

CITY OF VALDEZ, ALASKA

RESOLUTION # 18-32

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA, AUTHORIZING LEASE AMENDMENT NO. 3 OF THE LEASE WITH SILVER BAY SEAFOODS, LLC FOR PARCEL 4, A 23,797.5 SQUARE FOOT PORTION OF USS 495 TIDELANDS

WHEREAS, the City of Valdez entered into a lease for Parcel 4, a 23,797.5 square foot portion of USS 495 Tidelands, with Sea Hawk Seafoods, Inc. on November 6, 2002 for twelve (12) years, commencing on December 1, 2001 and ending on the last day of November, 2013 with six (6) five (5) year renewal options; and

WHEREAS, Resolution #09-39, dated August 12, 2009, where the Valdez City Council authorized a Consent to Assignment of Lease for Parcel 4, a 23,797.5 square foot portion of USS 495 Tidelands, from Sea Hawk Seafoods, Inc. to PS Acquisitions; and

WHEREAS, a Special Warranty Deed dated January 20, 2010 and recorded January 28, 2010, Document No. 2010-000067-0 of the Valdez Recording District by Northern Reach Seafoods (Grantor), formerly known as PS Acquisition, LLC grants and conveys to Silver Bay Seafoods, LLC all of the Grantor's rights, title and interest in real property; and

WHEREAS, Resolution #10-05, dated February 1, 2010, authorized the City Council to grant a consent to assignment of lease for Parcel 4, USS 495 Tidelands from PS Acquisition, LLC; and

WHEREAS, Resolution #13-59, dated November 25th, 2013, authorized the Valdez City Council to approve the City Manager or his designee to negotiate lease renewal option one (1) of six (6) five (5) year options to renew; and

WHEREAS, Lease Amendment No. 2, dated December 27th, 2013, was signed and executed exercising the first of six (6) five (5) year renewal options commencing December 1, 2013 and ending the last day of November 2018; and

WHEREAS, Silver Bay Seafoods, LLC has approached community development staff with intention to exercise the second of six (6), five (5) year renewal options; and

WHEREAS, the Lease is scheduled to expire on the last day of November, 2018 with four (4) five (5) year options to renew remaining; and

WHEREAS, Valdez Municipal Code 4.08.100 states that the LESSEE “shall be required to pay for any and all survey, appraisal or other costs incurred in connection with the application and lease process.”

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA, that:

Section 1. The Valdez City Council authorizes the City Manager or her designee to negotiate extension option number two (2) of six (6) five year options for the period commencing December 1, 2018 and ending the last day of November 2023.

Section 2. Paragraph 1.05 of the Lease dated December 1st, 2001 between the City of Valdez and Silver Bay Seafoods, LLC for a Parcel 4, a 23,797.5 square foot portion of USS 495 Tidelands is amended as follows:

“The LESSEE is responsible for paying the cost of appraisal of the property for the purposes of determining fair rental value.”

Section 3. All other terms and conditions of the lease remain in full force and effect.

Section 4. This resolution goes into effect immediately upon passage and approval.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA, this 2nd day of October, 2018.

CITY OF VALDEZ, ALASKA

Jeremy O’Neil, Mayor

ATTEST:

Sheri L. Pierce, MMC, City Clerk