

MEMORANDUM 10-83

TO: Walt Wrede, City Manager *W. Wrede*  
FROM: Sheri Hobbs, Personnel/Airport Terminal Manager *Sheri*  
DATE: June 8, 2010  
RE: Craddock General Concession Sublease

A concession lease for vending machines has been in the airport terminal since 1999. In 2007 the previous owner sold his business to Jim Craddock. Mr. Craddock has held the concession lease since 2007. His current lease will expire on June 30, 2010. Mr. Craddock has requested a new two year lease with an option to renew for an additional two year term. The lease is for 101 square feet of space for \$174.80 per month, \$2,097.60 annually.

All leases at the terminal are subleases through the State of Alaska who owns the land the terminal building is located on. After Council approval the lease must be forwarded to the State of Alaska for approval and meet FAA guidelines for airport leases. All leases for the terminal cannot exceed five years and must be aviation related.

**RECOMMENDATION:** Approve the Craddock General Concession Sublease and authorize the City Manager to sign.

**FISCAL IMPACT:** \$2,097.60 to airport revenue account.