CITY OF HOMER
HOMER, ALASKA

City Manager

RESOLUTION 16-084

A RESOLUTION OF THE HOMER CITY COUNCIL APPROVING AN AMENDMENT TO THE MICHAEL YOURKOWSKI LEASE ON LOT 88-2, HOMER SPIT SUB NO. 2 AMENDED, TO PERMIT THE USE OF 611 SQUARE FEET OF THE CITY OF HOMER'S RIGHT OF WAY FOR RESTAURANT SEATING, AMENDING THE BASE RENT TO BE PAID IN QUARTERLY INSTALLMENTS, AND AMENDING VERBIAGE RELATED TO SUBLEASING TO BRING IT TO-DATE WITH CURRENT POLICIES, AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE APPROPRIATE DOCUMENTS.

WHEREAS, Michael Yourkowski is currently in a long-term lease with the City for Lot 88-2, Homer Spit Sub No. 2 Amended; and

WHEREAS, The lease expires on November 30, 2025 with no options remaining; and

WHEREAS, Mr. Yourkowski submitted a letter dated July 10, 2015 in which he requested to exercise his one, 10-year Option to Renew and to amend his lease to include additional space for restaurant seating and to make quarterly installments instead of monthly; and

WHEREAS, The City Manager and City Lease Staff has reviewed the request and worked closely with Mr. Yourkowski to resolve any and all outstanding lease issues and propose the following amendments to Mr. Yourkowski's lease:

- Section 1. Property – Adding a portion of the City of Homer ROW, totaling 611 square feet, to allow the specific use of additional restaurant seating; no other structures or buildings will be allowed.
- Section 3. Rent – Amending the base rent to be paid in quarterly installments instead of monthly (beginning January 1, 2016) and adding a separate rent for the portion of the City's ROW and how it is to be calculated; a request from Mr. Yourkowski that was agreed to by the Port and Harbor Office, who oversees billing.
- Section 5. Use & Care of the Property – Adding verbiage regarding the specific use of the added portion of the City's ROW.

- Section 8. Restrictions on Transfer – Amending the section to bring it up to-date with current ground lease policies; it is a goal of City Lease Staff to bring older leases more up to-date with current policies specific to subleasing allowance and security deposit requirements; and

WHEREAS, The City Manager approved the Option to Renew on June 30, 2016 and finds the proposed lease amendments are consistent with the Lease Policies and applicable land use regulations and recommends approval; and

WHEREAS, Said amendments shall retroactively begin December 1, 2015 to coincide with the begin-date of Mr. Yourkowski's 10-year Option to Renew.

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby approves an amendment to the lease held by Michael Yourkowski, to permit the use of 611 square feet of the City of Homer's Right of Way for restaurant seating, amending the base rent to be paid in quarterly installments, and amending verbiage related to subleasing to bring it to-date with current policies, and authorizes the City Manager to execute the appropriate documents.

PASSED AND ADOPTED by the Homer City Council this 8th day of August, 2016.

CITY OF HOMER

MARY E. WYTHE, MAYOR

ATTEST:

JO JOHNSON, MMC, CITY CLERK

Fiscal Note: Annual lease revenues $11,679.20 ($11,135.40 base rent; $543.80 right-of-way rent).