

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2026-18

**AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA
AUTHORIZING THE LEASE OF BLOCK 4, LOT 1 OF THE GARY PAXTON INDUSTRIAL
PARK TO NORTHERN SOUTHEAST REGIONAL AQUACULTURE ASSOCIATION, INC.**

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 circumstance shall not be affected.

3. PURPOSE. The purpose of this ordinance is to authorize the lease of approximately 77,330 square feet of municipally owned property referred to as Block 4, Lot 1 of the GPIIP to the Northern Southeast Regional Aquaculture Association, Inc. ("NSRAA").

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

A. The leasing of this property is hereby authorized with the following terms:

- 1) The property is leased to extend NSRAA's current leases for Lot 2 and Lot 3 and combine both leases into a new lease for a newly created Lot 1 at the GPIIP.
- 2) The development and operation of the site shall be consistent with the pertinent zoning provisions as specified in Title 22 of the Sitka General Code.
- 3) The Lessee shall pay \$1,000.00 per month for rent for the initial term. Rent for successive terms of the lease shall be calculated pursuant to section 2.3 of the lease agreement.
- 4) The initial lease term is for ten (10) years, with four (4) successive terms of ten (10) years renewal options at the terms specified in the lease agreement.

B. The Administrator is authorized to execute a lease document consistent with the terms of this ordinance, SGC Title 18 that governs municipal leases, and existing municipal policies.

C. NSRAA had previously leased both Lot 2 & 3 of the GPIIP and requested both lots to be combined into a newly created lot. Both the GPIIP Board and the Planning Commission approved creating a new lot. Since NSRAA had a previous lease for the area it did not need to go to competitive bid. The Board approved the lot combination on 7/11/22. The Planning Commission approved the lot combination in July of 2022. The GPIIP Board approved the new lease terms for the new lot on March 19, 2026.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska, this 28th day of July, 2026.

ATTEST:

Sara Peterson, MMC
Municipal Clerk

1st reading: 07/14/2026
2nd and final reading: 07/28/2026

Sponsor: Administrator