

By: Finance Department

Adopted: June 8, 2015

Vote: Buswell, Graham, O'Barr, Sullivan-Leonard, Wall, and Wilson in favor

**City of Wasilla
Resolution Serial No. 15-16**

A resolution of the Wasilla City Council authorizing the Mayor to execute a three (3) year agreement with the Iditarod Trail Committee for leased land to serve as their Headquarters.

WHEREAS, the Iditarod Trail Committee (ITC) is a non-profit organization that has leased this land since September 1985; and

WHEREAS, the ITC conducts the Iditarod Trail Sled Dog Race; which has grown to be known as the world's premier sled dog race; and

WHEREAS, was conceived in Wasilla by Dorothy G. Page and Joe Redington Sr., making Wasilla the birthplace of the "Last Great Race on Earth" ; and

WHEREAS, the Iditarod Trail Sled Dog Race is followed by millions of race fans around the globe each March as a result of ITC's television and radio contracts, interactive website and various marketing efforts ; and

WHEREAS, the Iditarod Trail Sled Dog Race garners significant international media attention each year as this year alone 1,536 media entities from 37 different countries generated more than 11,300 original stories about the race; and

WHEREAS, the Headquarters of the Iditarod Trail Committee and the Iditarod Trail Sled Dog Race generates significant economic impact and promotes both summer and winter tourism for the City of Wasilla

NOW, THEREFORE, BE IT RESOLVED, that the Wasilla City Council authorize the Mayor to execute a lease agreement with the ITC for City owned land located at 2100 S. Knik-Goose Bay Road, for consideration in terms of publicity, tourism, and signage.

ADOPTED by the Wasilla City Council on June 8, 2015.


BERT L. COTTLE, Mayor

ATTEST:


KRISTIE SMITHERS, MMC, City Clerk

[SEAL]

WASILLA

• ALASKA •

CITY COUNCIL LEGISLATION STAFF REPORT

Resolution Serial No. 15-16: A resolution of The Wasilla City Council authorizing the Mayor to execute a three (3) year agreement with the Iditarod Trail Committee (ITC) for the lease of City owned land.

Originator: April Dwyer

Date: 5/15/2015

Agenda of: 6/8/2015

Route to:	Department Head	Signature	Date
	Chief of Police		
X	Public Works Director	<i>Bill Mulvick for Archie Giddings</i>	5/21/15
	Recreation & Cultural Services Director		
X	Finance Director	<i>[Signature]</i>	5/9/15
X	Deputy Administrator	<i>[Signature]</i>	5/27/15
X	City Clerk	<i>[Signature]</i>	5.26.15

Reviewed by Mayor Bert L. Cottle:


 05:27:2015
Fiscal Impact: yes or noFunds Available: yes or no

Account name/number:

Attachments: Iditarod Trail Committee Lease (6 pages)
Resolution Serial No. 15-16 (1 page)

Summary Statement: This agreement is for the lease of City owned land filed in the Palmer Recording District on April 9, 1982 as Plat No. 82-31. The Iditarod Trail Committee has leased this land located at 2100 S Knik-Goose Bay Road since September of 1985 and has built and established their headquarters there. The Iditarod Trail Committee wishes to continue leasing the land from the City of Wasilla. This lease is a zero dollar lease for consideration in terms of publicity, tourism, and signage.

Recommended Action: Adopt Resolution Serial No. 15-16.

LEASE AGREEMENT

THIS AGREEMENT is made and entered into as of the 10th day of June 2015, by and between the CITY OF WASILLA, an Alaska municipal corporation, whose address is 290 E. Herning Avenue, Wasilla, Alaska 99654, hereinafter referred to as the "Lessor"; and the IDITAROD TRAIL COMMITTEE, an Alaska nonprofit corporation, whose address is P.O. Box 870800, Wasilla, Alaska 99687, hereinafter referred to as "Lessee":

WITNESSETH:

1. Premises. Lessor, for and in consideration of the covenants and conditions hereinafter specified to be performed and observed by Lessee, does hereby let, lease and demise to Lessee the real estate located in the Palmer Recording District, Third Judicial District, State of Alaska, more particularly described as follows:

Alaska State Land Survey No. 80-116, containing 9.78 acres, more or less: that portion of the SW1/4NW1/4SW1/4 and the NW1/4SW1/4SW1/4 of Section 16, T. 17N., R. 1W., Seward Meridian, Alaska, lying North of the Goose Bay Road right-of-way, filed in the Palmer Recording District on April 9, 1982 as Plat No. 82-31.

2. Appurtenances. Lessor leases and grants to Lessee all easements, parking and loading rights, right of ingress and egress, fixtures and appurtenances now or hereafter belonging or appertaining to said premises.
3. Encumbrances. The described premises are leased, subject to deed restrictions, easements, rights-of-way, if any, zoning and building restrictions and governmental regulations now in effect or hereafter adopted by any governmental authority, and subject to any and all existing encumbrances that are visible or that can be viewed by site inspection.
4. Term. The primary term of this lease shall be three (3) years, commencing on the 10th day of June 2015, through and including the 10th day of June 2018.
5. Option to Renew. Lessee shall have the right and option to renew and extend this lease for an additional term not to exceed three (3) years provided that Lessee gives notice, in writing, of its intention to renew and extend this lease at least six (6) months prior to the expiration of the primary term hereof.
6. Rental. This lease shall be rent free and is made for the consideration afforded the City of Wasilla in terms of publicity and tourism as described in Resolution No. 15-16. Rental is subject to renegotiation if Lessee becomes a profit making corporation under Alaska law.
7. Compliance With laws and Care of Premises. Lessee shall comply with all applicable laws, ordinances and regulations of duly constituted public

authorities now or hereafter in any manner affecting the demised premises or the streets, and ways adjacent thereto or any building, structures, fixtures and improvements or the use thereof, whether or not any such laws, ordinances or regulations which may be hereafter enacted involve a change of policy on the part of the governmental body enacting the same. Lessee further agrees that it will not permit any unlawful occupation, business or trade to be conducted on said premises or any use to be made thereof contrary to any law, ordinance or regulation as aforesaid with respect thereto.

8. Lessee's Right. Lessee, when not in default of performance of any of its obligations hereunder shall have the following rights, during the term of this lease, from time to time, in such manner, and to such extent as Lessee may in its sole judgment deem advisable:
 - a. To erect, place or install upon the leased premises, buildings, structures and improvements as from time to time shall be deemed advisable.
 - b. To make such alteration, additions and repairs to the leased premises as it may desire.
 - c. To demolish, remove or otherwise dispose of any improvements presently or subsequently situated upon the demised premises, subject to the restrictions set forth in paragraph 11.

9. Termination. All buildings, structures and permanent improvements, including signs, which have been or may be installed, placed or attached in or about the leased premises by Lessee, shall remain the property of the State of Alaska at the expiration or termination of the term of this lease, or any extended term thereof. However, in the event of the expiration or termination of this lease, for any reason whatsoever, Lessor may, upon written notice, require the State of Alaska to either abandon the permanent improvements and grant Lessor ownership thereof within one (1) year from the date of such notice or, alternatively, require removal and/or dismantling of the improvements within one (1) year from the date of such notice.

10. Use of Premises. The leased premises are to be used primarily as a headquarters site for the Iditarod Trail Committee. However, the Iditarod Trail committee may use the leased premises in any manner which is consistent with the purposes for which it was formed as a nonprofit Alaska corporation, subject to the restrictions set forth in paragraph 11.

11. Wasilla Headquarters. At all times during the term of this Lease, Lessee shall refer to the improvements thereon as the "headquarters of the Iditarod Trail Committee." If at any time Lessee ceases to designate or use the improvements as the "headquarters of the Iditarod Trail Committee," then the lease shall automatically terminate and revert back to the Lessor. The sign for the headquarters building shall acknowledge the City of Wasilla for the use of

City owned property. If at any time the use of the premises is so limited as to effectively end use of the premises as the functional headquarters of the Iditarod Trail Committee, termination of the lease may be demanded by Lessor upon ninety (90) days written notice to Lessee; functional use of the premises as the headquarters of the Iditarod Trail Committee is defined herein as the primary place of administration for the work of the Committee. This provision shall not preclude the operation of satellite retail outlets or operation of information offices in Anchorage or elsewhere that is clearly secondary to the main headquarters office.

12. Utilities. Lessee shall be responsible for paying all utilities and any special assessments for utility purposes, or any real property taxes which may be assessed against the property during the course of the lease, notwithstanding that no such real property taxes presently are assessed.
13. Third-Party Use. Other nonprofit organizations may be afforded the opportunity, at the sole discretion of Lessee, to use the facilities located on the leased premise. Lessee shall have the right to charge an appropriate user fee in the event of such third-party use.
14. Insurance. Lessee shall maintain Commercial General Liability insurance with policy limits of at least One Million and No/100 Dollars (\$1,000,000.00) per occurrence and Two Million and No/100 Dollars (\$2,000,000.00) annual policy aggregate. Lessee shall maintain Special Form Property Insurance on all structure improvements in the amount equal to at least Ninety Percent (90%) of replacement cost, throughout the lease term. Lessor shall be named as additional insured on all insurance policies and copies of all insurance policies, or certificates thereof, shall be provided to Lessor.
15. Quiet Enjoyment. Provided Lessee is not in default hereunder, Lessor covenants that Lessor shall not interfere with Lessee's peaceful and quiet enjoyment of the leased premises. Lessee agrees to peacefully and quietly occupy the premises in a manner which will be consistent with the purposes described herein and without undue interference with the occupancy or use by adjoining land owners.
16. Notices. Any and all notices required or permitted under this lease, unless otherwise specified in writing by the party whose address is changed, shall be as follows:

LESSOR: The City of Wasilla
290 E. Herning Avenue
Wasilla, Alaska 99654

LESSEE: Iditarod Trail Committee
P.O. Box 870800
Wasilla, Alaska 99687

17. Rights or Remedies. Except insofar as this is inconsistent with or contrary to any provision of this lease, no right or remedy herein conferred upon or reserved to the parties is intended to be exclusive of any other right or remedy, and each and every right and remedy shall be cumulative and in addition to any other right or remedy given hereunder, or now or hereafter existing at law or in equity or by statute.
18. Inspection. Lessor shall at all reasonable times during Lessee's business hours have access to the premises for the purpose of inspection.
19. Successors in Interest. This lease shall be binding upon and inure to the benefit of the respective heirs, successors and assigns of the parties hereto.
20. Assignment or Subletting. Lessee shall not sublet the demised premises, or any part thereof, or assign this lease, or any part thereof, without the prior written consent of Lessor, provided that Lessee may assign this lease, or any part thereof, to a lending institution, for loan security purposes, and provided further that this right to assign shall not be construed as a subordination of Lessor's rights hereunder. Lessor agrees that it will not unreasonably withhold consent to a proposed subletting or assignment by Lessee.
21. Warranty of Title. Lessor warrants and represents that it holds clear title to the subject land, except for easements and encumbrances of record.
22. Mortgage of Leasehold Interest of Tenant.
 - a. Lessee shall have the unrestricted right to encumber, by mortgage, deed of trust, assignment or other appropriate instrument, Lessee's interest in part or in whole to the leased premises in and to this lease.
 - b. A leasehold mortgagee, a beneficiary of a deed of trust, or a security assignee shall have and be subrogated to any all rights of Lessee with respect to the curing of any default hereunder by Lessee.
 - c. If the holder of any such mortgage, the beneficiary of any such deed of trust, or the security assignee shall give Lessor, before any default shall have occurred in the lease, a written notice containing the name and post office address of such holder, Lessor shall thereafter give to such holder a copy of each notice of default by Lessee at the same time as any notice of default shall be given by Lessor to Lessee.
23. Modification and Amendment. This lease may not be modified nor amended except by a writing signed by both parties hereto, and any purported

amendment or modification is without effect until reduced to a writing signed by both parties hereto.

24. Recording. Lessee shall record this lease.

25. Hold Harmless. Lessee agrees to hold Lessor harmless and indemnify Lessor from and all claims, actions demands, liability, or judgments which Lessee might incur by reason of the Lessee's use of the leased premises. This paragraph is intended to indemnify Lessor in the event that suit is brought by reason of the actions or failure to act of the Lessee regarding a responsibility or duty of the Lessee.

LESSOR:

Bert L. Cottle, Mayor
City of Wasilla

Date

LESSEE:

Stan Hooley, CEO
Iditarod Trail Committee

Date

STATE OF ALASKA)
 : ss.:
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on the ____ day of _____ 2015, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn as such, personally appeared Bert L. Cottle, known to me, who declared to me that he is the Mayor of the CITY OF WASILLA, a municipal corporation, and known to me to be the person who executed the within instrument on behalf of the corporation herein named, and acknowledged to me that the same was signed as a free act and deed of the said corporation for the uses and purposes therein stated and pursuant to its Bylaws or a resolution of its Board of Directors.

WITNESS my hand and notarial seal the day and year first above written.

Notary Public in and for Alaska
My Commission expires: _____

STATE OF ALASKA)
 : ss.:
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on the ____ day of _____ 2015, before me, the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn as such, personally appeared Stan Hooley, known to me, who declared to me that he is the Executive Director of the IDITAROD TRAIL COMMITTEE, a municipal corporation, and known to me to be the person who executed the within instrument on behalf of the corporation herein named, and acknowledged to me that the same was signed as a free act and deed of the said corporation for the uses and purposes therein stated and pursuant to its Bylaws or a resolution of its Board of Directors.

WITNESS my hand and notarial seal the day and year first above written.

Notary Public in and for Alaska
My Commission expires: _____