

**CITY OF HOMER
HOMER, ALASKA**

City Manager

RESOLUTION 25-006

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, APPROVING A LEASE ASSIGNMENT FROM EAGLE EYE CHARTERS LLC, DBA BOB'S TROPHY CHARTERS TO THE DRAGGING ANCHOR LLC; APPROVING AMENDMENTS TO THE ASSIGNED LEASE UNDER SECTIONS 2.02 QUIET ENJOYMENT, 6.01 USE OF PROPERTY, 6.02 REQUIRED IMPROVEMENTS, AND 14.04 ADDRESSES FOR NOTICES; AND AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE THE APPROPRIATE DOCUMENTS FOR THE ASSIGNMENT, AMENDMENT, AND EXTENSION OF THE CURRENT TWENTY YEAR LEASE TO A FULL TWENTY YEAR LEASE WITH OPTIONS FOR TWO CONSECUTIVE FIVE YEAR RENEWALS AT AN INITIAL ANNUAL BASE RENT OF \$7,984.34 FOR TRACT 1-B, FISHING HOLE SUBDIVISION NO. 2.

WHEREAS, Eagle Eye Charters, LLC, current Tenant of Tract 1-B, has reached a tentative agreement to sell the building located on the leased property to The Dragging Anchor LLC; and

WHEREAS, Under Section 8.01 of the Lease, Eagle Eye Charters, LLC shall not assign or sublease its interest in this Lease or in the Property without first obtaining the written consent of City Council, which will not be withheld unreasonably; and

WHEREAS, In accordance with Homer City Code 18.08.160(b), Eagle Eye Charters, LLC Submitted to the City a written request for Assignment on November 4, 2024 and the City Manager determined Eagle Eye Charters LLC is in good standing and eligible to assign the lease; and

WHEREAS, The Dragging Anchor, LLC submitted a completed Lease Application and written narrative to the City which details the Assignee's intentions to cease charter operations, maintain the coffee shop, and open a maritime gear consignment store in the building on Tract 1-B with the upstairs rooms rented accommodations; and

WHEREAS, The City has reviewed the request and The Dragging Anchor, LLC's application and determined they can fulfill the terms of the Lease and requirements under Homer City Code Chapter 18.08; and

WHEREAS, The Port and Harbor Advisory Commission reviewed the Assignment of Lease Request for The Dragging Anchor LLC at their November 20, 2024 regular meeting and

made a motion with discussion to support the Assignment of Lease from Eagle Eye Charters LLC to The Dragging Anchor LLC, and recommend for City Council approval; and

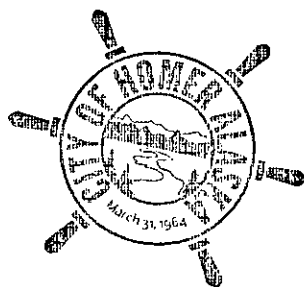
WHEREAS, Eagle Eye Charters, LLC and The Dragging Anchor, LLC have an agreed-upon closing date of January 31st, 2025 for the sale of the building located on Tract 1-B, at which time The Dragging Anchor LLC must provide the City sufficient documentation verifying the transfer of business assets and Certificate of Insurance to satisfy the requirements of Homer City Code Chapter 18.08 and the City Lease Application; and

WHEREAS, The Dragging Anchor LLC is responsible for securing Fire Marshal approval in order to operate seasonal room rentals in the upstairs level of the building.

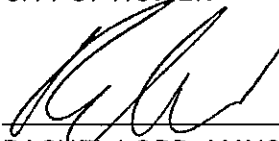
NOW, THEREFORE, BE IT RESOLVED that the Homer City Council hereby approves an Assignment of Lease from Eagle Eye Charters LLC dba Bob's Trophy Charters to The Dragging Anchor LLC; approves amendments to the assigned lease under sections 2.02 Quiet Enjoyment, 6.01 Use of Property, 6.02 Required Improvements, and 14.04 Addresses for Notices; and authorizes the City Manager to negotiate and execute the appropriate documents for the assignment and amendment of the lease for a full 20 year lease, term ending January 30, 2045 with two 5-year renewal options at an Annual Base Rent of \$7,984.34, for Tract 1-B, Fishing Hole Subdivision No. 2.

BE IT FURTHER RESOLVED that approval of the lease assignment is contingent upon The Dragging Anchor LLC providing the City sufficient documentation verifying the transfer of business assets and Certificate of Insurance to satisfy the requirements of Homer City Code Chapter 18.08 and the City Lease Application.

PASSED AND ADOPTED by the Homer City Council on this 27th day of January, 2025.



CITY OF HOMER


RACHEL LORD, MAYOR

ATTEST:


RENEE KRAUSE, MMC, CITY CLERK

Fiscal Note: Initial Base Rent \$7,984.34 annually, adjusted annually in accordance with the Consumer Price Index and every five years as determined by ordered appraisals.