

1 **CITY OF HOMER**
2 **HOMER, ALASKA**

3 City Manager

4 **RESOLUTION 19-009**

5
6 A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,
7 APPROVING A LEASE AMENDMENT TO MODIFY ARTICLE SIX OF
8 THE GROUND LEASE AND SECURITY AGREEMENT HELD BETWEEN
9 BRAD FAULKNER OF ALASKA CUSTOM SEAFOODS AND THE CITY.

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11 WHEREAS, Alaska Custom Seafoods and the City of Homer entered into a ground lease
12 and security agreement dated January 26, 2013 for a twenty year term regarding City of Homer
13 Lot 88-4 on the Homer Spit; and

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15 WHEREAS, On May 26, 2010, Alaska Custom Seafoods listed a development plan in the
16 lease application that included the construction of four buildings and a boardwalk; and

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18 WHEREAS, Alaska Custom Seafoods stated the businesses conducted on the property
19 would include a fish buying business and subleases to galleries, shops, fish buyers, and charter
20 companies; and

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22 WHEREAS, On February 28 2018, the City determined Alaska Custom Seafoods did not
23 abide by the conditions set in Article Six of the ground lease and security agreement approved
24 in 2013 and therefore was in default of the lease for failure to complete its stated development
25 plan; and

26
27 WHEREAS, On May 11, 2018, Mr. Faulkner submitted a lease application and requested
28 an amendment to Article Six of his lease so that Alaska Custom Seafoods would no longer be
29 out of compliance with its contractual development plan lease; and

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31 WHEREAS, City Administration reviewed the updated lease application and approved
32 of the changes to Article Six of the ground lease and security agreement to bring Alaska Custom
33 Seafoods into compliance with current business activity on the lot; and

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35 WHEREAS, On January 23, 2019, the Port and Harbor Advisory Commission reviewed
36 the updated lease application and approved of the changes with the added condition that any
37 further default issues will immediately be brought back before the Port and Harbor Advisory
38 Commission for consideration to recommend further action by the City Manager and/or City
39 Council; and
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41 WHEREAS, On February 5, 2019, Mr. Faulkner submitted an updated lease application
42 development plan to accurately represent current lot conditions and items discussed in the
43 January 23, 2019 Port and Harbor Advisory Commission meeting; and
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45 WHEREAS, Homer City Code 18.08.120 (b) Improvements, states that improvements not
46 included in the lease agreement or improvements that are inconsistent with or deviate from
47 those permitted in the lease agreement must be approved by Council via resolution.
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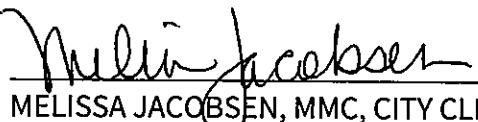
49 NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby approves the
50 amendment to Article Six of the Alaska Custom Seafoods lease and authorizes the continuation
51 of the ground lease and security agreement Alaska Custom Seafoods holds with the City until
52 July 31, 2033 as long as all conditions of the lease are met.
53

54 PASSED AND ADOPTED by the Homer City Council on this 11 day of February 2019.
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56 CITY OF HOMER

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58 _____
59 KEN CASTNER, MAYOR
60

61 ATTEST:

62 
63 _____
64 MELISSA JACOBSEN, MMC, CITY CLERK.
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66 Fiscal Note: \$11,650.32 in annual base rent for 2019

