

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
- B. Approval of this assignment is contingent on the State of Alaska

DOT&PF approval and consent to the assignment of Sublease Agreement.

5. **EFFECTIVE DATE.** This ordinance shall become effective on the day after the date of its passage.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska this 11th day of October, 2016.


Mim McConnell, Mayor

ATTEST:


Sara Peterson, CMC
Municipal Clerk

1st reading 9/27/16
2nd reading 10/11/16