

**CITY OF HOMER
HOMER, ALASKA**

City Manager

RESOLUTION 20-036

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA
APPROVING A FIVE YEAR LEASE WITH SEA TOW SOUTH CENTRAL
ALASKA FOR THE CITY PROPERTY LOCATED AT 4667 HOMER SPIT
ROAD AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE
APPROPRIATE DOCUMENTS.

WHEREAS, On February 27, 2020, the City issued a Request for Proposals to Lease City
Property on the Homer Spit; and

WHEREAS, The sole proposal received was from Sea Tow South Central Alaska for the Old
Ferry Terminal Building located at 4667 Homer Spit Road; and

WHEREAS, At their March 25, 2020 meeting, the Port and Harbor Advisory Commission
recommended approval of Sea Tow South Central Alaska's proposal, which includes the
primary use of providing recreational and commercial boater assistance with tows, jumpstarts
fuel/part drops, and salvage/recovery services and the secondary use of being employee
housing, both of which are permitted through HCC 21.30.020 (f); and

WHEREAS, Sea Tow South Central Alaska has proposed a five year lease with the City
with no option to renew at an annual lease rate of \$7,772.10 plus tax and subject to annual CPI
adjustments for the ground level office, second story of the main building, and four parking
spaces; and

WHEREAS, Sea Tow South Central will also make improvements to the building
including interior paint, flooring, bathroom and laundry remodeling, and kitchen upgrades,
which will be reviewed by staff and all necessary agencies before execution and will be
assumed by the City upon termination of the lease; and

WHEREAS, Given the base rent rate associated with this lease, any increase to base rent
as a result of an appraisal may not equal or exceed the cost of the appraisal itself within the
five year term of the lease. Therefore this lease is exempt from the appraisal requirement per
HCC 18.08.100 (a) as a cost saving measure to the City.

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby approves a five
year lease for the ground level office, second story of the main building, and four parking
spaces located at 4667 Homer Spit Road to Sea Tow South Central, effective May 1, 2020
through April 31, 2025, at an annual rate of \$7,772.10 plus tax and authorizes the City Manager
to execute the appropriate documents.

45 PASSED AND ADOPTED by the Homer City Council this 13th day of April, 2020.

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CITY OF HOMER



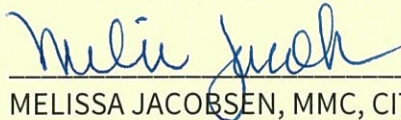
KEN CASTNER, MAYOR

51 ATTEST:

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55 MELISSA JACOBSEN, MMC, CITY CLERK

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57 Fiscal Note: Annual lease rate of \$7,772.10 plus tax, subject to annual CPI adjustments

