

CITY OF VALDEZ, ALASKA

RESOLUTION # 24-11

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA, AUTHORIZING A LEASE WITH IN PROPERTIES, LLC FOR A 3,720 SQUARE FOOT PORTION OF LOT 2, BLOCK 2, MINERAL CREEK SUBDIVISION (BARNEY MEYRING PARK STRIP) ADJACENT TO LOT 12, BLOCK 15, MINERAL CREEK SUBDIVISION

WHEREAS, Willow Park Apartment Complex does not meet the number of off-street parking spaces required by Valdez Municipal Code; and

WHEREAS, there are no other alternatives for off-street parking adjacent to the building to meet the parking requirements except the Barney Meyring Park Strip owned by the City of Valdez; and

WHEREAS, Chapter 4.08 of the Valdez Municipal Code provides for the lease of City lands; and

WHEREAS, City Council approved a lease with IN Properties, LLC via resolution #19-10 for an 3,720 square foot portion of Lot 2, Block 2, Mineral Creek Subdivision (Barney Meyring Park Strip) adjacent to Lot 12, Block 15, Mineral Creek Subdivision for supplemental off-street parking; and

WHEREAS, the lease term is expiring March 31, 2024 with five remaining five-year renewal options to extend this Lease; and

WHEREAS, Lessee desires to continue to lease the property to meet their parking requirements; and

WHEREAS, the City of Valdez is working towards consistency in insurance language requirements and updating insurance language in lease agreements to the best practice language established by our Legal Department; and

WHEREAS, the insurance language in this Lease needs to be amended to adequately protect the City from liability; and

WHEREAS, the billing due date for this Lease does not properly coincide with the lease term, and needs to be updated.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA, that:

Section 1. The term of this Lease is extended to utilize renewal option one of five to extend the term commencing April 1, 2024, and expiring March 31, 2029 with four remaining five year options to renew pursuant to Section 2.06.

Section 2. Section IX of this Lease is amended to add section 9.02 Waiver of Subrogation with the following language:

“9.02 Waiver of Subrogation. For the purpose of waiver of subrogation, each party to this Lease releases and waives all rights to claim or recover damages, costs or expenses against the other party for any casualty of any type whatsoever in, on or about the Premises if the amount of such damage, cost or expense has been paid to such damaged party under the terms of any policy of insurance required herein.”

Section 3. Sections 10.01 - 10.03 of this Lease are repealed and replaced with the following language:

X - INSURANCE

“10.01. Liability Insurance. LESSEE shall, at its own expense, purchase, maintain and otherwise keep in force the following insurance for the duration of this Agreement. LESSOR shall be notified no fewer than thirty (30) days prior to any termination, cancellation, or any other material change in such insurance. LESSEE shall provide LESSOR the insurance policy including all endorsements prior to the commencement of any activity undertaken in connection with this Lease.

General Liability: Covering LESSEE and LESSOR for any and all claims for personal injury, bodily injury (including death) and property damage (including environmental degradation or contamination) arising from any activity occurring as a result of this Lease.

Minimum limits: \$1,000,000 Each Occurrence
 \$100,000 Damage to Rented Premises
 \$5,000 Medical Payments
 \$1,000,000 Personal & Adv Injury
 \$2,000,000 General Aggregate
 \$2,000,000 Products and Completed Operations Aggregate

The City of Valdez shall be included as an Additional Insured.

Auto Liability (if applicable): LESSEE shall maintain business auto liability insurance covering liability arising out of any auto (including owned, hired, and non-owned autos).

Minimum Limits: \$1,000,000 Combined single limit each accident

The City of Valdez shall be included as an Additional Insured.

Workers' Compensation: LESSEE shall maintain Workers' Compensation and Employer's Liability Insurance.

Minimum Limits: 1. Workers' compensation – statutory limit
2. Employer's liability:
 \$100,000 bodily injury for each accident
 \$100,000 bodily injury by disease for each employee
 \$500,000 bodily injury disease policy limit"

Section 4. Section 3.01 Rent is repealed and replaced in its entirety with the following language:

"The LESSEE shall pay to LESSOR an annual rent of ten percent (10%) of the fair market appraised value of the Property, which value, subject to the adjustment provisions set forth below, is determined to be \$600.00 annually. An annual payment of rent shall be made in advance not later than the first day of April of each year of the Lease. Rent for any partial year shall be prorated at the rate of 1/12th of the annual rent per month or portion thereof. Rent shall be payable at the office of the City of Valdez, P.O. Box 307 Valdez, Alaska 99686, or at such other place as LESSOR may designate in writing. Delinquent rent shall bear interest at the maximum rate of interest allowed per annum."

Section 5. All other terms, covenants, and conditions of said Lease, and amendments, shall remain in full force and effect.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA, this 20th day of February, 2024.

CITY OF VALDEZ, ALASKA

ATTEST:

Sharon Scheidt, Mayor

Sheri L. Pierce, MMC, City Clerk