

CITY OF HOMER HOMER, ALASKA

Hogan

ORDINANCE 10-13

AN ORDINANCE OF THE CITY COUNCIL OF HOMER, ALASKA, REPEALING HOMER CITY CODE 18.08.120 SUBLEASE, AND REVISING HOMER CITY CODE 18.08.180 ASSESSMENTS; CAPITAL IMPROVEMENT PROJECTS.

WHEREAS, The City of Homer Economic Development Advisory Commission has undertaken an extensive review of the City of Homer Property Management Policy and Procedures (Lease Policy); and

WHEREAS, Some of the revisions of the Lease Policy require housekeeping revisions to the City Code relating to City Leases; and

WHEREAS, City Code takes precedence when there is a conflict between the code and the Lease Policy; and

WHEREAS, It is desirable to align the Code and Polices to minimize conflicts.

NOW, THEREFORE, THE CITY OF HOMER ORDAINS:

Section 1. Homer City Code 18.08.120, Sublease, is repealed:

18.08.120 Sublease. a. City property may be subleased only if the lease agreement so provides and only with the consent of the City Council.

b. A sublease of city property shall be subject to Homer City Council approval and shall be in writing and executed by the parties. Any amendments to a sublease shall also be in writing and subject to City Council approval prior to becoming effective.

A lessee shall be assessed additional rent, as determined by the Lease Committee and approved by the City Council, upon approval of a sublease or amendments thereto.

Section 2. Homer City Code 18.08.180 (a). Assessments; capital improvement projects, is revised:

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 falling due during the term of the lease. in proportion to the lessee's leasehold interest.

 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

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have been payable annually by the lessee if a local improvement district had been formed which 47 provided for installment payments on a schedule and bearing interest at rates typical of other 48 local improvement districts of the City for that type of capital improvement. 49 (b) When a local improvement district (LID) is formed, lessee shall be allowed to 50 vote on LID assessments affecting the lease. 51 52 <u>Section 3.</u> This ordinance shall take effect upon its adoption by the Homer City Council. 53 54 Section 4. This Ordinance is of a permanent and general character and shall be included 55 in the City Code. 56 57 ENACTED BY THE HOMER CITY COUNCIL this day of , 58 2010. 59 60 CITY OF HOMER 61 62 63 64 JAMES C. HORNADAY, MAYOR 65 ATTEST: 66 67 68 69 JO JOHNSON, CMC, CITY CLERK 70 71 YES: 72 NO: 73 ABSTAIN: 74 ABSENT: 75 76 First reading: 77 Public hearing: 78 Second reading: 79 Effective date: 80 81 Reviewed and approved as to form: 82 83 84 85 Walt Wrede, City Manager Thomas F. Klinkner, City Attorney 86 87 Date: 88 89 Fiscal Note: N/A 90