



Submitted by: Chairman of the Assembly  
at the Request of the Mayor  
Prepared by: Merrill Field Airport  
For reading: SEPTEMBER 12, 2000

CLERK'S OFFICE

APPROVED

ANCHORAGE, ALASKA

Date: 9-26-00 AO NO. 2000-140

AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY AUTHORIZING THE LONG TERM LEASE BETWEEN THE MUNICIPALITY OF ANCHORAGE AS LESSOR AND ACE HANGARS OWNERS ASSOCIATION, AN ALASKA NON-PROFIT CORPORATION, AS LESSEE OF LOT 1, BLOCK 4, MERRILL FIELD REPLAT, LOCATED ON THE SOUTH SIDE OF RUNWAY 6-24.

WHEREAS, Aircraft Corporate Enterprises, Inc. (ACE), current lessee of Lot 1 Block 4, Merrill Field Replat, intends to make considerable improvements to the leasehold which includes demolition of the existing 35 year old hangar building and construction of four new aircraft hangar buildings totaling approximately 36,000 square feet; and

WHEREAS, ACE intends to create a planned community and condominium project and to establish the ACE Hangars Owners Association, a non-profit corporation, to govern the common interest community; and

WHEREAS, additional lease term is required to make the proposed improvements economically feasible because the existing lease term expires April 30, 2012 (12 years); and

WHEREAS, ACE seeks approval of a new lease with an extended term in the name of the ACE Hangars Owners Association; and

WHEREAS, Merrill Field Airport is very supportive of the new aircraft hangar development and recommends entering into a new Lease as opposed to an extension to the existing Lease for the additional lease term; and

WHEREAS, disposal by lease of the real property described herein will permit development of Lot 1 by ACE at its own cost and expense which further reflects a new sense of confidence and revitalization for our locally owned airport thereby having a positive economic benefit to the Municipality; and

WHEREAS, the current Merrill Field lease rate is consistent for all Merrill Field Airport land leases with like uses and considered to be the market rate for airport properties that are restricted to aeronautical uses; and

WHEREAS, AMC Chapter 25.30.020 states that disposal of Municipal land shall be by ordinance only; now, therefore

THE ANCHORAGE MUNICIPAL ASSEMBLY ORDAINS:

Section 1. The Municipality of Anchorage is authorized to lease Lot 1, Block 4, Merrill Field Replat, located within the Anchorage Recording District of the Third Judicial District, composed of approximately 110,360 square feet, to ACE Hangars Owners Association, an Alaska non-profit corporation, upon the terms and conditions summarized in Assembly Memorandum No. 864-2000 submitted to the Assembly in conjunction with this ordinance and attached hereto.

Section 2. This ordinance shall take effect immediately upon passage and approval by the Anchorage Municipal Assembly.

PASSED AND APPROVED by the Anchorage Municipal Assembly this 25<sup>th</sup> day of September, 2000.

  
Chairman

ATTEST:

  
Municipal Clerk