

**CITY OF HOMER
HOMER, ALASKA**

City Manager

RESOLUTION 23-065

A RESOLUTION OF THE HOMER CITY COUNCIL APPROVING A
NONCOMPETITIVE FIVE YEAR SHORT-TEM SUBLEASE AT THE
HOMER AIRPORT TERMINAL WITH PIONEER CAR RENTAL, INC.,
AND AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND
EXECUTE THE APPROPRIATE DOCUMENTS.

WHEREAS, The current sublease between Pioneer Car Rental, Inc. and the City at the
Homer Airport Terminal expired on March 30, 2023 and is now on a month to month basis; and

WHEREAS, Pioneer Car Rental, Inc. has requested a new sublease with the City for the
existing counter and parking spaces the company currently uses; and

WHEREAS, The prime lease held between the City and the State of Alaska Department
of Transportation and Public Facilities (DOT&PF) terminated March 20, 2023 and the City
recently has renewed this lease; and

WHEREAS, DOT&PF only permits the City to enter into sublease arrangements at the
Homer Airport Terminal with a maximum term length of five years however the City can only
offer a sublease that ends with the prime leases termination date of March 30, 2028; and

WHEREAS, HCC 18.08.040(c) states short term leases are not required to go through the
competitive bidding process unless the short-term lease would result in the lease of the City-
owned property to the same lessee for more than one consecutive year; and

WHEREAS, HCC18.08.130(a) states Council, upon written recommendation by the City
Manager, may exempt the renewal of a lease from competitive bidding if Council finds such
exemption serves the City's best interests; and

WHEREAS, The City issued a Request for Proposals to lease comparable space at the
Homer Airport Terminal in 2017 and no bids were received; and

WHEREAS, Comparable counter space adjacent to Pioneer Car Rental, Inc. has been
available for sublease with no public interest received; and

WHEREAS, It is in the City's best interest to retain Pioneer Car Rental, Inc. as a year
round, high grossing tenant until March 30, 2028.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska hereby
approves a noncompetitive five year short term sublease effective July 1, 2023 through March

45 30, 2028 at the Homer Airport Terminal for Concession Space #123 (111 square feet) and 20
46 parking spaces to Pioneer Acre Rental, Inc. at a minimum rate of \$2 per square foot of counter
47 space and 10% gross sales, but in no case shall the gross sales be lower than \$500 per month,
48 and authorizes the City Manager to negotiate and execute the appropriate documents.

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PASSED AND ADOPTED by the Homer City Council this 26th day of June, 2023.

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CITY OF HOMER

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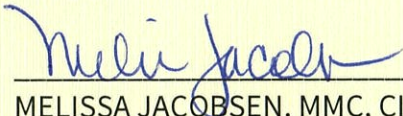
KEN CASTNER, MAYOR

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58 ATTEST:

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MELISSA JACOBSEN, MMC, CITY CLERK

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Fiscal information: Minimum annual lease fee of \$2 per square foot of counter space and 10%

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gross sales into account number 100-0045-4357