</u>, particularly concerning land disposal processes and zoning regulations, thereby aligning with the city's legal and community standards.

Scoring Framework in Table Format

Criteria	Description	Points
1. Alignment with Comprehensive Plan Goals		25
- Consistency with Vision and Goals	Does the project support the vision and goals outlined in the Comprehensive Plan? Examples: economic growth, sustainability, and cultural preservation.	15
- Support for Key Strategies	Does the project align with specific strategies and actions identified in the Comprehensive Plan?	10
2. Public Benefit and Community Impact		20

Criteria	Description	Points
- Enhancement of Quality of Life	How does the project improve residents' daily lives (e.g., recreation, housing, public spaces)?	10
- Enhanced Design	Does the project promote enhanced architectural design for community members?	5
- Community Engagement	Was community input sought and incorporated into the proposal?	5
3. Economic Development and Financial Viability		20
- Economic Growth	Does the project directly create jobs, stimulate local business, or attract investment? (Included business plan is preferred)	10
- Financial Feasibility	Given the information in the proposal is this project viable costs versus income generation in the business plan?	5
- Economic Benefit to City	Will the project generate long-term financial benefits (e.g., increased tax revenue, reduced city costs)?	5
4. Sustainability and Environmental Stewardship	•	15
- Environmental Impact	Does the project prioritize environmental sustainability and compliance with regulations?	10
- Long-Term Viability	Will the project have sustainable benefits and be resilient to future challenges?	5
5. Proposer Qualifications and Experience		10
- Track Record	Does the proposer have a history of successful, similar projects?	5
- Local Knowledge and Partnerships	Does the proposer demonstrate an understanding of Cordova's community and collaborate with local stakeholders?	5
6. Implementation Plan and Risk Management		10
- Feasibility and Timeline	Is the proposed timeline realistic and achievable?	5
- Risk Identification and Mitigation	Are potential risks identified with clear mitigation strategies?	5
7. Adherence to Municipal Code and Legal Compliance		20
- Compliance with Land Disposal Process	Does the project adhere to the requirements in <u>Cordova</u> <u>Municipal Code Chapter 7.40</u>	5
- Zoning and Land Use Regulations	Does the project comply with all relevant zoning and land use regulations as outlined in the Municipal Code Title 18 Zoning	15

Attachment B: Location Map Showing the Subject Property



Attachment C: Sample Site Plan



Attachment D: Sample Lease Agreement

SAMPLE LEASE AGREEMENT

CITY OF CORDOVA Cordova, Alaska

LEASE

THIS LEASE ("Lease") by and between the CITY OF CORDOVA ("Landlord"), a municipal corporation organized and existing under the laws of the State of Alaska (the "City"), and the XXX doing business in Cordova, Alaska ("Tenant").

RECITALS

WHEREAS, the City owns that certain parcel of land and all improvements thereon in Cordova, Alaska generally described as a portion of Lot X, Block X, Tidewater Development Park, Plat XX, located within Cordova Recording District, Cordova Alaska; and

WHEREAS, Tenant desires to lease the building and the dock underneath the building (referred to hereinafter as the "Premises") from the City, and Landlord desires to lease the Premises to Tenant, on the terms and conditions set forth herein; and

WHEREAS, the Cordova City Council ("Council") has approved the lease of the Premises from the City to Tenant in accordance with the Cordova City Charter §5-17 and Chapter 5.22 of the Cordova Municipal Code (hereinafter referred to as the "Code" or "CMC").

NOW, THEREFORE, in consideration of the Premises and the mutual covenants of the parties hereto, it is agreed as follows:

1. **LEASE OF PREMISES**

Subject to the terms and conditions set forth herein, the City hereby leases to Tenant and Tenant hereby leases from the City, the Premises.

2. LEASE TERM

The term of this Lease shall be three (3) years, commencing on January 1, 2026, (the "Commencement Date") and expiring three (3) years later, on December 31, 2028, unless earlier terminated in accordance with the terms of this Lease.

3. RENT

- A. Base Rent. The rent during the term of this Lease shall be XXX Dollars and XX Cents (\$X,XXX.XX) annually ("Base Rent"), which shall be due and payable in advance on the Commencement Date of this agreement. Base Rent shall be paid to the City in lawful money of the United States without abatement, deduction or set-off for any reason whatsoever, at the address provided for notice to the City set forth in Section 20.E of this Lease, or at any other place that the City may from time to time direct in writing. Base Rent shall be paid promptly when due without notice or demand therefor. The parties intend the Base Rent to be absolutely net to the City. All costs, expenses and obligations of every kind and nature whatsoever in connection with or relating to the Premises shall be the obligation of, and shall be paid by, Tenant.
- **B.** Additional Charges. In addition to the Base Rent, Tenant acknowledges and agrees that Tenant is obligated to pay and shall pay, before delinquency and without reimbursement, all costs, expenses and obligations of every kind and nature whatsoever in connection with or relating to the Premises or the activities conducted on the Premises, including without limitation those costs, expenses and obligations identified in Section 7 and all other sums, costs, expenses, taxes (including sales tax) and other payments that Tenant assumes or agrees to pay under the provisions of this Lease ("Additional Charges").

- C. Late Penalty Provision. Rent not paid within ten (10) days of the due date shall be assessed a late charge of ten percent (10%) of the delinquent amount; such charge shall be considered liquidated damages and shall be due and payable as additional rent. In the event the late charge assessment above exceeds the maximum amount allowable by law, the amount assessed will be adjusted to the maximum amount allowable by law.
- **D.** Adjustment of Base Rent. Beginning on the first anniversary of the Commencement Date, Base Rent shall be adjusted annually by the Consumer Price Index (CPI-U) for the Anchorage, Alaska metropolitan area, as computed and published by the United States Bureau of Labor Statistics. Annual Base Rent adjustments will be equal to the percentage change between the then-current CPI-U and the CPI-U published for the same month during the previous year. No adjustments to Base Rent shall cause a reduction in the Base Rent. The City is not required to give advance written notice of the increase for the adjustment to be effective.

4. USES AND CONDITION OF PREMISES

- **A. Authorized Uses**. Use of the Premises shall be limited to use as Tenant's storage, and the Premises shall not, without prior written consent of the Landlord, be used for any other purposes. Landlord expressly reserves the right to terminate this lease in the event Tenant fails to operate said use for a period of eighteen consecutive months.
- **B.** Inspections. The City will provide Tenant with at least 24-hours' notice before inspecting the Premises, except no notice will be provided when the public health or safety or preservation of the Premises requires immediate inspection. The City shall not be liable in any manner for any inconvenience, disturbance, loss of business, nuisance or other damage arising out of the City's entry onto the Premises, except for damage resulting directly from negligent acts of the City or its authorized representatives or agents.
- C. Compliance with Laws. Tenant shall maintain and repair the Premises in compliance with all applicable laws, regulations, ordinances, rules, orders, permits, licenses and other authorizations. Tenant shall not use or permit the use of the Premises for any purpose prohibited by law or which would cause a cancellation of any insurance policy covering the Premises. Tenant shall not leave the Premises unoccupied or vacant without the City's prior written consent Tenant shall not cause or permit any Hazardous Material (as defined in Section 9.B of this Lease) to be brought upon, kept, or used in, on or about the Premises except for such Hazardous Material as is necessary to conduct Tenants authorized uses of the Premises. Any such Hazardous Material brought upon, kept, or used in, on or about the Premises shall be used, kept, stored, and disposed of in a manner that complies with all environmental laws and regulations applicable to Hazardous Material. Tenant shall not cause or allow the release or discharge of any other materials or substances that are known to pose a hazard to the environment or human health.
- **D.** Tenant's Acceptance of Premises. Tenant has inspected the Premises to its complete satisfaction and is familiar with its condition, and the City makes no representations or warranties with respect thereto, including but not limited to the condition of the Premises or its suitability or fitness for any use Tenant may make of the Premises. Tenant accepts the Premises AS IS, WHERE IS, WITH ALL FAULTS. No action or inaction by the Council, the City Manager, or any other officer, agent or employee of the City relating to or in furtherance of the lease of the Premises shall be deemed to constitute an express or implied representation or warranty that the Premises, or any part thereof, is suitable or usable or any specific purpose whatsoever. Any such action or inaction shall be deemed to be and constitute performance of a discretionary policy and planning function only, and shall be immune and give no right of action as provided in Alaska Statute §9.65.070, or any amendment thereto.
 - E. The City may terminate this Lease for any or no reason upon (30) days' written notice to the Tenant.

5. REPRESENTATIONS AND WARRANTIES

Tenant represents and warrants to the City that Tenant is not delinquent in the payment of any obligation to the City, and Tenant has not previously breached or defaulted in the performance of a material contractual or legal obligation to the City, which breach or default has not been remedied or cured.

6. ASSIGNMENTS AND SUBLETTING: SUBORDINATION

Tenant shall not assign or otherwise transfer this Lease or any interest herein or sublet the Premises or any portion thereof, or permit the occupancy of any part of the Premises by any other person or entity, without the prior written consent of the City, which consent the City may withhold in its absolute discretion. The City shall not be required to subordinate this Lease or the City's interest in the Premises to the interest of any other person or entity.

7. OPERATIONS, MAINTENANCE. UTILITIES. TAXES AND ASSESSMENTS

Tenant shall, at Tenant's sole cost and expense, be solely responsible for: (1) the maintenance and repair of the Premises and shall not commit or allow any waste upon the Premises; (2) obtaining any and all permits and approvals necessary for Tenant's use of the Premises; (3) all utilities and services needed for Tenant's use of the Premises; (4) all taxes and assessments levied against the Premises, and Tenant agrees to pay all such taxes and assessments as and when they become due, including but not limited to all utility bills and special assessments levied and unpaid as of the date of this Lease or hereafter levied for public improvements; (5) all licenses, excise fees, and occupation taxes with respect to the business and activities conducted on the Premises; (6) all real property taxes, personal property taxes, and sales taxes related to the Premises or Tenant's use or occupancy thereof; and (7) any taxes on the leasehold interest created under this Lease.

8. LIENS

Tenant will suffer no lien or other encumbrance to attach to the Premises, including without limitation mechanic's or materialman's liens, sales tax liens under CMC §5.40.125, or property tax liens under CMC §5.36.260. If the City posts any notice of non-responsibility on the Premises, Tenant will ensure that the notice is maintained in a conspicuous place.

9. INDEMNIFICATION

A. General Indemnification. Tenant shall defend, indemnify and hold the City and its authorized representatives, agents, officers, and employees harmless from and against any and all actions, suits, claims, demands, penalties, fines, judgments, liabilities, settlements, damages, or other costs or expenses (including, without limitation, attorney's fees, court costs, litigation expenses, and consultant and expert fees) resulting from, arising out of, or related to Tenant's occupation or use of the Premises or the occupation or use of the Premises by Tenant's employees, agents, servants, customers, contractors, subcontractors, sub-lessees or invitees, including but not limited to all claims and demands arising out of any labor performed, materials furnished, or obligations incurred in connection with any improvements, repairs, or alterations constructed or made on the Premises and the cost of defending against such claims, including reasonable attorney fees. In the event that such a lien is recorded against the Premises, Tenant shall, at Tenant's sole expense within ninety (90) days after being served with written notice thereof, protect the City against said lien by filing a lien release bond or causing the release of such lien.

B. Environmental Indemnification. Tenant has had full opportunity to examine the Premises for the presence of any Hazardous Material (as hereafter defined) and accepts the Premises AS IS, WHERE IS, WITH ALL FAULTS. Tenant releases the City and its authorized representatives, agents, officers, and employees from any and all actions, suits, claims, demands, penalties, fines, judgments, liabilities, settlements, damages, or other costs or expenses (including, without limitation, attorney's fees, court costs, litigation expenses, and consultant and expert fees) arising during or after the term of this Lease, that result from the use, keeping, storage, or disposal of Hazardous Material in, on or about the Premises by Tenant, or that arise out of or result from Tenant's occupancy or use of the Premises or the use or occupancy of the Premises by Tenant's employees, agents, servants, customers, contractors, subcontractors, sub-lessees, invitees or authorized representatives. This release includes, without limitation, any and all costs incurred due to any investigation of the Premises or any cleanup, removal, or restoration mandated by a federal, state, or local agency or political subdivision, or by law or regulation. Tenant agrees that it shall be fully liable for all costs and expenses related to the use, storage, and disposal of Hazardous Material generated, kept or brought on the Premises by Tenant, its employees, agents, servants, customers, contractors, sub-lessees, invitees or authorized representatives.

Tenant shall defend, indemnify, and hold the City and its authorized representatives, agents, officers, and employees harmless from and against any claims, demands, penalties, fines, judgments, liabilities, settlements,

damages, costs, or expenses (including, without limitation, attorney's fees, court costs, litigation expenses, and consultant and expert fees) of whatever kind or nature, known or unknown, contingent or otherwise, arising in whole or in part from or in any way related to (i) the presence, disposal, release, or threatened release of any such Hazardous Material which is on or from the Premises and subsequently enters the soil, water, ground water, vegetation, buildings, personal property, persons, animals, or otherwise surrounding the Premises; (ii) any personal injury or property damage arising out of or related to such Hazardous Material; (iii) any lawsuit brought or threatened, settlement reached, or government order relating to such Hazardous Material; and (iv) any violation of any laws applicable to such Hazardous Material; provided, however, that the acts giving rise to the claims, demands, penalties, fines, judgments, liabilities, settlements, damages, costs, or expenses arise in whole or in part from the use of, operations on, or activities on the Premises by Tenant or its employees, agents, servants, customers, contractors, subcontractors, sub-lessees, invitees, or authorized representatives.

As used in this Lease, "Hazardous Material" means any substance which is toxic, ignitable, reactive, or corrosive or which is regulated by any federal, state or local law or regulation, as now in force or as may be amended from time to time, relating to the protection of human health or the environment, as well as any judgments, orders, injunctions, awards, decrees, covenants, conditions, or other restrictions or standards relating to the same. "Hazardous Material" includes any and all material or substances that are defined as "hazardous waste" "extremely hazardous waste," or a "hazardous substance" under any such law or regulation.

10. <u>INSURANCE</u>

Tenant shall procure and maintain, at Tenant's sole cost and expense, the following policies of insurance with a reputable insurance company or companies satisfactory to the City:

- **A.** Commercial general liability insurance in respect of the Premises and the conduct of Tenant's business and operations, naming the City as an additional insured, with minimum limits of liability of One Million Dollars (\$1,000,000.00) per person and One Million Dollars (\$1,000,000.00) per accident or occurrence for bodily injury and death, and a minimum limit of liability of One Million Dollars (\$1,000,000.00) for property damage for each occurrence:
- **B.** Property insurance, insuring against loss or damage by fire and such other risks as are customarily included in the broad form of extended coverage, in an amount of coverage not less than the replacement value of the improvements on the Premises, if any, and on such terms as are satisfactory to the City;
- C. Personal property insurance covering Tenant's trade fixtures, furnishings, equipment, and other items of personal property of Tenant located on the Premises; and
 - **D.** Workers compensation insurance, and such other insurance as is required by law.

All insurance required under this Lease shall contain an endorsement requiring thirty (30) days' advance written notice to the City before cancellation or change in the coverage, scope, or amount of any policy. Prior to commencement of the Lease term, Tenant shall provide the City with proof of the insurance required by this Section.

11. REMOVAL OF PROPERTY

Upon expiration or earlier termination of this Lease, at the option of the City, Tenant shall remove from the Premises, at Tenant's sole expense, all property Tenant has placed or caused to be placed on the Premises. Tenant shall repair any damage to the Premises caused by such removal and return the Premises as near as possible to its original condition as existed on the Commencement Date. All property which is not promptly removed by Tenant pursuant to the City's request and in any event within thirty (30) days of the date of expiration or termination of this Lease may be removed, sold, destroyed or otherwise disposed of in any manner deemed appropriate by the City, all at Tenant's sole expense, and Tenant hereby agrees to pay the City for such expenses. Notwithstanding any provision to the contrary in this Lease, all petroleum, fuel, or chemical storage tanks installed in or on the Premises during the term of this Lease shall remain the property of the Tenant and, upon expiration or earlier termination of the Lease and upon request of the City, Tenant shall remove any and all such tanks and any and all contaminated soil and other materials from the Premises, all at Tenant's sole expense.

12. DEFAULT AND REMEDIES

- **A. Default**. The occurrence of any of the following shall constitute a default and a breach of this Lease by the Tenant:
- i. The failure to make payment when due of any installment of rent, Additional Charges or of any other sum herein specified to be paid by the Tenant;
- ii. The failure to pay any taxes or assessments due from the Tenant to the City and in any way related to this Lease, the Premises, any improvements, or the Tenant's activities or business conducted thereon, including but not limited to any real property, personal property or sales taxes;
- iii. An assignment for the benefit of Tenant's creditors or the filing of a voluntary or involuntary petition by or against Tenant under any law for the purpose of adjudicating Tenant a bankrupt, or for extending the time for payment, adjustment, or satisfaction of Tenant's liabilities, or for reorganization, dissolution, or arrangement on account of or to prevent bankruptcy or insolvency, unless the assignment or proceeding, and all consequent orders, adjudications, custodies, and supervision are dismissed, vacated or otherwise permanently stated or terminated within thirty (30) days after the assignment, filing or other initial event;
- iv. The appointment of a receiver or a debtor-in-possession to take possession of the Premises (or any portion thereof) or of Tenant's interest in the leasehold estate [or any portion thereof) or of Tenant's operations on the Premises (or any portion thereof) by reason of Tenant's insolvency;
 - v. The abandonment or vacation of the Premises or any portion thereof;
- vi. Execution, levy or attachment on Tenant's interest in this Lease or the Premises, or any portion thereof;
- vii. The breach or violation of any statutes, laws, regulations, rules or ordinances of any kind applicable to Tenant's use or occupancy of the Premises; or
- viii. The failure to observe or perform any covenant, promise, agreement, obligation or condition set forth in this Lease, other than the payment of rent, if such failure shall not be cured within ten (10) days after written notice has been given to Tenant. Notices given under this subsection shall specify the alleged breach and the applicable Lease provision and demand that the Tenant perform according to the terms of the Lease. No such notice shall be deemed a forfeiture or termination of this Lease unless the City expressly makes such election in the notice.
- **B.** Remedies. If the Tenant breaches any provision of this Lease, in addition to all other rights and remedies the City has at law or in equity, the City may do one or more of the following:
- i. Seize for rent due any of Tenant's personal property which comes into the City's possession. This remedy shall include the right of the City to dispose of Tenant's personal property in a commercially reasonable manner. Tenant agrees that compliance with the procedures set forth in the Alaska Uniform Commercial Code with respect to the sale of property shall be a commercially reasonable disposal.
- ii. Re-enter the Premises, take possession thereof, and remove all property from the Premises. The property may be removed and stored at Tenant's expense, all without service of notice or resort to legal process, which Tenant waives, and without the City becoming liable for any damage that may result unless the loss or damage is caused by the City's negligence in the removal or storage of the property. No re-entry by the City shall be deemed an acceptance of surrender of this Lease. No provision of this Lease shall be construed as an assumption by the City of a duty to re-enter and re-let the Premises upon Tenant's default If Tenant does not immediately surrender possession of the Premises after termination by the City and upon demand by the City, the City may forthwith enter into and upon and repossess the Premises and expel Tenant without being deemed guilty in any manner of trespass and without prejudice to any remedies which might otherwise be used for arrears of rent or breach of covenant;

- iii. Declare this Lease terminated;
- iv. Recover, whether this Lease is terminated or not, reasonable attorney's fees and all other expenses incurred by the City by reason of the default or breach by Tenant;
- v. The City may hold Tenant liable for Rent, Additional Charges, and other payments for which Tenant is obligated under the Lease, but only up to the amount not recaptured by the City after reletting the Premises;
 - vi. Recover the costs of performing any duty of Tenant in this Lease;
 - vii. Collect any and all rents due or to become due from subtenants or other occupants of the Premises.

13. SUBSIDENCE

The City shall not be responsible for any washout, subsidence, avulsion, settling, or reliction to the Premises, nor for any injury caused thereby to the property of the Tenant or any sub-lessee, or that of any other person. The City is not obligated to replace, refill, or improve any part of the Premises during Tenant's occupancy in the event of such washout, subsidence, avulsion, settling, or reliction.

14. TENANT MUST VACATE PREMISES

Upon the expiration or sooner termination of this Lease, Tenant shall peaceably vacate the Premises and the Premises shall be returned to the City by Tenant together with any alterations, additions or improvements made after the Commencement Date, unless the City requests that they be removed from the Premises. Tenant shall remove from the Premises any items of personal property brought on to the Premises. Any such property not removed from the Premises within thirty (30) days of the expiration or termination of this Lease shall become the property of the City at no cost or charge to the City, and may be removed, sold, destroyed or otherwise disposed of in any manner deemed appropriate by the City, all at Tenant's sole expense, and Tenant hereby agrees to pay the City for such expenses.

15. RESERVATION OF RIGHTS

The City reserves the right to designate and grant rights-of-way and utility easements across the Premises without compensation to Tenant or any other party, including the right of ingress and egress to and from the Premises for the construction, operation and maintenance of utilities and access, provided that Tenant shall be compensated for the taking or destruction of any improvements on the Premises. Tenant shall be responsible for requesting a rental adjustment to reflect any reduction in the value of the Premises.

16. <u>SIGNS</u>

No signs or other advertising symbols, canopies, or awnings shall be attached to or painted on or within the Premises without approval of the City Manager first being obtained; provided, however, that this prohibition shall not apply to standard, directional, informational and identification signs of two square feet or less in size. At the termination of this Lease, or sooner, all such signs, advertising matter, symbols, canopies or awnings, attached or painted by Tenant shall be removed from the Premises by Tenant at its own expense, and Tenant shall repair any damage or injury to the Premises, and correct any unsightly conditions caused by the maintenance or removal of said signs.

17. HOLDING OVER

If Tenant with the City's written consent remains in possession of the Premises after the expiration or termination of the Lease term for any cause, or after the date in any notice given by the City to Tenant terminating this Lease, such holding over shall be deemed a tenancy from month to month at the same rental amount applicable immediately prior to such expiration or termination, subject to adjustment in accordance with CMC § 5.22.040(c) or such successor provision of the code then in effect, and shall be terminable on 30 days' written notice given at any time by either party. All other provisions of this Lease except those pertaining to term and rent shall apply to the month-to-month tenancy. If Tenant holds over without the City's express written consent, Tenant is deemed to be a tenant at sufferance

and may be removed through a forcible entry and detainer proceeding without service on Tenant of a notice to quit.

18. EMINENT DOMAIN

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

- A. Total Taking. If the Premises are totally taken by condemnation, this Lease shall terminate.
- **B.** Partial Taking. If the Premises are partially taken by condemnation, then this Lease shall continue and the rent as specified in Section 3 above shall be abated in a proportion equal to the ratio that the portion of the Premises taken bears to the total Premises leased hereunder.
- C. Award. Upon condemnation, the parties shall share in the award to the extent that their interests, respectively, are depreciated, damaged, or destroyed by the condemnation.

19. <u>COSTS</u>

Tenant shall be liable to and shall pay the City for the fees and costs incurred by the City in connection with the preparation, operation and enforcement of this Lease.

20. MISCELLANEOUS

- A. Time Is of the Essence. Time is of the essence of this Lease and of each provision hereof.
- **B.** Entire Agreement. This Lease represents the entire agreement between the parties with respect to the subject matter hereof, and may not be amended except in writing executed by the City and Tenant.
- C. Governing Law and Venue. This Lease shall be subject to the provisions of the Code now or hereafter in effect. This Lease shall be governed by and construed in accordance with Alaska law and any action arising under this Lease shall be brought in a court of competent jurisdiction in Cordova, Alaska.
- **D.** Relationship of Parties. Nothing in this Lease shall be deemed or construed to create the relationship of principal and agent, or of partnership, or of joint venture, or of any association between Tenant and the City. Neither the method of computation of rent, nor any other provisions contained in this Lease, nor any acts of the parties shall be deemed to create any relationship between the City and Tenant other than the relationship of Tenant and Landlord.
- **E. Notice**. All notices hereunder may be hand-delivered or mailed. If mailed, they shall be sent by certified or registered mail to the following respective addresses:

TO CITY: City of Cordova Attn: City Manager PO Box 1210 Cordova, Alaska 99574 TO TENANT: XXX Attn: XXX PO Box XXX Cordova, Alaska 99574

or to such other respective addresses as either party hereto may hereafter from time to time designate in advance in writing to the other party. Notices sent by mail shall be deemed to have been given when properly mailed, and the postmark affixed by the U.S. Post Office shall be conclusive evidence of the date of mailing. If hand-delivered, notice shall be deemed to have been made at the time of delivery.

F. Captions. Captions herein are for convenience and reference and shall not be used in construing the provisions of this Lease.

- **G.** No Waiver of Breach. No failure by the City to insist upon the strict performance of any term, covenant or condition of this Lease, or to exercise any right or remedy upon a breach thereof, shall constitute a waiver of any such breach or of such term, covenant or condition. No waiver of any breach shall affect or alter this Lease, but each and every term, covenant and condition of this Lease shall continue in full force and effect with respect to any other existing or subsequent breach.
- **H. Survival**. No expiration or termination of this Lease shall expire or terminate any liability or obligation to perform which arose prior to the termination or expiration.
- I. Late Payment. In the event that any rent or other payment due under this Lease is not received by the City when due, a late fee of five percent (5%) per month of the principal amount due shall be due and payable until the full amount of rent or other payment is received by the City.
- **J.** Partial Invalidity. If any provision of this Lease is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.
- **K.** Successors and Assigns. The terms, covenants and conditions in this Lease shall inure to the benefit of and shall be binding upon the successors and permitted assigns of the City and Tenant.
- L. Estoppel Certificates. Either party shall at any time and from time to time, upon not less than 10 days' prior written request by the other party, execute, acknowledge, and deliver to such party a statement certifying that this Lease is unamended and in full force and effect (or, if there has been any amendment, that the same is in full force and effect as amended and stating the amendments); that there are no defaults existing (or, if there is any claimed default, stating the nature and extent thereof); and stating the dates to which the rent and other charges have been paid in advance.
- M. Recordation of Lease. The parties agree that this Lease shall not be recorded, but upon the request of either party, the other party will join the requesting party in executing a memorandum of lease in a form suitable for recording, and each party agrees that such memorandum shall be prepared and recorded at the requesting party's expense.
- N. Authority. Tenant represents that Tenant has all necessary power and is duly authorized to enter into this Lease and to carry out the obligations of Tenant hereunder.
 - **O.** Exhibits. Exhibit A to this Lease is hereby specifically incorporated into this Lease.
- **P.** No Third-Party Beneficiaries. Nothing in this Lease shall be interpreted or construed to create any rights or benefits to any parties not signatories or successors or permitted assigns of signatories to this Lease.
- **Q.** Interpretation. The language in all parts of this Lease shall in all cases be simply construed according to its fair meaning and not for or against the City or Tenant as both City and Tenant have had the assistance of attorneys in drafting and reviewing this Lease.
- **R.** Counterparts. This Lease may be executed in counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.
- S. Attorney's Fees. In the event that the City shall bring any suit or action to enforce this Lease or any term or provision hereof, and shall prevail in such suit or action, Tenant agrees that Tenant shall pay the City's attorney's fees, costs and expenses incurred in connection with such suit or action.

IN WITNESS WHEREOF, the parties have caused this lease to be executed on the dates set opposite their respective signatures below.

CITY OF CORDOVA: By: ______ Date: _____ Its: _____ Attest: _____ XXX: By: _____ Date: _____ Its: _____

EXHIBIT A

PHOTO OF BUILDING AND OR PROPOERTY LOCATION HERE

