

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2014-06

**AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AUTHORIZING
SUBLEASE OF SPACE BY ISLAND GIRL COFFEE LLC 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.

Island Girl Coffee LLC recently purchased the on-hand merchandise, supplies, inventory, equipment, fixtures and appliances of Runway 29 at the Sitka Rocky Gutierrez Airport. Island Girl Coffee LLC would like to sublease the spaces known as L-4 and L-5, consisting of 408 square feet, to continue the operation of an espresso stand that has been in that location since March 5, 2004. The Sublease Agreement would be a sublease, beginning April 1, 2014, and ending on February 28, 2018, with an option for two 3-year extensions. The Sublease Agreement ending date of February 28, 2018, is consistent with current sublease agreements at the airport terminal and allows for all options of renewals to be done at the same time in 2018.

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

- A. The Assembly finds that competitive bidding is inappropriate under SGC 18.12.010E for Terminal Building space as Island Girl Coffee LLC is willing to pay fair market value for the space as determined by the Municipal Assessor, and will execute the new standardized Terminal Building Sublease Agreement;
- B. Execution of the attached sublease is authorized; and
- C. Approval of this sublease agreement is contingent on the State of Alaska DOT&PF approval and consent to the Sublease Agreement.

5. **EFFECTIVE DATE.** This ordinance shall become retroactive and effective April 1, 2014.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska this 22nd day of April, 2014.



Mim McConnell

ATTEST:



Colleen Ingman, MMC
Municipal Clerk