

CITY OF UNALASKA
UNALASKA, ALASKA

RESOLUTION 2018-69

A RESOLUTION OF THE UNALASKA CITY COUNCIL AUTHORIZING SOLE SOURCE NEGOTIATIONS WITH AIRPORT RESTAURANT LLC FOR A LEASE OF SPACE AT THE TOM MADSEN AIRPORT TERMINAL BUILDING FOR A PERIOD OF SIXTY DAYS

WHEREAS, the City of Unalaska subleased 2,358 square feet of space at the Unalaska Airport commonly known as the Airport Restaurant plus certain accessory space in the basement of the Tom Madsen Airport Terminal Building to Airport Restaurant LLC (“the Lease”); and

WHEREAS, the Lease expires December 31, 2018; and

WHEREAS, UMC 7.08.040 states “[u]nless otherwise provided in this chapter, the city shall dispose of any interest in real property no longer required for municipal purposes through public bidding”; and

WHEREAS, UMC Section 7.08.090 states “[n]otwithstanding requirements of this title relating to terms, conditions, procedures or other requirements for the sale, lease or other disposal of city land or an interest therein, upon a determination by the Council that a particular use or class of uses of a parcel would benefit or compliment a municipal function, the Council may, by resolution, authorize a disposal of municipal land by negotiation”; and

WHEREAS, the Unalaska City Council believes operation of the Airport Restaurant by Airport Restaurant LLC compliments the municipal function of operation of the Tom Madsen Airport Terminal Building in accordance with the terms of the City’s lease with the State of Alaska Department of Transportation and Public Facilities; and

WHEREAS, the Unalaska City Council believes improvements in lease terms are required to assure greater accountability for the collection and remission of sales tax on sales made at the Airport Restaurant; and

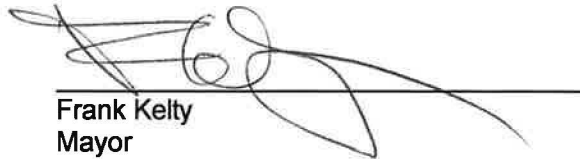
WHEREAS, the Unalaska City Council believes a sixty day negotiation period is an adequate amount of time to determine if the City and Airport Restaurant LLC can agree on lease terms.

NOW, THEREFORE, BE IT RESOLVED:

1. The Unalaska City Council determines that continuing use of the space occupied by Airport Restaurant LLC as opposed to attempting to find another tenant to use that space would compliment the municipal function of the City’s operation of the Tom Madsen Airport Terminal.
2. The City Manager and the Department of Ports and Harbors are hereby authorized to attempt to negotiate a sole source lease with Airport Restaurant LLC for the space currently leased to Airport Restaurant LLC for a period commencing on the date this Resolution is adopted and ending sixty days thereafter (“the Negotiation Period”).
3. During the Negotiation Period the terms of the Lease shall continue on a month to month basis.


4. Any lease to Airport Restaurant LLC shall include additional provisions to those contained in the Lease intended to assure greater accountability for the collection and remission of sales tax on sales made at the Airport Restaurant.
5. If a new proposed lease acceptable to Airport Restaurant LLC and the City of Unalaska has not been presented to the City Council for approval by the end of the Negotiation Period the City shall proceed to issue a Request for Proposals for lease of the space currently occupied by Airport Restaurant LLC.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on December 11, 2018.



Frank Kelty
Mayor

ATTEST:



Marjie Veeder
City Clerk

