

CITY OF HOMER
HOMER, ALASKA

Smith/Erickson

ORDINANCE 18-16

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA REPEALING HOMER CITY CODE CHAPTER 18.08 AND THE HOMER PROPERTY MANAGEMENT POLICIES AND PROCEDURES MANUAL AND REENACTING CHAPTER 18.08 CODIFYING CERTAIN LEASE POLICY AND PROCEDURES FROM THE POLICIES AND PROCEDURES MANUAL, CLARIFYING THE LAND ALLOCATION PROCESS, EXPANDING LEASE REVIEW TO INCLUDE RECOMMENDATIONS BY APPROPRIATE CITY COMMISSIONS, REMOVING REFERENCES TO THE LEASE COMMITTEE, REMOVING THE REQUIREMENT THAT ALL LEASES MAY BE INCREASED TO REFLECT INFLATION AS DETERMINED IN THE CONSUMER PRICE INDEX, AND EXPANDING COUNCIL’S **ROLE BY REQUIRING** COUNCIL APPROVAL PRIOR TO FINAL APPROVAL OF A LEASE, TERMINATION OF A LEASE OR TERMINATION OF LEASE NEGOTIATIONS.

WHEREAS, **The City of Homer (“City”) currently has** a complex leasing policy that requires the City and applicants to comply with lengthy policies, procedures, and Homer City Code provisions as well as the terms of the request for proposal specific to a specific parcel; and

WHEREAS, **It is in the City’s best** interest and the interest of lease applicants to streamline and simplify the leasing process by incorporating essential lease policy and procedures currently in the City’s Property Management Policy and Procedures into the Homer City Code, the City’s lease templates or specific lease agreements; and

WHEREAS, **The City Council’s approval of the essential terms of new long-term leases and not just the award of such leases increases Council’s input and oversight, public input and transparency into the lease process;** and

WHEREAS, **The City Council’s approval of the termination of negotiations or early termination of a lease for default also increases oversight, public input and transparency in the lease process,**

NOW THEREFORE, The City of Homer Ordains:

42 Section 1: Chapter 18.08 “**City Property Leases**” is repealed and reenacted to read as
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Chapter 18.08

CITY PROPERTY LEASES

Sections:

- 18.08.005 Purpose.
- 18.08.010 Definitions.
- 18.08.020 Land Allocation Plan - property available for lease.
- 18.08.030 Standardized leases.
- 18.08.040 Council approval of lease.
- 18.08.045 Lease applications.
- 18.08.050 Requests for proposals-competitive bidding process.
- 18.08.060 Criteria for evaluating and approving proposals.
- 18.08.065 Lease application and proposal documents.
- 18.08.070 Notice to award.
- 18.08.075 Lease rental rates.
- 18.08.080 Lease execution and final approval.
- 18.08.090 Development and use.
- 18.08.100 Appraisal.
- 18.08.110 Options to renew.
- 18.08.120 Improvements.
- 18.08.130 Lease renewal.
- 18.08.140 Sublease.
- 18.08.150 Early termination.
- 18.08.160 Assignments.
- 18.08.170 Insurance.
- 18.08.175 Exception – Leasing to government entities.
- 18.08.180 Assessments – Capital improvement projects.
- 18.08.190 Connection to utilities.
- 18.08.195 Processing and filing fees.

18.08.005 Purpose.

The purpose of this chapter is to ensure that the lease of City-owned property maximizes the value of City assets and that the City awards leases that provide the highest and best use of City-owned property. It is the policy of the City to lease its property in a fair and nondiscriminatory way.

84 18.08.010 Definitions.

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86 For the purpose of this chapter, the following words and phrases are defined as set forth in this
87 section:

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89 “Applicant” means a person applying to lease or acquire an interest in City-owned real
90 property and includes bidders and proposers.

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92 “Appraisal” means a valuation or estimation of value of property by an Alaska Certified General
93 Real Estate Appraiser or an otherwise qualified appraiser selected by the City Manager.

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95 “Assignment” means a transfer of a leasehold interest or rights to a leasehold interest, in its
96 entirety, in City-owned real property.

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98 “City Manager” means the City of Homer Manager or his or her designee

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100 “Fair market rent” means the rental income that a public or private property would most likely
101 command in the open market, indicated by the current rents paid for comparable space as of
102 the date of the appraisal

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104 “Irregularities” means deviations from the request for proposal that are not substantive in
105 nature and/or involve typographical or scrivener errors that do not impact the integrity or
106 responsiveness of the proposal.

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108 “Long-term lease” means a written agreement granting exclusive possession or use of City-
109 owned real property for more than one year.

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111 “Short-term lease” means a written agreement granting exclusive possession or use of City-
112 owned real property for one year or less.

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114 “Surveyor” means a registered professional land surveyor.

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116 18.08.020 Land Allocation Plan-property available for lease.

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118 a. Unless dedicated or reserved to another purpose, all real property including tide,
119 submerged or shorelands to which the City has a right, title and interest as owner or
120 lessee, or to which the City may become entitled, may be leased as provided in this
121 chapter. In the case of any conflict between this chapter and any regulations or other
122 ordinances or State law specifically governing the leasing of City tide and submerged
123 lands, the latter shall prevail.

124

- 125 b. The City administration shall maintain a list of all City-owned properties authorized for
126 lease by Council. This list shall be adopted annually and contain the information
127 required under this chapter. The list may be called the Land Allocation Plan and will be
128 **made available to the public at the City Clerk's office.**
129
- 130 c. Council shall adopt a Land Allocation Plan that identifies:
131
- 132 i. City-owned property available for lease;
133
- 134 ii. The property description, lease rate, preferred length of the lease term for each
135 available parcel; and
136
- 137 iii. Any requirements, preferences or restrictions regarding use and/or development.
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- 139 d. Council may identify property in the Land Allocation Plan that is subject to competitive
140 bidding. Property subject to competitive bidding in the Land Allocation Plan need only
141 identify the property description in the Land Allocation Plan but all other terms
142 required in subsection (c) of this section shall be identified in the request for proposal
143 for such properties.
144
- 145 e. Prior to the adoption of the Land Allocation Plan, Council shall hold a work session.
146 Commission members and City staff may provide recommendations to Council during
147 the work session regarding City-owned property available for lease and the terms of
148 such leases.
149
- 150 f. The City shall provide public notice of the adoption of the Land Allocation Plan and the
151 City-owned real property available for lease no more than 60 days after its adoption.
152
- 153 g. All uses and activities on City-owned real property available for lease are subject to all
154 applicable local, state, and federal laws and regulations.
155
- 156 h. The Council may restrict specific City-owned properties to certain uses or classes of use
157 **that serve the City's best interest.**
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159 18.08.030 Standardized leases.
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- 161 a. The City Manager shall develop a standardized ground lease that contains provisions
162 generally applicable to the lease of City-owned property and a standardized building
163 lease that contains provisions generally applicable to the lease of space in City-owned
164 buildings. The standard lease documents shall be reviewed by the City Attorney and
165 approved by Council.
166

167 b. Lease terms may deviate from the standardized lease terms when the City Manager
168 determines such deviations are **reasonable and necessary to protect the City's best**
169 interests and Council approves the lease as required in HCC 18.08.040.

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171 18.08.040 Council approval of leases.

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173 a. All long-term leases for more than five years shall be approved by Council via ordinance.
174 All long-term leases for five years or less shall be approved by Council via resolution.

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176 b. The City Manager may execute short-term leases without Council approval when the
177 City Manager determines that a short-term lease is in the best interest of the City and
178 notifies the Council in writing of the short-term lease and its essential terms.

179

180 c. Short-term leases are not required to go through the competitive bidding process
181 unless the short-term lease would result in the lease of City-owned property to the
182 same lessee for more than one consecutive year.

183

184 d. Except as expressly provided in this chapter, property leased by the City from a third
185 party that is available for sublease or the lease of space in City-owned buildings located
186 on real property owned by a third party is exempt from this chapter.

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188 18.08.045 Lease applications.

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190 Except for property subject to competitive bidding under this chapter, persons interested in
191 leasing City property may submit a lease application to the City Clerk. The City Manager shall
192 consider all applications and determine if an application is complete and meets the criteria
193 identified in the Land Allocation Plan. Applicants may be charged a fee for processing a lease
194 application.

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196 18.08.050 Requests for proposals-competitive bidding process.

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198 a. The City Manager may issue a request for proposals to lease specific property
199 identified in the Land Allocation Plan at any time after posting the notice required in
200 HCC 18.08.020(d).

201

202 b. A request for proposal advertised by the City must identify the property description of
203 the property available for lease, the time frame for the submission of requests for
204 proposals, any preferred uses or industries, and the overall criteria the City intends to
205 use to score and rank proposals.

206

207 c. The City Manager must obtain approval from the Council before requesting proposals
208 to lease property not identified in the Land Allocation Plan as property available for
209 lease.

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211 18.08.060 Criteria for evaluating and approving proposals.

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213 a. The Criteria for evaluating proposals shall include, but is not limited to, the following:

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215 1. Compatibility with neighboring uses and consistency with applicable land use
216 regulations including the Comprehensive Plan.

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218 2. The development plan including all phases and timetables.

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220 3. The proposed capital investment.

221

222 4. Experience of the applicant in the proposed business or venture.

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224 5. Financial capability or backing of the applicant including credit history, prior lease
225 history, assets that will be used to support the proposed development.

226

227 6. The number of employees anticipated.

228

229 7. The proposed rental rate.

230

231 8. Other financial impacts such as tax revenues, stimulation of related or spin-off
232 economic development, or the value of improvements left behind upon
233 termination of the lease.

234

235 9. Other long term social economic development.

236

237 10. The residency or licensure of the applicant in the City, Kenai Peninsula Borough,
238 **and/or the State of Alaska, as identified in the City's request for proposal and**
239 **permitted under state and federal law.**

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241 b. Determination of rent shall take into consideration the following factors:

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243 1. Appraisal or tax assessed valuation;

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245 2. Highest and best use of land;

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247 3. Development (existing and planned);

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- 249 4. Economic development objectives;
- 250
- 251 5. The location of the property; and
- 252
- 253 6. Alternative valuation methodologies as negotiated by both parties.
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255 18.08.065 Lease application and proposal documents.

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257 Upon request by the City Manager or as required in a request for proposal, an applicant shall
258 provide, at its sole expense, the following:

- 259 1. A Property Improvement Plan with information regarding planned improvements by
260 lessee, including schedule for commencement and completion of proposed
261 improvements.
- 262
- 263 2. A survey of the property subject to the proposed lease; and/or
- 264
- 265 3. If only a portion of a lot is to be leased, a subdivision plat.
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267
268 18.08.070 Notice to award.

- 269 a. **The City Manager shall consider all responses to the City's request for proposals that**
270 **are timely and responsive. Untimely submissions shall be returned to the applicant**
271 **without review and that applicant shall not be considered.**
- 272
- 273 b. The City Manager may, in his or her sole discretion, and upon a determination that none
274 **of the proposals are in the City's best interest, recommend rejection of all proposals.**
- 275
- 276 c. Upon a determination that a proposal is the most advantageous to the City, the City
277 Manager shall recommend the proposal to Council for acceptance. If Council approves
278 the recommendation, the City Manager shall issue a Notice to Award the lease to the
279 **successful applicant. The City Manager's recommendation shall be presented to**
280 **Council in a written memorandum identifying the recommended winning applicant,**
281 **the property description, the essential terms of the proposed lease, and the reasons the**
282 **City Manager recommended the award.**
- 283
- 284 d. The City Manager shall submit any recommendation for approval of a proposal under
285 this chapter for property located on the Homer Spit or in the Marine Commercial or
286 Marine Industrial zoning districts to the Port and Harbor Advisory Commission for
287 review and comment prior to recommending a proposal to Council.
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- 290 e. If the Council adopts **the City Manager’s recommendation, the City Manager shall**
291 negotiate with the winning applicant and present a final lease to the Council for
292 **approval. A Notice to Award is conditional upon the City Manager’s successful**
293 negotiation of a final written lease consistent with the terms upon which the award was
294 based.
- 295
- 296 f. The City Manager may, with Council approval, rescind a Notice to Award. A Notice to
297 Award becomes void on the date the City Manager provides written notice to the
298 applicant that the award has been rescinded.
- 299
- 300 g. The City Manager may rescind a Notice to Award at any time prior to the execution of a
301 lease if an applicant can no longer meet the terms of the proposal.
- 302
- 303 h. If the City Manager rescinds a Notice to Award, the City Manager may negotiate with the
304 next most responsive bidder and submit a new recommendation for award to Council
305 and Council may approve the award of the proposal to that recommended bidder. If
306 negotiations with the next most responsive bidder are unsuccessful, all bids must be
307 rejected and a new request for proposal may be issued.
- 308
- 309 i. The Council may approve other bidding or proposal procedures or exceptions to these
310 procedures via resolution.

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312 18.08.075 Lease rental rates.

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- 314 a. Except as otherwise provided in this section, all property shall be leased at no less than
315 **“fair market rent.”**
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- 317 b. **Payments of a higher than fair market rent resulting from an applicant’s proposal is**
318 generally in the public interest and will help to establish fair market rent using current
319 market forces.
- 320
- 321 c. **The Council may establish a minimum rent or “asking price.” It may set a minimum**
322 **rent at an amount equal to or higher than the estimated “fair market rent” if it finds**
323 that it is in public interest to do so. It may set uniform rental rates for a class of similar
324 properties that remain available for leasing after the conclusion of a competitive lease
325 offering.
- 326
- 327 d. Except as provided in HCC 18.08.175, Council may approve a lease of City land for less
328 than fair market rent only if the motion approving the lease contains a finding that the
329 lease is for a valuable public purpose or use, and a statement identifying such public
330 purpose or use.
- 331

332 e. The lease shall provide for payment of interest or a late fee for rent past due, and
333 **provide for recovery by the City of attorneys' fees and costs to the maximum extent**
334 **allowed by law in the event the city is required to enforce the lease in court, and such**
335 **additional provisions pertaining to defaults and remedies as the City Manager may**
336 **determine to be in the City's interest.**

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338 18.08.080 Lease execution and final approval.

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340 a. After a notice to award a lease is approved by Council or a lease application is
341 approved by the City Manager, the City Manager is responsible for finalizing and
342 **executing the lease agreement with the successful applicant. After Council's approval**
343 **of the Notice to Award but before Council approval under HCC 18.08.040, the City**
344 **Manager may negotiate non-essential long-term lease terms and make changes**
345 **necessary to clarify the terms of the long-term lease or correct clerical errors.**

346
347 b. The City Manager has authority to negotiate all terms of short-term leases subject to
348 the provisions of this chapter.

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350 c. After a lease is executed by both parties, the City Manager shall draft and the City Clerk
351 shall record a memorandum of lease. The Lessee is responsible for the recording fees.

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353 18.080.090 Development and use.

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355 a. All leases must require the lessee to comply with applicable zoning, parking, sign,
356 flood, and other pertinent local ordinances and state and federal statutes and
357 regulations.

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359 b. Except as provided otherwise in the lease agreement, an as-built survey including
360 elevations performed by a surveyor shall be provided to the City within six months of
361 completion of permitted or required development or requirements under a lease. Each
362 additional structure or significant improvement shall require an additional or updated
363 as-built. All surveys are to be provided by the lessee at their expense.

364
365 c. Except as provided otherwise in the lease agreement, at the time each as-built is
366 submitted, a statement of value including leaseholds and all improvements shall be
367 provided. The Statement of Value shall be either a letter of opinion or appraisal
368 completed by an appraiser.

369
370 d. All development requirements and performance standards contained in the lease shall
371 be strictly enforced and if not complied with or negotiated for modification shall be
372 cause for the lease to be terminated. Failure to enforce the terms of the lease shall not
373 constitute waiver of any such term.

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- e. The City may require a lease of City-owned property to be secured by any means that **meet the City’s best interest, including without limitation, a security deposit, surety bond or guaranty.**

18.08.100 Appraisal.

- a. An appraisal of the fair market rent of the property will be required before the final approval of a lease and at the time of review and renewal.
- b. The requirement of an appraisal may be waived at the discretion of the City Manager for short-term leases.
- c. All leased properties shall be appraised every five years from the effective date of the lease.
- d. Except as otherwise provided under this section or in a specific lease, lease rates shall be increased on the anniversary of the lease effective date to reflect property appraisal values. A lessee shall be notified of any increase in the appraised value of the property at least 30 days before the increased rental rate becomes effective.
- e. In the event an appraisal reports a decrease in fair market rent, a lessee may petition or the City Manager may recommend to the Council a reduction in the lease rate. The Council may approve a reduction if it determines via resolution that such reduction **corresponds with the appraised fair market rent and the reduction is in the City’s best interest.**
- f. Each year, the City will select and retain an appraiser to appraise all leased parcels due for appraisals in that year. The City will have sole discretion to select the appraiser and shall bear the cost of the appraisal.

18.08.110 Options to renew.

- a. Leases may contain no more than two options for renewal and each option must be for less than 25% of the length of the initial lease term.
- b. A lessee may not exercise an option to renew unless the City Manager determines that the lessee is in full compliance with the terms of the lease at the time of renewal.
- c. A lessee whose initial lease and all options have expired shall have no automatic right of further renewal or extensions.

416 18.08.120 Improvements.

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418 a. Except as otherwise provided in the lease agreement, construction of improvements
419 shall take place only after review and approval of the construction plans by the City
420 Manager and only after all applicable permits and legal requirements are secured.

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422 b. Any improvements not consistent with the lease agreement must be approved by
423 Council via resolution and shall only be considered upon recommendation by the City
424 Manager and after review by the Port and Harbor Commission, the Planning
425 Commission, and any other advisory commission determined to be appropriate by the
426 City Manager. Inconsistent improvements may be approved if the changes to the
427 **improvements promotes serves the City's best interest and/or when changes are**
428 necessary due to industry changes or a change in economic conditions within the city.

429

430 c. All improvements constructed upon leased property become the property of the City
431 upon termination of the lease unless otherwise provided in the lease agreement or
432 agreed to by the parties in writing.

433

434 d. Lessee shall be responsible for all municipal property taxes on the leasehold interest
435 in the real property and improvements and sales taxes on the rent payments.

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437 18.08.130 Lease renewal.

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439 a. The Council, after reviewing a recommendation from the City Manager, may approve
440 the renewal of a lease without requiring competitive bidding based upon the City
441 **Manager's recommendation and when Council finds that it is in the best interest of the**
442 City to enter into a new lease agreement with the current lessee without submitting
443 the lease renewal to competitive bidding.

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445 b. If the current lessee is interested in entering into a new lease agreement under this
446 section, the lessee must issue a request for a new lease in writing to the City Manager
447 at least 12 months prior to the expiration of the lease and submit a formal lease
448 application for evaluation by the City Manager. The City Manager shall notify Council
449 of new lease requests under this section. The City will review the application but is
450 under no obligation to enter into a new lease.

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452 c. If the Council approves the new lease without a competitive process, it must do so by
453 resolution within six months of the date the lease application is filed with the City.

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455 d. Council shall consider the following factors when determining whether to exempt a
456 lease from competitive bidding under this subsection:

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- 458 1. **The lessee’s past capital investment and binding commitment to future capital**
459 investment;
- 460
- 461 2. **The lessee’s financial condition and prior lease history;**
- 462
- 463 3. The number of persons employed and the prospect for future employment;
- 464
- 465 4. Tax revenues and other financial benefits to the City anticipated in the future if the
466 lease is renewed;
- 467
- 468 5. Consistency of the past use and intended future use with all applicable land use
469 codes and regulations, the Comprehensive Plan, and Overall Economic
470 Development Plan;
- 471
- 472 6. Other opportunities for use of the property that may provide greater benefit to the
473 City; and,
- 474
- 475 7. Other social, policy, and economic considerations as determined by the Council.
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477 18.08.140 Sublease.

478

- 479 a. City property may be subleased if expressly permitted in the lease agreement and
480 approved in writing by Council.
- 481
- 482 b. Except as provided otherwise in the lease agreement, all subleases must be in writing
483 and executed by the parties, and approved by Council after a recommendation is
484 provided by the City Manager.
- 485
- 486 c. Approval must be granted prior to occupancy of the leased premises by the sub-
487 tenant.
- 488
- 489 e. A lessee shall be assessed additional rent, equal to at least 10 percent of the current
490 rent for the subleased area, upon approval of a sublease.
- 491
- 492 f. Subleasing shall not be used as a method to accomplish the transfer of interest in the
493 entire leasehold.
- 494
- 495 g. All subleases must comply with all relevant federal, state, and local laws.
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497 18.08.150 Early termination.

498

499 Except as provided otherwise in the lease agreement, Council shall approve the termination of
500 a lease for failure to comply with the lease terms. The City Attorney shall be consulted prior to
501 the termination of a long-term lease. The City Manager shall seek approval of termination from
502 Council in executive session. The name of lessee and description of the leased property shall
503 not be included in any public notices or documents circulated unless and until Council
504 approves termination of the lease under this section. The City Manager shall notify a lessee in
505 writing that Council will be considering termination of the lease in executive session and
506 provide the date, time, and place of the executive session. Lessee may waive the right to
507 confidentiality under this section and request that Council hold its discussion in public. This
508 section shall not prevent the City from sending lessee or other parties with an interest in the
509 **lease notifications or correspondence related to the lease or lessee's compliance with its**
510 terms.

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512 18.08.160 Assignment.

513

514 a. Except as provided in the lease agreement, Council must approve the assignment of a
515 lease to another party.

516

517 b. Except as otherwise provided in this subsection and subject to the terms of the lease
518 agreement, the City Manager must make a determination that a lessee is in full
519 compliance with a lease before an assignment will be effective. The City Manager may
520 enter into an agreement with an assignor or an assignee consenting to assignment
521 conditional upon payment of any outstanding amount due under the lease no more
522 than 90 after assignment.

523

524 c. Except as otherwise provided in a lease agreement, if the lessee is in good standing and
525 eligible to assign the lease, the following procedures apply:

526

527 1. The lessee shall file a written request for assignment and a new lease application to
528 the City Manager;

529

530 2. The City Manager shall review the request and assignment document(s) and
531 determine whether the proposed assignee is qualified under this chapter and the
532 **assignment is in the City's best interests;**

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534 3. The City Manager shall make a recommendation on the assignment to Council for
535 final action; and

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537 4. The Council shall approve or deny the request for assignment via resolution.

538

539 5. Assignment of long-term leases on the Homer Spit or within the Marine
540 Commercial or Marine Industrial zoning districts shall be reviewed by the Port and

541 Harbor Advisory Commission prior to submission to Council for approval. Except
542 as otherwise provided in a specific lease agreement, assignment of all other long-
543 term leases shall be reviewed by the Homer Advisory Planning Commission for
544 recommendations prior to Council approval.

545
546 d. The Council may approve assignment of a lease to a bank or other financial institutions
547 for financing or other reasons if it determines the assignment is in the best interest of
548 the City and upon recommendation by the City Manager.

549
550 e. Where a lessee intends to assign the lease as part of a sale of the business located on
551 the lease lot, the person who intends to purchase the business may apply to extend the
552 lease term to allow the continuation of the business and to secure financing for the
553 purchase.

554
555 18.08.170 Insurance.

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557 a. All lessees shall keep in force for the full term of the lease public liability insurance in
558 the amount of not less than \$1 Million coverage per occurrence for bodily injury,
559 including death, and property damage. The City shall be named as an additional
560 insured.

561
562 b. Lessees who intend to conduct activities which could potentially have significant risk
563 of environmental contamination shall also obtain not less than \$2 Million in
564 Environmental Impact insurance and/or Environmental Clean-up Policy, or the
565 equivalent subject to review and approval by the City Manager. The City shall be named
566 as an additional insured. The City will determine on a case-by-case basis whether a
567 lease of City property will involve a significant risk of environmental contamination due
568 to the use of the property, the presence of hazardous materials, or the location of the
569 property.

570
571 c. Certificates of Insurance showing the required insurance is in effect and identifying the
572 City as an additional insured shall be provided to the City at the time a lease becomes
573 effective and annually thereafter, and upon every change in insurance provider or
574 insurance coverage.

575
576 d. All insurance policies must be in effect for the duration of the lease term, or longer if
577 stated in the lease, and the City must be notified of any changes to policies.

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579 e. A lease agreement may require insurance requirements that exceed those required in
580 this section.

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582 18.08.175 Exception-leasing to government entities.

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- a. Except as otherwise prohibited by law, leases to federal or state government entities or political subdivisions or agencies of the State of Alaska or the United States may be, upon a finding by Council that it is in the best interest to do so, exempted from the requirements of this chapter.
- b. The City may lease real property to the United States, the State of Alaska, a political subdivision of the State, or an agency of any of these entities, for consideration agreed upon between the parties for less than fair market rent if the Council determines that **the lease or license is in the City’s best interest.**

18.08.180 Assessments – Capital improvement projects.

- a. A lessee of City property shall pay all real property special assessments levied and assessed against the property to the full extent of installments billed during the term of the lease.
- b. In the event the City completes a capital improvement project which directly benefits the leasehold property and no local improvement district is formed to pay the cost thereof, the City may, in its sole discretion, impose, and the lessee shall pay as **additional rent, the leasehold property’s proportionate share of the cost of the improvement.** The amount of additional rent imposed annually by the City under this subsection shall not exceed the amount which would have been payable annually by the lessee if a local improvement district had been formed which provided for installment payments on a schedule and bearing interest at rates typical of other local improvement districts of the City for that type of capital improvement.

18.08.190 Connection to utilities.

A lessee of City real property shall connect to City utilities and bear all costs of connections and adhere to all applicable local, State and Federal regulations. Connections to newly installed City utilities shall be made as soon as possible after completion.

18.08.195 Processing and filing fees.

Fees for lease applications, lease fees, sublease and assignment fees, and other related fees shall be established by Council by resolution. Failure to pay fees owed may result in the rejection of a lease application or denial of renewal, assignment or sublease.

Section 2: This ordinance is of a permanent and general character and shall be included in the Homer City Code.

625 ENACTED BY THE CITY COUNCIL OF THE CITY OF HOMER THIS __ DAY OF _____, 2018.

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CITY OF HOMER

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BRYAN ZAK, MAYOR

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633 ATTEST:

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637 MELISSA JACOBSEN, MMC, CITY CLERK

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640 YES:

641 NO:

642 ABSTAIN:

643 ABSENT:

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646 First Reading:

647 Public Hearing:

648 Second Reading:

649 Effective Date:

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653 Reviewed and approved as to form:

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657 Mary K. Koester, City Manager

Holly Wells, City Attorney

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659 Date:_____

Date:_____