

## **POSSIBLE MOTION**

**I MOVE TO** approve Ordinance 2016-40 on second and final reading.

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2016-40

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AUTHORIZING ASSIGNMENT OF SUBLEASE OF SPACE BY OSTROV ENTERPRISES d/b/a NORTH STAR RENT A CAR TO ALASKA RENT A CAR, INC. d/b/a AVIS RENT A CAR AT THE SITKA ROCKY GUTIERREZ AIRPORT TERMINAL BUILDING

1. CLASSIFICATION. This ordinance is not of a permanent nature and is not intended to become a part of the Sitka General Code (“SGC”).

2. SEVERABILITY. If any provision of this ordinance or any application to any person or circumstance is held invalid, the remainder of this ordinance and application to any person or circumstances shall not be affected.

3. PURPOSE. State of Alaska owns the Sitka Rocky Gutierrez Airport Terminal Building (“Terminal Building”) in Sitka, Alaska. City and Borough of Sitka (“CBS”) has a 30-year lease agreement with the State of Alaska, Lease No. ADA-50103, which began on July 1, 1994 and expires on June 30, 2024.

On March 1, 2011 CBS entered into a sublease with Ostrov Enterprises d/b/a North Star Rent A Car for space L-8 at 600 Airport Road, encompassing 243 square feet. This sublease term will expire on February 28, 2018.

Section 8.1 of this sublease states that the tenant has no power to assign the sublease except with the approval of the CBS Assembly and the Alaska Department of Transportation and Public Facilities.

Alaska Rent-A-Car d/b/a Avis Rent A Car and Ostrov Enterprises signed an asset purchase agreement effective September 2, 2016. Pursuant to that agreement, Alaska Rent-A-Car would like to assume the role of sublessee, in place of Ostrov Enterprises d/b/a North Star Rent A Car for the duration of the sublease by assignment. Ostrov Enterprises seeks approval of its assignment.

4. ENACTMENT. NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that:

A. The Assembly hereby approves the attached assignment; and



**Assignment of Sublease Agreement for Airport Sublease**

Ostrov Enterprises d/b/a North Star Rent A Car (“Assignor”), whose address is 600 C Airport Road, Sitka, Alaska 99835, for good and valuable consideration, the receipt and sufficiency of which is acknowledged, wishes to assign to Alaska Rent-A-Car, Inc. d/b/a AVIS Alaska Inc. (“Assignee”), whose address is PO Box 190028, Anchorage Alaska 99519, and Assignee wishes to accept and assume from Assignor any and all right, title and interest in and to that certain Sublease Agreement between the City and Borough of Sitka and Assignor (“Sublease”) dated May 1, 2011, relating to the Subject Property, generally described as space L-8 at 600 Airport Road, Sitka, Alaska 99835 encompassing 243 square feet, and as more specifically defined by and shown on Exhibit A of the Sublease.

Assignor and Assignee understand that under Section 8.1 of the Sublease, Assignor has no power to assign the Sublease, except with approval of the City and Borough of Sitka Assembly (“CBS Assembly”) and the State of Alaska Department of Transportation & Public Facilities (“DOT&PF”). It is the intent of the parties that this assignment and assumption shall become binding upon approval by the CBS Assembly and DOT&PF, at which time Assignee shall assume complete responsibility for all of Assignor’s obligations under the Sublease, including environmental liability and responsibility.

**ASSIGNOR:**

Ostrov Enterprises d/b/a North Star Rent A Car  
 600 C Airport Rd.  
 Sitka, AK 99835

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Its: \_\_\_\_\_

STATE OF WASHINGTON    )  
   )  
 COUNTY OF                 )

ss.

THIS IS TO CERTIFY that on September \_\_\_\_, 2016, before me, the undersigned, a Notary Public in and for the State of Washington, or an agent duly authorized by law as such, personally appeared Randal Rodgers, known to me to be an officer of the above mentioned corporation and who acknowledged before me that he executed the foregoing instrument freely and voluntarily for and on behalf of the corporation, with full knowledge of its contents, and with full authorization by the corporation to do so.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year above written.

\_\_\_\_\_  
Notary Public in and for the State of Washington  
My Commission Expires: \_\_\_\_\_

**ASSIGNEE:**  
Alaska Rent-A-Car d/b/a Avis Rent A Car  
PO Box 190028  
Anchorage, AK 99519

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Its: \_\_\_\_\_

STATE OF ALASKA            )  
  )  
THIRD JUDICIAL DISTRICT)

ss.

THIS IS TO CERTIFY that on September \_\_\_\_, 2016, before me, the undersigned, a Notary Public in and for the State of Alaska, or an agent duly authorized by law as such, personally appeared Mary E. Halcro, known to me to be President of the above mentioned corporation and who acknowledged before me that she executed the foregoing instrument freely and voluntarily for and on behalf of the corporation, with full knowledge of its contents, and with full authorization by the corporation to do so.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year above written.

\_\_\_\_\_  
Notary Public in and for the State of Alaska  
My Commission Expires: \_\_\_\_\_

The foregoing assignment was approved by the Assembly of the City and Borough of Sitka, Alaska, at its regular meeting held the 27<sup>th</sup> day of September, 2016.

\_\_\_\_\_  
Mark Gorman  
Municipal Administrator

STATE OF ALASKA            )

)  
FIRST JUDICIAL DISTRICT )

ss.

THIS IS TO CERTIFY that on September \_\_\_\_, 2016, before me, the undersigned, a Notary Public in and for the State of Alaska, or an agent duly authorized by law as such, personally appeared Mark Gorman known to me to be the Municipal Administrator and who acknowledged before me that he executed the foregoing instrument freely and voluntarily for and on behalf of the City and Borough of Sitka, with full knowledge of its contents, and with full authorization by the City to do so.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year above written.

\_\_\_\_\_  
Notary Public in and for the State of Alaska  
My Commission Expires: \_\_\_\_\_