

T I D E L A N D S L E A S E

THIS LEASE, made and entered into this 27th day of OCTOBER, 1982, by and between

CITY AND BOROUGH OF SITKA  
hereinafter referred to as the Lessor, and  
K & R ENTERPRISES, INC., Box 1884, Sitka, Alaska  
hereinafter referred to as the Lessee,

W I T N E S S E T H:

WHEREAS, the Lessor is owner of certain tidelands situated at Sitka, Alaska described as follows:

A parcel of tidelands lying within the First Judicial District, State of Alaska, seaward of Katlian Street and Siginaka Way, being more particularly described as follows:

Beginning at Sitka Tidelands Monument Cor. No. 4;  
thence S 33°45'E, a distance of 225.49 ft. to Cor. No. 1  
of this description, the true point of beginning;  
thence S 33°45'E, a distance of 179.17 ft. to Cor. No. 2;  
thence N 49°57'15"W, a distance of 172.05 ft. to Cor. No. 3;  
thence N 40°02'45"E, a distance of 50.00 ft. to Cor. No. 1,  
the true point of beginning.  
Containing 4,300 square feet, more or less.

Subject to a sewer construction and maintenance easoment as shown on the tidelands lease plat drawn for Lessee by Davis and Associates.

This lease was authorized by the municipal assembly at is meeting of October 26, 1982.

NOW, THEREFORE, for and in consideration of the agreements hereinafter contained, Lessor and Lessee agree as follows:

[1] Lessor hereby devises and leases unto the Lessee, the above described property for a term of fifty-five (55) years, beginning October 27, 1982, and ending October 27, 2037.

[2] Lessee, in consideration of lease from Lessor, agrees as follows:

[a] To pay as rent therefore to Lessor at its order the sum of \$1182.50 annually, payable on the 27th day of October of each year in advnace. It is acknowledged that the first year's payment has been made. In addition to said rental there shall be paid the City and Borough of Sitka sales tax on the amount of each rental not exempt from such sales tax.

[b] The parties hereby agree that said annual rent is subject to adjustment every five (5) years should the appraised value of the leased property as determined by official appraisal for general property tax purposes change more than 25% from the time of lease execution. Should such lease be subject to modification, it shall be proportional to the amount of such change. Requests for lease rent modification may come from either party hereto at any time after five (5) years from date of either the original execution or any prior modifications.

[c] This lease may not be assigned or sublet by the Lessee without the consent of the Lessor.

[d] If the rent shall be in arrears, or Lessee, their representatives or assigns, do or shall neglect agreements hereinabove contained which are to be performed and in the event Lessee fails to remedy default within thirty (30) days after receipt of written notice of any such rental arrears or neglect, the Lessor may immediately, or at any time thereafter, while such neglect or default continues, enter into and on the premises, or any part thereof, and repossess same as of their former estate, and expel Lessee and those claiming under it and remove its effects (forcefully, if necessary) without being guilty of any trespass and without prejudice to any remedies which might otherwise be used for arrears or rent, or preceding breach of agreement.

[e] That the Lessee herein agrees to pay any Local Improvement District assessments that may be levied against the property leased herein to the same extent and in the same amount as if Lessee was the owner of the Local Improvement District, which would include the property leased herein, be formed or contemplated, the Lessee shall share the Lessor's right as owner in all proceedings under the Local Improvement District (except for payment of assessments) in proportion that the remaining years of the lease bear to twenty (20). (EXAMPLE: If the lease has five (5) years to run, the Lessee shall have the right to exercise 5/20ths of the Lessor's vote and the Lessor, 15/20ths.)

[f] The leased area extends fifty (50) feet toward the tidelands from Siginaka Way. As part of the consideration for this lease, Lessee agrees to fill to finish grade, at Lessee's sole expense, the tidelands extending an additional ten (10) feet seaward (total fill 60 feet) with the toe of the slope to extend seaward sufficiently beyond the sixty (60) feet so as to minimize erosion. The municipality hopes to include the additional ten (10) feet as a part of the proposed Brady Park. The fill put in the ten (10) feet section should be such as to enable various trees and shrubs to grow when planted by the municipality.

[g] The fill should correspond to that proposed by Lessee in its June, 1982 fill proposal diagram to the Army Corps of Engineers with the fill to extend to Katlian Street for the benefit of the proposed park.

[h] This lease area, combined with other property of the Lessee located seaward of Siginaka Way shall be used for the duration of the lease to provide at least seventy-three (73) parking places for normal size passenger vehicles. This parking shall be available to the public at all times, free of charge.

IT IS MUTUALLY AGREED AS FOLLOWS:

[1] The terms and conditions herein contained shall apply to and bind the heirs, successors and assigns of the respective parties.

[2] Waiver of Lessor of any agreement or condition herein shall not be considered a waiver of any subsequent breach of said agreement or condition.

[3] If Lessee occupies the premises after expiration date of this lease with consent of Lessor, such possession shall be construed to be an annual tenancy and Lessee shall pay Lessor the annual rent paid during the last year of said lease.

[4] At any termination of said tenancy, all improvements placed on said property and attached to the land so as to become part of the real property by common law definition shall become the property of the Lessor.

[5] Lessee agrees to save the Lessor harmless from any liability by reason of personal injury to any person or persons on or about the said premises.

83-1761  
8/48

RECORDED  
INDEXED

AUG 23 1 51 PM '83

REQUESTED BY City of Sitka  
ADDRESS Box 77  
Sitka, AK 99835

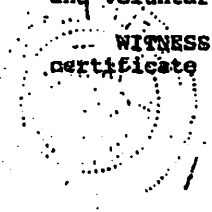
[Signature]  
Fermin Gutierrez, Administrator  
CITY & BOROUGH OF SITKA

[Signature]  
Frank Richards, President  
K & R ENTERPRISES, INC.

UNITED STATES OF AMERICA )  
STATE OF ALASKA ) ss CORPORATE ACKNOWLEDGMENT

THIS CERTIFIES that on this 12<sup>th</sup> day of January, 1982, 1983 before me, a Notary Public in and for the State of Alaska, personally appeared FERMIN GUTIERREZ, to me known and known to me to be the person whose name is subscribed to the foregoing lease, and after being first duly sworn according to law, he stated to me under oath that his is the ADMINISTRATOR of the City and Borough of Sitka, Alaska, a corporation organized under the laws of the State of Alaska, that he has been authorized by said corporation to execute the foregoing lease on its behalf and he executed the same freely and voluntarily as the free act and deed of said corporation.

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



[Signature]  
My Commission expires: 10-31-84

UNITED STATES OF AMERICA )  
STATE OF ALASKA ) ss CORPORATE ACKNOWLEDGMENT

On this 12<sup>th</sup> day of January, 1983 before me, a Notary Public for the State of Alaska, personally appeared FRANK RICHARDS to me known and who, being duly sworn by me, did depose and say that he resides at Sitka, Alaska, and that he is PRESIDENT of K & R ENTERPRISES, INC. in the foregoing indenture named, and that he signed the same as PRESIDENT, and he acknowledges the execution of said instrument to be the free and voluntary act and deed of said company by him as PRESIDENT, voluntarily done and executed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



[Signature]  
My Commission expires: 10-31-84

**TIDELANDS LEASE AMENDMENT**

This lease amendment is entered into between the City and Borough of Sitka, hereinafter referred to as LESSOR, and K & R Enterprises, Inc, box 1884, Sitka, Alaska 99835, hereinafter referred to as LESSEE. recorded at Book 61, Pages 795-97

WHEREAS, LESSOR and LESSEE entered into a Tidelands Lease for what is now described as Parcel No. 1, Seaward of Block 9, Replat No. 1, Dan Moller Subdivision, Sitka Recording District, First Judicial District, State of Alaska on January 12, 1983; and

WHEREAS, that lease provided that LESSEE would provide 73 parking spaces seaward of Signaka Way; and

WHEREAS, the number of parking spaces was incorrect and not necessary to the lease;

NOW THEREFORE IN CONSIDERATION of the above premises and the mutual promises continued in the original lease, LESSOR and LESSEE agree that subsection 2(h) of the lease shall be amended to read:

2(h) The lease area shall be used for parking. This parking shall be available to the public at all times, free of charge.

DATED this 2nd day of May, 1994 at Sitka, Alaska.



Gary L. Paxton  
CITY & BOROUGH OF SITKA  
304 LAKE ST.  
SITKA, ALASKA 99835



Frank Richards, President  
K & R ENTERPRISES, INC.

STATE OF ALASKA )  
FIRST JUDICIAL DISTRICT ) ss: MUNICIPAL ACKNOWLEDGEMENT

THIS IS TO CERTIFY that on this 2nd day of June, 1994, before me, a Notary Public in and for the State of Alaska, personally appeared GARY L. PAXTON to me known and known to me to be the person whose name is subscribed to the foregoing TIDELANDS LEASE AMENDMENT, and after being first duly sworn according to law, he stated to me under oath that he is the ADMINISTRATOR of the City and Borough of Sitka, a corporation organized under the laws of the State of Alaska, that he has been authorized by said corporation to execute the foregoing on its behalf and he executed the same freely and voluntarily as the free act and deed of said corporation.

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



*Kelly A. White*  
Notary Public for Alaska  
My commission expires: 06/29/96

STATE OF ALASKA )  
FIRST JUDICIAL DISTRICT ) ss: CORPORATE ACKNOWLEDGEMENT

ON THIS 2nd day of June, 1994 before me, a Notary Public for the State of Alaska, personally appeared FRANK RICHARDS, to me know and who, being duly sworn by me, did depose and say that he resides at Sitka, Alaska, and that he is PRESIDENT of the K & R Enterprises, Inc. in the foregoing indenture named, and the he signed the same as PRESIDENT and he acknowledges the execution of said instrument to be the free and voluntary act and deed of said TIDELAND LEASE AMENDMENT by him as PRESIDENT, voluntarily done and executed.



*Kelly A. White*  
Notary Public for Alaska  
My commission expires: 06/29/96

After recordation  
return to:

Pearson & Hanson  
P.O. Box 98, Sitka, AK 99835

BOOK 109 PAGE 671

94-2193

ecc	18.00
Sitka	REC. DIST.
DATE 6-2	19 94
TIME 2:55	P M
Requested By Denton Deaver	
Address	

**TIDELANDS LEASE**

THIS LEASE, made and entered into this first day of May, 1994, by and between:

**CITY AND BOROUGH OF SITKA**  
hereinafter referred to as the Lessor,

and

**K&R ENTERPRISES, INC.**  
of 713 Katlian Street, Sitka, Alaska 99835  
hereinafter referred to as the Lessee,

**WITNESSETH:**

WHEREAS, the Lessor is owner of certain tidelands situated at Sitka, Alaska described as follows:

**A PARCEL OF TIDELANDS LYING WITHIN THE FIRST JUDICIAL DISTRICT, STATE OF ALASKA, IN SITKA, ALASKA AND SEAWARD OF KATLIAN STREET AND SIGINAKA WAY, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:**

City Tidelands Lease Parcel No. 2, Seaward of Block 9, Replat No. 1 Dan Moller Subdivision

Beginning at the most southerly corner of block 9 Replat No. 1 Dan Moller Subdivision, said corner also being the most easterly corner of this tidelands lease parcel, the true point of beginning and corner No. 1 of this description; thence S57° 10'W 9.67 ft. to corner No. 2; thence N49° 57'15"W 176.15 ft. to corner No. 3; thence N40° 02'45"E 13.00 ft. to corner No. 4; thence S49° 57'15"E 166.05 ft. along the City Tidelands Lease Parcel No. 1 boundary, as previously described, to corner No. 5; thence S33° 45'E 13.48 ft. to corner No. 1, the true point of beginning, containing 2291 square ft., more or less.

WHEREAS, the Lessee bid the minimum bid on the 2291 square feet of property of \$1,580.79 plus sales tax per year.

WHEREAS, Lessor has held an auction pursuant to SGC Chapter 18.16.110 to lease the described tidelands; and

WHEREAS, Lessee, the upland owner, was the successful bidder,

NOW THEREFORE, for and in consideration of the agreements hereinafter contained, Lessor and Lessee agree as follows:

1. Lessor hereby devises and leases unto the Lessee, the above described property for a term of forty three (43) + years, beginning June 1, 1994 and ending October 27, 2037.

2. Lessee, in consideration of lease from Lessor, agrees as follows:

(a) To pay rent therefore to Lessor at its order in the sum of \$1580.79, plus sales tax, annually, payable on the first day of June of each year in advance. It is acknowledged that the first year's payment has been made. In addition to said rental, there shall be paid to the City and Borough of Sitka, sales tax on the amount of each rental payment not exempt from such sales tax.

(b) The parties hereby agree that said annual rent is subject to adjustment on the seventh anniversary of the lease and each seven years thereafter, with the annual lease payment being changed by the percentage change in the amount (expressed in dollars and cents) established by dividing the grand total land value on the official municipal real property assessment roll for the initial lease year, or prior adjustment year by the number of that year's real property tax accounts, compared with a similar calculation using the figures seven years later. The base figure for the tax year 1994 is \$47,837.00.

(c) This lease may not be assigned or sublet by the Lessee without the consent of the Lessor.


(d) If the rent shall be in arrears, or Lessee, its representatives or assigns fail to do or shall neglect agreements herein contained which are to be performed and in the event Lessee fails to remedy default within thirty (30) days after receipt of written notice of any such rental arrears or neglect, then lessor may immediately, or at any time thereafter, while such neglect or default continues, enter onto the premises, or any part thereof terminate the lease and repossess the same as of its former estate, and expel Lessee and those claiming under it and remove its effects (forcetully if necessary) without being guilty of any trespass and without prejudice to any remedies which might otherwise be used for arrears or rent, or proceedings on breach of agreement.




(e) That the Lessee herein agrees to pay any Local Improvement District assessments that may be levied against the property leased herein to the same extent and in the same amount as if the Lessee were the owner of the property leased herein which would be included in the Local Improvement District to be formed or contemplated. The Lessee shall share the Lessor's right as owner in all proceedings under the Local Improvement District (except for payment of assessments) in proportion that the remaining years of the lease bear to twenty (20). (For example: If the lease has five (5) years to run, the Lessee shall have the right to exercise 5/20ths of the lessor's vote and the Lessor, 15/20ths.

IT IS MUTUALLY AGREED AS FOLLOWS:

1. The terms and conditions herein contained shall apply to and bind the heirs, successors, and assigns of the respective parties.
2. Waiver by Lessor of any agreement or condition herein shall not be considered a waiver of any subsequent breach of said agreement or condition.
3. If Lessee occupies the premises after the expiration date of this lease without the consent of the Lessor, such possession shall be construed as an annual tenancy and Lessee shall pay Lessor the same annual rent paid during the last year of said lease.
4. At any termination of said tenancy, all improvements placed on said property and attached to the land so as to become part of the real property by common law definition shall become the property of the Lessor.
5. Lessee agrees to save the Lessor harmless from any liability for property damage or personal injury to any person or persons on or about the premises; to carry liability insurance in such amounts as may be agreed to between the parties to cover such liability, with the Lessor as an additional named insured.

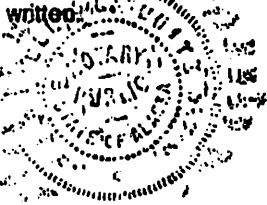
  
\_\_\_\_\_  
Gary L. Paxton, Administrator  
CITY & BOROUGH OF SITKA  
304 LAKE ST.  
SITKA, ALASKA 99835

  
\_\_\_\_\_  
Frank Richards  
K&R ENTERPRISES, INC.

STATE OF ALASKA )  
 )ss. MUNICIPAL ACKNOWLEDGEMENT  
FIRST JUDICIAL DISTRICT )

THIS CERTIFIES that on the 2nd day of June, 1994, before me, a Notary Public in and for the State of Alaska, personally appeared GARY L. PAXTON, to me know and known to me to be the person whose name is subscribed to the foregoing lease and after being first duly sworn according to law, he stated to me under oath that he is the Administrator of the City and Borough of Sitka, Alaska, a corporation organized under the laws of the State of Alaska, that he has been authorized by said corporation to execute the foregoing lease on its behalf and he executed the same freely and voluntarily as the free act and deed of said corporation.

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



Kelly A. White  
Notary Public for Alaska  
My Commission expires: 10/3/94

STATE OF ALASKA )  
 )ss.  
FIRST JUDICIAL DISTRICT )

THIS IS TO CERTIFY that on this 2nd day of June, 1994, before me the undersigned, a Notary Public in and for the State of Alaska duly commissioned and sworn, personally appeared FRANK RICHARDS, to me known to be the person who executed the above and foregoing instrument, and acknowledged to me that he signed and sealed the same freely and voluntarily.



Kelly A. White  
Notary Public for Alaska  
My Commission expires: 10/3/94

After recordation  
return to:

Pearson & Hanson  
P.O. Box 98, Sitka, AK 99835

BOOK 109 PAGE 676

94-2194

ecc		24.00
Sittka		REC. DIST.
DATE	6.2	19 54
TIME	2:59	P.M.
Requested By <u>Denton Dean</u>		
Address _____		