

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2012-44

**AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AMENDING THE
SUBLEASE WITH OSTROV ENTERPRISES d/b/a AIRPORT GIFT SHOP AT
THE SITKA ROCKY GUTIERREZ AIRPORT TERMINAL BUILDING TO
INCLUDE ADDITIONAL SPACE**

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.** The purpose of this ordinance is to authorize an amendment to the current sublease with Ostrov Enterprises d/b/a Airport Gift Shop (“Ostrov”) at the Sitka Rocky Gutierrez Airport Terminal Building (“Terminal Building”) for additional space.

On April 12, 2011, the sublease with Ostrov was approved based on Ordinance No. 2011-10 for space L-6, consisting of 798 square feet at the Terminal Building. A 7-year sublease was approved, ending February 28, 2018, allowing for two successive 3-year extensions.

Ground Control, LLC which subleases space L-4 at the Terminal Building, recently sold its business to Ostrov and terminated its sublease with the City and Borough of Sitka. Ostrov purchased the equipment and inventory from Ground Control, LLC, and requests subleasing space L-4, consisting of 255 square feet. The space subleased by Ostrov would be for an espresso stand and/or gift shop.

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 L-4 based on the request of subleasee “Ostrov” to add this space to its current sublease. Ostrov has been subleasing space in the Terminal Building since at least 1995, is willing to pay fair market value for the space as determined by the Municipal Assessor;
- B. Execution of the attached Amendment No. 1 To Sublease Agreement

Between The City And Borough Of Sitka And Ostrov Enterprises
d/b/a Airport Gift Shop is authorized; and

- C. Approval of this sublease amendment is contingent on the State of
Alaska DOT&PF approval and consent.


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 December, 2012.



Mim McConnell, Mayor

ATTEST:



Sara Peterson, CMC
Acting Municipal Clerk