



City and Borough of Sitka

PUBLIC WORKS

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MEMO

To: Mayor Westover and Assembly Members
Jim Dinley, Administrator

Through: Michael Harmon, Public Works Director
Jay Sweeney, Finance Director

From: Gary Baugher Jr., Public Works M&O Superintendent

Date: December 7, 2011

Subject: Approve Ordinance regarding Consent to Assignment of Ground Control LLC
Tenant Lease

Background

City and Borough of Sitka owns the Airport Terminal Building (“Terminal Building”), which is built on land leased from the State of Alaska. Ground Control LLC (“Ground Control”) operates an espresso stand at one of the leased spaces at the terminal building, based on a tenant lease with the City and Borough of Sitka. The owners of Ground Control desires to sale the business and assign the tenant lease, and the new owner will keep the name Ground Control LLC. The terms of the tenant lease require Assembly written approval for any assignment. The State of Alaska "Sublease Guidelines for Tenants" also requires approval by the State of Alaska, Department of Transportation and Public Facilities (“DOT & PF”). Also, the assignment will be contingent on the new owner obtaining and providing proof of the required insurance coverage in accordance with the tenant lease.

Recommendation

Approve ordinance authorizing consent to assign tenant lease to new owner, Sunni Keith, with the new owner of Ground Control LLC required to provide proof of the required insurance coverage and obtain approval from the DOT&PF of the assignment.

Attachments: Lease Agreement
Consent to Assign
Ordinance 2011-51