

Submitted by: Chairman of the Assembly
At the request of the Mayor
Prepared by: Port of Anchorage
For reading: February 17, 2004

CLERK'S OFFICE

APPROVED

Date: 3-2-04 ANCHORAGE, ALASKA
AO NO. 2004- 59

1 AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY
2 AUTHORIZING THE LEASE OF LOT 4A-1, PORT OF ANCHORAGE
3 SUBDIVISION TO HORIZON LINES OF ALASKA, LLC.
4

5
6 WHEREAS, the Municipality of Anchorage (Port of Anchorage) has negotiated terms with
7 Horizon Lines of Alaska, LLC, for lease of Lot 4A-1, Port of Anchorage Subdivision,
8 totaling approximately 73,112 square feet; and
9

10 WHEREAS, Anchorage Municipal Code Section 25.30.020 requires that disposal of
11 municipal land shall be by ordinance only; now therefore,
12

13 THE ANCHORAGE ASSEMBLY ORDAINS:
14

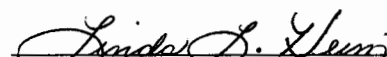
15 **Section 1.** The Municipality of Anchorage is authorized to lease Lot 4A-1, Port of
16 Anchorage Subdivision located in the Anchorage Recording District, Third Judicial District,
17 State of Alaska, to Horizon Lines of Alaska, LLC, upon the terms and conditions
18 summarized in Assembly Memorandum submitted concurrently to the Assembly with this
19 ordinance.
20

21 **Section 2.** This ordinance shall take effect immediately upon passage and approval.
22

23 PASSED AND APPROVED by the Anchorage Assembly this 2nd day of
24 March, 2004.
25

26
27 
28 Chairman
29

30 ATTEST:
31

32
33
34 
35 Municipal Clerk
36 Deputy

MUNICIPALITY OF ANCHORAGE

Summary of Economic Effects -- Utilities

AO Number: 2004 - 59

Title: A Lease of Lot 4A-1, Port of Anchorage Subdivision to Horizon Lines of Alaska LLC.

Sponsor: William J. Sheffield

Preparing Agency: Port of Anchorage

Others Impacted: None

CHANGES IN REVENUES AND EXPENSES:

(In Thousands of Dollars)

| | FY04 | FY05 | FY06 | FY07 | FY08 |
|-------------------------------------|---------|---------|------|------|------|
| Operating Revenues: | | | | | |
| 9572 Industrial Park Rental/Storage | \$ 64.3 | \$ 64.3 | \$ - | \$ - | \$ - |

| | | | | | |
|---------------------------------|----------------|----------------|-------------|-------------|-------------|
| TOTAL OPERATING REVENUES | \$ 64.3 | \$ 64.3 | \$ - | \$ - | \$ - |
|---------------------------------|----------------|----------------|-------------|-------------|-------------|

Operating Expenses:

| | | | | | |
|---|------|------|------|------|------|
| General Maintenance, snow removal and sanding at Lessee's Expense | \$ - | \$ - | \$ - | \$ - | \$ - |
|---|------|------|------|------|------|

| | | | | | |
|---------------------------------|-------------|-------------|-------------|-------------|-------------|
| TOTAL OPERATING EXPENSES | \$ - | \$ - | \$ - | \$ - | \$ - |
|---------------------------------|-------------|-------------|-------------|-------------|-------------|

Non-Operating Revenues:

| | | | | | |
|-------------------------------------|-------------|-------------|-------------|-------------|-------------|
| TOTAL NON-OPERATING REVENUES | \$ - | \$ - | \$ - | \$ - | \$ - |
|-------------------------------------|-------------|-------------|-------------|-------------|-------------|

Non-Operating Expenses:

| | | | | | |
|-------------------------------------|-------------|-------------|-------------|-------------|-------------|
| TOTAL NON-OPERATING EXPENSES | \$ - | \$ - | \$ - | \$ - | \$ - |
|-------------------------------------|-------------|-------------|-------------|-------------|-------------|

| | | | | | |
|-------------------------------|----------------|----------------|-------------|-------------|-------------|
| NET INCOME (REGULATED) | \$ 64.3 | \$ 64.3 | \$ - | \$ - | \$ - |
|-------------------------------|----------------|----------------|-------------|-------------|-------------|

| | | | | | |
|----------------------------------|----------|----------|----------|----------|----------|
| POSITIONS: FT/PT and Temp | 0 | 0 | 0 | 0 | 0 |
|----------------------------------|----------|----------|----------|----------|----------|

PUBLIC SECTOR ECONOMIC EFFECTS:

This lease for Lot 4A-1 at the Port of Anchorage to Horizon Lines of Alaska, LLC, will provide the Port of Anchorage with new rental revenue of \$64,338.56 per year for two years with an option for two (2) one (1) year renewals.

SUMMARY OF ECONOMIC EFFECTS

PRIVATE SECTOR ECONOMIC EFFECTS:

None

Prepared by: Edward Leon, Director of Finance & Admin.

Validated by OMB:

Approved by: William J. Sheffield, Port Director

Telephone: 343-6204

Date:

Date:

MUNICIPALITY OF ANCHORAGE
ASSEMBLY MEMORANDUM

AM No. 167-2004

Meeting Date: February 17, 2004

From: Mayor

Subject: Lease of Lot 4A-1, Port of Anchorage Subdivision, to Horizon Lines of Alaska, LLC

Horizon Lines of Alaska, LLC, wishes to expand its operation to include a portion of Lot 4 A currently not occupied, but pertinent to increasing its operational efficiencies. The following provisions are pertinent to the Horizon Lines of Alaska lease of Lot 4A-1:

Lessee: Horizon Lines of Alaska, LLC

Area: South Block of Tract "A" containing approximately 73,112 square feet.

Ground Rent: Ground rental rate is \$64,338.56 per year (\$5,361.55 per month).

Rent Adjustment: Ground rental rate will be adjusted upon exercising renewal options.

Lease Term: The initial term is for 2 (two) years. There are two (2) additional one (1) year option periods.

Services provided by Lessee/Horizon: General housekeeping maintenance of the premises including snow removal and sanding.

The Administration requests authority to execute this lease containing the negotiated business terms and conditions described above, and authority to negotiate other terms and conditions as reasonably necessary for the protection and benefit of the Municipality, pursuant to Assembly Ordinance.

Prepared by: William J. Sheffield, Port Director
Concur: Denis C. LeBlanc, Municipal Manager
Respectfully submitted: Mark Begich, Mayor

Content Information**Content ID :** 001522**Type:** AM_OtherServices - Other Services Memorandum**Title:** Horizon Lines Lease Lot 4A-1**Author:** scroggsjd**Initiating Dept:** Port**Review Depts:** MuniManager**Description:** Horizon Lines Lease Lot 4A-1**Keywords:** Horizon Lines**Date Prepared:** 2/6/04 10:26 AM**Director Name:** William Sheffield**Assembly Meeting Date MM/DD/YY:** 02/17/04**Public Hearing Date MM/DD/YY:** 03/02/04**Workflow History**

| <u>Workflow Name</u> | <u>Action Date</u> | <u>Action</u> | <u>User</u> | <u>Security Group</u> | <u>Content ID</u> |
|--------------------------|--------------------|---------------|-------------|-----------------------|-------------------|
| OtherServicesAMWorkflow | 2/6/04 10:31 AM | Checkin | scroggsjd | Public | 001522 |
| Port_SubWorkflow | 2/6/04 10:41 AM | Approve | sheffieldwj | Public | 001522 |
| MuniManager_SubWorkflow | 2/9/04 11:57 AM | Approve | katkusja | Public | 001522 |
| MuniMgrCoord_SubWorkflow | 2/9/04 11:58 AM | Approve | katkusja | Public | 001522 |

CONSENT AGENDA - INTRODUCTION

2004 FEB -9 PM 4:03
CLEANING OFFICE
M.O.A.