



## Legislation Text

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**File #:** RES 18-0031, **Version:** 1

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### **ITEM TITLE:**

Resolution #18-31 Authorizing Lease Amendment No. 3 for a Lease with Peter Pan Seafoods, Inc. for a 39,376 Square Foot Portion of USS 495 Tidelands

**SUBMITTED BY:** Nicole LeRoy, Planning Technician

### **FISCAL NOTES:**

Expenditure Required: N/A

Unencumbered Balance: N/A

Funding Source: N/A

### **RECOMMENDATION:**

Approve Resolution #18-31 Authorizing Lease Amendment No. 3 for a Lease with Peter Pan Seafoods, Inc. for a 39,376 Square Foot Portion of USS 495 Tidelands

### **SUMMARY STATEMENT:**

The City of Valdez entered into a lease for a 39,376 square foot portion of USS 495 Tidelands, with Peter Pan Seafoods, Inc. on October 1, 2002 for twelve years, commencing on December 1, 2001 and ending on the last day of November, 2013 with six five-year renewal options.

On December 1, 2013 Lease Amendment No. 2 was signed and executed, exercising the first of six five-year renewal options. This first renewal option ends the last day of November 2018.

The lease is set to expire in November of 2018. Peter Pan Seafoods, Inc. approached Community Development staff with the intention to exercise their second of six five-year renewal options, extending the lease to the last day of November 2023.

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."

Paragraph 1.05 of the Lease states there is no appraisal fee to be paid by the Lessee under the lease. This is in violation of Valdez Municipal Code 4.08.100 which requires that the Lessee bear such costs.

Approval of this resolution will authorize the City Manager or her designee to negotiate said lease renewal exercising renewal option number two of six five-year options for the period commencing December 1, 2018 and ending the last day of November 2023. It will also amend Paragraph 1.05 of

the Lease to require the Lessee to pay for appraisals required under the lease for the purposes of determining fair rental value. All other terms, covenants, and conditions of said lease and amendments shall remain in full force and effect.

Pending Council approval of this resolution, Community Development staff will work with the City Attorney and Peter Pan Seafoods, Inc. to execute Lease Amendment No. 3 detailing the terms above.