

LEASE AGREEMENT

This Lease is made between the City of Utqiagvik, PO Box 629, Utqiagvik, Alaska 99723 ("the City") and the North Slope Borough School District, PO Box 169, Utqiagvik, Alaska 99723 ("the District"), together "the Parties."

The Parties agree as follows:

1. Premises. The City leases to the District the property located at 5246 Karluk Street (Block 2, Lots 16, 17 & 18) in Browerville ("the Premises").

2. Permitted Use. The lease premises shall be used for the Kiita Program or for other educational purposes as needed by the District. The Premises may not be used for other purposes without the written consent of the City, which shall not be withheld.

3. Term. The Term of this lease is seventeen years, from June 1, 2020 through May 31, 2037.

4. Rate. The total rent due for the Premises is one lump sum payment of \$350,000 to be paid when the District is invoiced by the City.

5. Utilities. The District is responsible for paying for electricity, gas, water, sewer, trash removal, snow removal, custodial services, replacement of light bulbs and tubes, and all other building maintenance and repairs.

6. Parking. The District is responsible for all on site parking and parking maintenance including vehicle "plugs ins" as it deems necessary.

7. Tax Exemption. The City and District are both tax exempt. The District will not use the property in a way that changes this tax exempt status.

8. Acceptance. The District has been using and is familiar with the condition of the Premises and accepts the Premises in present condition.

9. Quiet Enjoyment. The City agrees that the District shall have possession and quiet enjoyment of the Premises for the Term of this Lease.

10. Right of Inspection. The City has the right of entry to inspect the premises as reasonable times upon 48 hours notice.

11. Assignment and Sublease. The District will not assign or sublet its interest in the Premises without consent of the City, which may not be unreasonably withheld.

12. Repairs and Maintenance. The District will maintain the Premises in good repair.

13. Alterations and Improvements. The District may make alterations, additions, and improvements to the Premises that do not violate any state, borough, or city building code at the District's sole cost and expense without approval of the City, provided that the District return the Premises to the City in condition at least as good as it was received, reasonable wear and tear accepted. The District is not required to return the Premises to the City in the same configuration it was received and free from any liens.

14. Indemnification. The District agrees to defend and hold harmless the City and its agents, officers, and employees from any claim, action, suits, liabilities or judgments for any damage to property or injuries to persons arising from any negligent act by the District.

15. Insurance. The District shall keep the Premises insured against lost or damage, including fire in an amount equal to the full insurable value of the leased premises, including all improvements, alterations, additions, and changes made by either party. The District shall maintain insurance against its liability for bodily injury and property damage with an aggregate limit of at least \$1,000,000 and name the City as additional insured. The District shall provide a certificate of insurance upon request. The City may obtain and maintain any other insurance which the City desires.

16. Damages. If the Premises are rendered untenable in whole or in part by fire, the elements or other casualty, the District will notify the City immediately, and in no case later than seven days after such casualty. The City may choose, within 60 days, to either undertake to rebuild or restore the Premises with work to be completed within one year from date of such notice of intent. If the City cannot or chooses not to rebuild or restore the Premises, then the Lease may be terminated at the District's option by giving ten days written notice. During the period of untenability, rent shall abate. If the City chooses not to rebuild the Premises for the District's continued use, the District will be entitled to a refund of the unused prepaid lease payment in a prorated amount as calculated from the first day of the month following the event.

17. Hold Over. Failure of the District to surrender the Premises on the date provided for termination of the Lease and subsequent holding without or without the City's consent shall create a month-to-month tenancy. This provision does not give the District a right to holdover at the expiration of the Term. All other terms and conditions of this Lease remain in force during any month-to-month tenancy.

18. Termination. Either party may terminate this lease for a substantial breach of a material lease term by giving the other party ten days written notice.

19. Notices. Notices shall be in writing and given by mail addressed as follows:

Mayor
City of Utqiagvik
PO Box 629
Utqiagvik, AK 99723

Superintendent
North Slope Borough School District
PO Box 169
Utqiagvik, Alaska 99723

20. Waiver. Waiver by either party of a breach by the other is not a waiver of any future similar breach.

21. Costs and Fees. If by reason or default or breach a legal action is instituted, the losing party shall pay attorney's fees pursuant to Alaska Rule of Civil Procedure 82 and all actual costs.

22. Law and Venue. Alaska law applies to interpretation and enforcement of this Lease. Venue for any litigation arising under the terms of this Lease shall be in the Superior Court for the Second Judicial District at Utqiagvik.

23. Entire Understanding. This written Lease sets forth the entire agreement of the Parties. No modifications may be made except in writing signed by both Parties.

In witness whereof, the Parties execute this Lease.

City of Utqiagvik

By: Asisaun Toovak Date: 11/22/22
Elizabeth Asisaun Toovak
Mayor

North Slope Borough School District

By: David Vadiveloo Date: 11/30/22
David Vadiveloo
Chief School Administrator