

Submitted by: Chair of the Assembly at the
Request of the Mayor
Prepared by: Real Estate Services, Division
of Heritage Land Bank
For reading: May 15, 2007

CITY OF ANCHORAGE
CITY CLERK
Date: 6-12-07
ANCHORAGE, ALASKA
AO No. 2007- 76

1 AN ORDINANCE AUTHORIZING A LEASE OF COTTAGE 25 TO ANCHORAGE
2 HISTORIC PROPERTIES, INC., AN ALASKA NON-PROFIT CORPORATION, FOR
3 OFFICE, PARKING AND STORAGE SPACE.
4

5
6 **WHEREAS**, the Municipality of Anchorage (MOA) owns land and improvements on a
7 9,842 square foot parcel commonly known as "Cottage 25," under management authority
8 of the Real Estate Services Department, legally described as Lot 16, Block 18A less 20
9 feet, Original Townsite of Anchorage, 645 West Third Avenue, Anchorage, Alaska; and
10

11 **WHEREAS**, in connection with settlement of an action between MOA and Anchorage
12 Historic Properties, Inc. (AHPI), pending in the Superior Court, State of Alaska at
13 Anchorage, AHPI requests a long-term, less than fair market value lease of space within
14 Cottage 25; and
15

16 **WHEREAS**, the MOA prepared a Lease Agreement with AHPI, for a term of eight (8)
17 years, in accordance with Section 4 of the Settlement and Release Agreement between
18 MOA and AHPI, consistent with Anchorage Municipal Code section 25.30.070B.; and
19

20 **WHEREAS**, per Anchorage Municipal Code section 25.30.040B., "the municipality may
21 dispose of municipal land to... a non-profit corporation or association for less than fair
22 market value of the interest disposed of, upon a finding by the Assembly that the disposal
23 will allow the use of the land for a public purpose beneficial to the municipality"; and
24

25 **WHEREAS**, upon expiration of the eight year lease term, the Lease rate shall be adjusted
26 to fair market value, pursuant to Anchorage Municipal Code section 25.30.050C., if AHPI
27 elects to renew the Lease; and
28

29 **WHEREAS**, AHPI shall be responsible for any and all taxes, assessments and applicable
30 fees during the lease term; now, therefore,
31

32 **THE ANCHORAGE ASSEMBLY ORDAINS:**
33

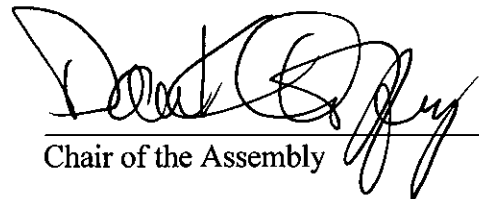
34 **Section 1.** Pursuant to Anchorage Municipal Code section 25.30.040B., the Assembly
35 hereby finds a lease of Cottage 25 by Anchorage Historic Properties, Inc., a non-profit
36 corporation created to protect and preserve historic properties in Anchorage, at less than fair
37 market value, is appropriate and allows the use of the land for a public purpose beneficial to
38 the Municipality.
39

1 **Section 2.** A lease of Cottage 25 with Anchorage Historic Properties, Inc. for a term of
2 eight (8) years commencing January 1, 2007 and ending December 31, 2015, at less than fair
3 market value, and upon the additional terms and conditions described in the accompanying
4 Assembly memorandum, is approved. The Administration is authorized to negotiate such
5 other terms and conditions as necessary for protection of the property and the Municipality.
6

7 **Section 3.** This ordinance shall take effect immediately upon passage and approval by the
8 Assembly.
9

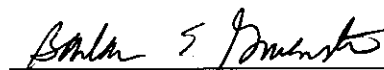
10
11 PASSED AND APPROVED by the Anchorage Municipal Assembly this 12th day of
12 June, 2007.
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Chair of the Assembly

ATTEST:

19
20
21
22


Municipal Clerk

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects - General Government

AO Number: 2007-76 Title: AN ORDINANCE AUTHORIZING A LEASE OF COTTAGE 25 TO ANCHORAGE HISTORIC PROPERTIES, INC., AN ALASKA NON-PROFIT CORPORATION, FOR OFFICE, PARKING AND STORAGE SPACE.

Sponsor: MAYOR
Preparing Agency: Real Estate Services, Division of Heritage Land Bank
Others Impacted:

CHANGES IN EXPENDITURES AND REVENUES: (Thousands of Dollars)					
	FY07	FY08	FY09	FY10	FY11
Operating Expenditures					
1000 Personal Services					
2000 Supplies					
3000 Other Services					
4000 Debt Service					
5000 Capital Outlay					
TOTAL DIRECT COSTS:	4.8	4.9	5.0	5.2	5.4
6000 IGCs	0	0	0	0	0
FUNCTION COST:	0	0	0	0	0
REVENUES:	0	0	0	0	0
CAPITAL:	0	0	0	0	0
POSITIONS: FT/PT and Temp.	0	0	0	0	0

PUBLIC SECTOR ECONOMIC EFFECTS:

Estimated MOA expenditures for utilities and maintenance for AHPI's portion of the property over the 8-year lease period = \$43,252.55.

PRIVATE SECTOR ECONOMIC EFFECTS:

None

Prepared by: **William M. Mehner**
Director, Heritage Land Bank and Real Estate Services

Telephone: **343-4337**



Municipality of Anchorage

Assembly Memorandum

No. AM 337 -2007

Meeting Date: May 15, 2007

From: MAYOR

Subject: AN ORDINANCE AUTHORIZING A LEASE OF COTTAGE 25 TO ANCHORAGE HISTORIC PROPERTIES, INC., AN ALASKA NON-PROFIT CORPORATION, FOR OFFICE, PARKING AND STORAGE SPACE.

This Ordinance authorizes an eight-year, less than fair market value, Lease between the Municipality of Anchorage (MOA) and the Anchorage Historic Properties, Inc., (AHPI) of municipal property located in Anchorage at 645 West 3rd Avenue. (See map attached as **Appendix A.**)

The 9,842-square foot parcel, commonly known as Cottage 25, is owned by the MOA and is under the Real Estate Services Department management authority. It is legally described as Lot 18A, Block 16, Original Townsite of Anchorage (PID #002-107-14), contains a low-rise office building with parking, and is zoned B-2C. AHPI proposes to lease the first floor of the building together with basement storage and parking on the side of the building.

This Lease is part of a package of negotiated terms for settling pending litigation between AHPI and MOA. Terms of the settlement include the following:

1. Title to the contents of the Oscar Anderson House Museum will be transferred to MOA;
2. Funds held in trust for the benefit of the Oscar Anderson House Museum will be administered by MOA in the future;
3. All funds remaining in AHPI's possession deriving from grant funds provided by MOA have been returned to MOA; and
4. AHPI agrees to release and discharge the Municipality from any further claims, including those relating to ownership and future use of two cottages on Government Hill known as the Brown's Point Cottages.

The ordinance authorizes the Municipality to enter into a rent-free Lease with AHPI, as Tenant, from January 1, 2007 until expiration of the lease on December 31, 2015, with AHPI responsible for all taxes and other assessments (Appendix B). There are no options to renew the Lease. Effective January 1, 2016 rent shall be adjusted to fair market value pursuant to Anchorage Municipal Code section 25.30.050C.

1 Utilities that serve the premises have only one meter apiece for the entire building.
2 Rather than incur the cost of installing separate meters for water, sewer, natural gas and
3 electricity, the cost of utilities is included. AHPI will maintain its area, including the
4 storage and parking areas. All tenant improvements are at AHPI's expense. AHPI is
5 responsible to provide its own fire, casualty, liability and theft insurance and is
6 responsible for liability and damages caused by AHPI's negligence or fault.

7
8 It is difficult to measure the economic value of the Lease compared to AHPI's claims.
9 The amount of grant funds recovered was approximately \$340,000.00. The contents of
10 the Oscar Anderson House were insured for approximately \$29,000.00 and the trust funds
11 for the museum are approximately \$22,000.00. The judgment obtained against AHPI
12 was in the amount of \$453,000.00.

13
14 AHPI asserted claims against MOA that are still pending and unresolved. These claims
15 principally relate to the Brown's Point Cottages and seek to recover approximately
16 \$250,000.00 spent on improvements to the buildings, plus lost future rents. The claims
17 are disputed.

18
19 Allowing AHPI to remain at Cottage 25 is in the best interest of the community. AHPI
20 has occupied the premises for many years and stores a large number of historic records
21 and artifacts on the premises. A forced move could result in loss or damage to these
22 records and artifacts. In addition, AHPI has agreed to continue its practice of leading
23 tours of the building, provided such tours are requested when AHPI's employees,
24 members or volunteers are available.

25
26 This eight-year, no-rent Lease of Cottage 25 is a condition of the Settlement and Release
27 Agreement between AHPI and MOA (**Appendix C**), and is authorized under Anchorage
28 Municipal Code section 25.30.070B.

29
30 THE ADMINISTRATION RECOMMENDS APPROVAL OF AN ORDINANCE
31 AUTHORIZING A LEASE OF COTTAGE 25 TO ANCHORAGE HISTORIC
32 PROPERTIES, INC., AN ALASKA NON-PROFIT CORPORATION, FOR OFFICE,
33 PARKING AND STORAGE SPACE.

34
35 Prepared by: Tammy Oswald, Manager
36 Real Estate Services, Division of Heritage Land Bank
37 Approved by: William Mehner, Director
38 Heritage Land Bank and Real Estate Services
39 Concur: Mary Jane Michael, Executive Director
40 Office of Economic and Community Development
41 Concur: James N. Reeves, Municipal Attorney
42 Concur: Denis C. LeBlanc, Municipal Manager
43 Respectfully submitted, Mark Begich, Mayor
44

45 Appendix A: Map of Cottage 25

46 Appendix B: Settlement Agreement between MOA and AHPI

http://munimaps.muni.org/mox42/pAdmin.cfm?action=mox42_view_printablemap

4/19/2007

Appendix B

Rental Agreement

THIS AGREEMENT is entered into between Anchorage Historic Properties, Inc., thereafter referred to as Tenant and Municipality of Anchorage hereinafter referred to as Landlord. This agreement is entered into on this ___ day of _____, 2007.

This Agreement is effective on the 1st day of January, 2007.

The Landlord hereby rents/leases the property described as 645 W. 3rd Ave., Anchorage, AK 99501 more specifically described as first floor office, parking on right side of driveway and storage area. Lease is effective through December 31, 2015.

1. RENT

Landlord hereby agrees to lease the premises to Tenant rent free commencing January 1, 2007 and terminating December 31, 2015. On January 1, 2015 the lease shall be subject to rent adjustment pursuant to Anchorage Municipal Code 25.30.050 C.

2. LATE FEES AND NSF CHECKS

Tenant shall pay a late fee of \$50.00 for any rental sum not paid by the fifth day of the month and \$15.00 per week thereafter until rent is paid, but Landlord shall not be obligated to waive any remedies upon default in timely payment upon tender of said fee, except as required by law.

A service charge of \$25.00 will be assessed for the first check returned by the bank due to insufficient funds. A \$25.00 service charge will be assessed for the second check returned and Tenant will be required to make rental payments by cashier's check or money order thereafter.

3. KEYS AND LOCKOUTS

A replacement charge of \$15.00 plus the actual cost of duplicating the key will be made for any lost key. Tenant hereby acknowledges possession of 2 door keys. Tenant understands that Landlord assumes no responsibility for "lockouts" caused by Tenant carelessness or accident.

4. UTILITIES

Monthly rent fees include landlord paying for natural gas, water/sewer, electricity, snow removal and garbage service and janitorial.

5. USE

Tenant agrees that the Unit is to be used and occupied only by Tenant's agents, employees, directors and/or officers, members and volunteers.

6. ACCEPTANCE AND REPAIR

Tenant has inspected the Unit prior to occupancy and herewith accepts same as is. Tenant shall maintain the Unit, parking area, patio or balcony, and storage area, including furnishings, appliances, floor coverings and draperies in good order, and in a clean and sanitary condition. Landlord shall make, as and when needed, at its own expense, all repairs to the premises and/or building of which they are a part, provided such repairs are not made necessary by the misuse or neglect of the Tenant, Tenant's employees, agents or visitors of the Tenant. Tenant is responsible for and hereby agrees to pay for any damage done by wind, rain or snow caused by leaving windows open; and to plumbing fixtures and kitchen appliances caused by improper use, accidents or carelessness. Landlord shall keep building sewer lines open, but Tenant shall be responsible for the cost of unplugging any lines which affect Tenant's own Unit if such line(s) was(were) plugged due to negligence on the part of Tenant. This includes objects or material which plug or jam garbage disposals.

7. ALTERATIONS

Tenant agrees to do **NO** painting or other decorating in the Unit, or make any alterations, changes or additions to fixtures, locks or wiring without the prior written consent of the Landlord. All such alterations, additions or improvements as approved shall be paid for by the Tenant and shall become the property of the Landlord and shall remain upon and be surrendered with the premises at the end of the occupancy by the Tenant.

8. ACCESS

Landlord shall have the right to enter the premises during reasonable hours for the purpose of making inspections, repairs or alterations to the premises or building, and during the last thirty days of occupancy for the purpose of showing the premises, and no such entry shall constitute as eviction or entitle the Tenant to any abatement of rent. Landlord shall retain a master key for the purposes of making any entry permitted hereunder. Landlord will, whenever practicable, give at least 24 hours notice of their intent to enter.

9. INABILITY TO PERFORM

The obligation of the Tenant to pay rent and to comply with all of the provisions of this agreement shall not be impaired or excused by the Landlord's inability to perform any of its obligations to supply any service hereunder, if Landlord is prevented or delayed from doing so by any cause beyond the reasonable control of the Landlord, except as provided by law.

10. RESPONSIBILITY FOR PROPERTY

Tenant insurance is available through insurance carriers. It is the responsibility of the Tenant to provide his own fire, casualty, liability and theft insurance. Tenant is responsible for liability and damages due to losses caused by Tenant's negligence or fault assigned to Tenant. Landlord shall not be responsible for any loss of, or damage to, property of Tenants except as required by law.

11. ASSIGNMENT

Tenant shall not assign this agreement nor sublet the apartment or any part thereof.

12. NOTICE TO VACATE

Tenant agrees that to terminate tenancy at the end of lease term or earlier, written notice must be given to Landlord at least thirty (30) days preceeding the rental due date. Landlord may terminate the tenancy, after the specified term of this lease, without reason, by delivering written notice, said notice may be posted upon Tenant's door, at least thirty (30) days prior to rental due date. In addition, the Landlord may at its option give written notice to quit said premises for the following instances or material default:

- A. Any failure to pay the rent or any item of additional monies when due.
- B. Any violation by Tenant of any provisions of this agreement, if such violation shall not be cured within Ten (10) days after written notice thereof.
- C. Any abandonment of the premises by Tenant (an absence of seven (7) days or more while rent is in default being deemed "abandonment" for this purpose).
- D. Any conduct on the part of the Tenant, Tenant's agents, employees, officers, directors or invitees which Landlord reasonably deems objectionable or is in violation of rules and regulations as stated in Section 18.
- E. Any keeping of pets or animals, including pets or animals of any guest or visitor on the premises, unless specific prior written agreement on this subject has been reached between Landlord and Tenant.

13. RE-RENTING

Tenant agrees that the Landlord shall have the right to show the premises to prospective tenants for a period of thirty (30) days prior to expiration of tenancy. Landlord will, whenever practicable, give the Tenant twenty-four (24) hours notice of their intention to enter the Unit.

14. REMOVAL OF PROPERTY

Tenant agrees that upon termination of tenancy, the Landlord may immediately enter the Unit and take possession of any property found therein. Landlord shall not be obligated to store anything for any length of time or provide notice of any property left in the premises. Landlord may sell immediately or otherwise dispose of such property and may apply any income derived from sale against monies due the Landlord, including drayage and storage costs. Any excess income shall also be deemed to be the Landlord's.

15. COMPLIANCE WITH LAWS AND REGULATIONS

Tenant will comply with all applicable laws, orders and regulations of any government authority which imposes any duty upon Landlord or Tenant with respect to the premises or the use and occupancy thereof.

16. ATTORNEY FEES

If Tenant breaches any term of this agreement and Landlord pursues remedies for such breach, Tenant shall pay all costs of such remedial actions, whether or not litigation is commenced, including reimbursement of Landlord's attorney fees.

17. RULES AND REGULATIONS

Tenant agrees that Landlord may, upon thirty (30) days written notice make such changes or additions as deemed necessary to the rules and regulations stated herein. All other provisions of this agreement shall remain in full force and effect regardless of any change in rules, regulations or monthly rent.

A. All Tenants and guests shall have due regard for the peace, comfort and enjoyment of other tenants. Musical instruments, radios, television sets, stereos, etc., shall be played only during reasonable hours and at a reasonable volume.

B. No animals or pets of any kind shall be kept or harbored on or about the premises without the written permission of the Landlord.

C. All vehicles parked on the property must be operative and registered. No vehicles may be stored or repaired on the premises without the written permission of the Landlord.

D. Landlord shall have the right to remove any vehicles from the premises which are deemed by the Landlord to be unsightly or constitute a hazard or nuisance. Such removal will be the expense of the Tenant and/or owner of the vehicle.

E. Halls, stairways and exterior walkways or other public areas may not be used for storage or in any way be obstructed.

F. Children shall not play or run in public halls, stairways, sidewalks, garages or parking areas.

G. No wires, aerials for radio or television, or wires or ropes for clothes drying etc., shall be installed on the roof, decks or other parts of the building without written permission of the Landlord.

H. Exterior window sills and ledges shall not be used for the storage of bottles, food, etc.

I. Tenants are not permitted access to the roof except in case of emergency.

J. Balconies and patios shall not be used for storage.

K. All leaking faucets, toilets, windows, fireplaces and/or defects or potential defects in the Unit or appliances not in good working order shall be repaired promptly, at Tenant's expense.

L. Use only picture hooks or small tack nails to hang pictures, mirrors and decorative items on walls. DO NOT patch holes in walls and ceilings with spackle type compounds. This will normally make it necessary to repaint. You will be charged for the repaint.

M. No painting, staining, wallpapering, etc. shall be done without the written permission of the Landlord.

N. Upon termination of this Agreement Tenant agrees as follows:

1. Tenant shall clean and restore the Unit to its condition at the commencement of this tenancy, less normal wear and tear, as evidenced by the Property Condition Inspection Report signed by the Tenant. Tenant agrees that soilage is not normal wear and tear, and further agrees to have carpets and draperies cleaned to professional standards or request Landlord to do same at Tenant's expense at the termination of tenancy.

2. Tenant shall return to Landlord all keys to the Unit upon vacating said Unit.

3. Tenant shall have remedied or repaired any damage to Unit or premises or furnishings to Landlord's satisfaction.

4. Tenant shall have replaced any lost or missing items of furnishings or equipment, including personal property of the Landlord, provided during the tenancy.

5. Tenant shall have complied with all of the provisions of this rental agreement and other such rules and regulations as the Landlord may deem necessary, as stated in Section 17.

18. MISCELLANEOUS PROVISIONS

A. In the event the Premises shall be wholly or partially destroyed by fire or other casualty loss, Landlord shall be entitled to declare this Agreement terminated or make reasonable and necessary repairs for the continuing use and occupancy of the Premises by Tenant for the remainder of the Lease Term.

B. This Agreement contains the entire agreement and understanding between the parties, and no prior oral or written agreement shall be held to vary the terms of this Agreement.

C. If any part of this Agreement is deemed void, unenforceable or invalid for any reason, the remainder of the Agreement shall remain in full force and effect and is agreed by the undersigned to be valid and enforceable.

D. Tenant who is concerned that a person who has been convicted of a sex offense resides in the vicinity of the property may obtain this information at the following locations: Alaska State Trooper Posts, Municipal Police Departments and on the State of Alaska Information Center Internet site address – <http://www.state.ak.us> under Hot Topics for the "Registry of Sex Offenders".

E. Landlord retains the right to designate or grant rights-of-way or utility easements across the leased premises without compensation, provided that the Tenant shall be compensated for the takings as destruction of any improvements and provided further that at Tenant's option this lease may be terminated or a rental adjustment made to reflect any reduction in value of the leased premises.

THIS AGREEMENT contains the entire agreement and understanding between the parties. Tenant agrees that he/she/they has read and understands this agreement. In witness whereof, Tenant(s) agrees to the above terms and conditions.

ANCHORAGE HISTORIC PROPERTIES, INC

Rebecca Logan
By: _____
Its: Chairman of the Board

2/21/2007
Date

MUNICIPALITY OF ANCHORAGE

By: _____
Its: _____

Date

Additional Terms and Conditions:

1. Tenant must obtain renter's insurance to protect its personal property, liability, casualty, fire losses, etc.... The owner's insurance policy does not cover the Tenant's property or Tenant's liability for damages to unit(s) or personal property caused by Tenant's negligence. Tenant agrees to defend and hold owner harmless from any claim or demand by Tenant's agents, employees, guests, business guests, invitees and visitors. Tenant to provide proof of insurance to Landlord within Ten (10) days of occupancy.

2 Window coverings are the property of the owner and are to remain with the property.

3. NO SMOKING PERMITTED IN THE PREMISES. NO PETS PERMITTED ON THE PREMISES.

4. Rent shall be payable directly to Owner:
Municipality of Anchorage
Attn: Real Estate Services
P. O. Box 196650,
Anchorage, AK 99519-6650.

Please direct all correspondence and repair/maintenance inquiries directly to:
Real Estate Services
Tammy Oswald, Office 343-7986,
After hours: Facility Maint 343-2851.



Tenant Initials

Landlord Initials

Appendix C

SETTLEMENT AND RELEASE AGREEMENT

COPY

This Settlement and Release Agreement ("Agreement") is made and entered by and between Anchorage Historic Properties, Inc., ("AHPI"), and the Municipality of Anchorage, ("Municipality"), (together referred to as "Parties").

For good and valuable consideration mutually had and received, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Promptly after execution of this Agreement, AHPI shall deliver to the Municipality all sums in its possession which are designated or maintained for the benefit of Oscar Anderson House, together with any written instructions governing the use of such funds.
2. AHPI shall transfer title to the contents of the Oscar Anderson House to the Municipality, utilizing a Bill of Sale of the kind attached hereto as Exhibit A.
3. The Parties shall execute and deliver a Stipulated Dismissal With Prejudice, utilizing a stipulation of the kind attached hereto as Exhibits B, for the consolidated cases pending in the Superior Court for the State of Alaska, at Anchorage under Case No. 3AN-05-10962 Civil: *Anchorage Historic Properties, Inc. v. Municipality of Anchorage*, and *Municipality of Anchorage v. Anchorage Historic Properties, Inc.*
4. The Municipality will lease to AHPI the office and storage space and parking AHPI currently occupies in Cottage 25. The lease shall be for a term of 8 years for the sum of \$1 per year, including electricity, heat, water, janitorial and garbage service, subject to the terms contained in a lease agreement attached hereto as Exhibit D.
5. For and in consideration of the mutual promises and consideration described herein, the Municipality and AHPI on behalf of themselves, their successors and assigns hereby release and fully discharge each other, their agents, attorneys, servants, officers, partners, principals, successors and assigns (hereinafter collectively referred to as the "Released Parties"), from every claim, demand, liability, action and cause of action whatsoever, of every kind and nature, whether arising out of contract, tort, statute or otherwise, in law or in equity, including all claims for compensatory, special, liquidated and punitive damages, penalties, costs, expenses and attorneys' fees, claims of violation of professional standards of conduct and other types of loss or losses, whether presently known or unknown, fixed or contingent, matured or unmatured, suspected or unsuspected, arising or alleged to have arisen between the parties from the beginning of time to the date of execution of this agreement.
6. Without limiting the generality of the foregoing, it is the intention of AHPI and the Municipality to release and fully discharge the Released Parties from all claims and causes of action which might have been asserted, arising under the constitutions, common law or statutes of the United States, the State of Alaska or all other states, and all claims which are now or which might be recognized in any such jurisdiction including, without limitation, all claims pending against any and all of the Released Parties in the lawsuit captioned *Municipality of Anchorage v. Anchorage Historic Properties, Inc.*, Case No. 3AN-05-10962 Civil, and in the

lawsuit captioned *Anchorage Historic Properties, Inc. v. Municipality of Anchorage*, Case No. 3AN-05-12316 Civil, both cases being in the Superior Court for the State of Alaska, Third Judicial District.

7. The intention of the Parties being to fully, completely and forever settle, compromise, release and discharge all claims released herein, each hereby promises that it will not individually, or in concert with others, maintain or cause to be maintained any demands, actions, lawsuits, arbitrations, or any other proceedings in any capacity whatsoever as a result of or pertaining to the claims released and discharged herein.

8. This Agreement shall be binding upon, and inure to the benefit of, the successors and assigns of the Parties.

9. This written Agreement contains the entire understanding between the Parties hereto in connection with the subject matter and it supersedes and replaces any and all prior negotiations, agreements and representations, whether oral or written. Each party acknowledges that no agent or attorney of the other has made any promises, representations or warranties whatsoever, express or implied, not contained herein, concerning the subject matter hereof, to induce execution of this Agreement, and acknowledges that this Agreement has not been executed in reliance upon any such promises, representations, or warranties not contained herein. Each party further acknowledges a full and complete opportunity to independently investigate all facts material hereto, which has been done.

10. The interpretation and enforcement of this Agreement shall be governed by the laws of the State of Alaska, and any proceedings arising out of or relating in any manner whatsoever to this Agreement shall be conducted in the state or federal courts located in the Third Judicial District, State of Alaska, and the Parties hereby consent and submit to the jurisdiction of said courts.

11. This Agreement may be executed in counterparts, each of which will constitute an original, and all of which together shall be deemed a single document. The Parties have agreed this Agreement may be executed in original counterparts, and for that reason not all signatures may appear on the same signature page. The date opposite the signature is the date on which the signatory actually signed this Agreement. The Parties agreed that all counterparts shall be construed as and shall constitute one and the same Agreement.

12. It is understood that the nature and extent of any potential damages or injuries claimed may change or increase and that new damages may be alleged or claimed in the future. It is understood that it is the intent to unequivocally release and forever discharge the Parties from any and all claims accrued, accruing, or which may accrue in the future as a result of, in connection with, or related to the claims released herein. With respect to the foregoing, the Parties acknowledge their familiarity with the decision in the case of *Witt v. Watkins*, 579 P.2d 1065 (Alaska 1978), and it is still their intent to release the Released Parties from any and all claims accrued, accruing, or which may accrue in the future.

13. The Parties hereby acknowledge their familiarity with the decisions in the cases of *Philbin v. Matanuska-Susitna Borough*, 991 P.2d 1263 (Alaska 1999), *Young v. State*, 455 P.2d 889 (Alaska 1969) and *Totem Marine T. & B. v. Alyeska Pipeline*, 584 P.2d 15 (Alaska 1978), and any protections of the holdings therein relevant to the present case are hereby waived. The Parties state that it is their true intent and desire to fully release all of the individuals, firms, corporations, governmental bodies and governmental agencies that may in any way have been connected with any claims released herein as fully as though they were specifically listed and named herein. The Parties specifically acknowledge freedom of choice and represent that each understands that it does not need to agree to the terms of this Agreement, further acknowledging the availability of other reasonable alternatives and adequate remedies, but has nonetheless freely, voluntarily and intelligently chosen not to pursue the same for the purposes of making a full, final and complete compromise of the claims released herein.

14. Each of the individuals signing this Agreement on behalf of a Party hereto warrants that he or she has the authority to sign the Agreement and thereby to bind the Party on whose behalf he or she signs.

15. In the event it is necessary for any Party hereto, or its authorized representative, successor or assign, to institute suit with respect to this Agreement, the prevailing party in such suit shall be entitled to reimbursement for its full reasonable costs, expenses and attorneys' fees incurred.

16. The Parties hereby acknowledge that they have had an ample opportunity to consult with their attorneys, that no representations have been made to them other than those set forth in this Agreement, that they are executing this Agreement without any coercion, duress or compulsion whatsoever, and that the terms and conditions of this Agreement have been completely read and reflected upon without haste and are voluntarily accepted and entered into for the purpose of fully and finally settling and resolving any and all claims hereinabove described and any damages sustained or which may hereafter be sustained as a result thereof.

DATED 2/21, 2007.

Anchorage Historic Properties, Inc.

By:

Its:

STATE OF ALASKA

SS.

THIRD JUDICIAL DISTRICT

THIS IS TO CERTIFY that on the 2 day of Feb. 2007, before me, the undersigned, a Notary Public for the State of Alaska, personally appeared Rebecca Loya, the Chairman of the Board of the Anchorage Historic Properties Inc., to me known and known to be the individual named in the foregoing instrument, for the uses and purposes therein stated.

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

Notary Public for Alaska

My Commission Expires: 8/25/10

DATED _____, 2007.

Municipality of Anchorage

By:

Its:

STATE OF ALASKA

SS.

THIRD JUDICIAL DISTRICT

THIS IS TO CERTIFY that on the _____ day of _____ 2007, before me, the undersigned, a Notary Public for the State of Alaska, personally appeared _____, the _____ of the Municipality of Anchorage, to me known and known to be the individual named in the foregoing instrument, for the uses and purposes therein stated.

WITNESS my hand and notarial seal on the day and year in this certificate first above written

Notary Public for Alaska

My Commission Expires: _____

Content Information

Content ID : 005017

Type: Ordinance-InvolvingFunds - AO

Title: Anchorage Historic Properties Lease

Author: vanhornlr

Initiating Dept: HLB

Description: Authorization for rent-free 8-year lease between MOA and Anch. Historic Properties, Inc. (AHPI)

Keywords: Lease AHPI Cottage 25

Date Prepared: 4/19/07 5:18 PM

Director Name: W. M. Mehner

Assembly Meeting Date
MM/DD/YY: 5/15/07

Public Hearing Date
MM/DD/YY: 6/12/07

M.O.A.
 2007 MAY -4 PM 3:27
 CLEANS OFFICE

Workflow History

<u>Workflow Name</u>	<u>Action Date</u>	<u>Action</u>	<u>User</u>	<u>Security Group</u>	<u>Content ID</u>
AllFundOrdinanceWorkflow	4/19/07 5:21 PM	Checkin	vanhornlr	Public	005017
HLB_SubWorkflow	4/19/07 5:30 PM	Approve	mehnerwm	Public	005017
ECD_SubWorkflow	4/23/07 2:49 PM	Approve	thomasm	Public	005017
OMB_SubWorkflow	4/26/07 2:55 PM	Approve	mitsonjl	Public	005017
CFO_SubWorkflow	4/26/07 5:03 PM	Approve	sinzje	Public	005017
Legal_SubWorkflow	4/26/07 5:10 PM	Approve	fehlenrl	Public	005017
MuniManager_SubWorkflow	5/4/07 11:42 AM	Approve	leblancdc	Public	005017
MuniMgrCoord_SubWorkflow	5/4/07 2:23 PM	Approve	abbottmk	Public	005017