

Submitted by: Chairman of the Assembly
at the Request of the Mayor
Prepared by: Merrill Field Airport
For reading: April 19, 2005

CLERK'S OFFICE

ANCHORAGE, ALASKA

APPROVED

No. AO 2005- 64

Date: 5-3-05

1 AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY AUTHORIZING
2 THE LONG TERM LEASE BETWEEN THE MUNICIPALITY OF ANCHORAGE AS
3 LESSOR AND A & W SERVICES, AN ALASKA GENERAL PARTNERSHIP, AS
4 LESSEE OF LOT 3 BLOCK 4, MERRILL FIELD REPLAT, LOCATED BETWEEN
5 RUNWAY 06/24 AND MERRILL FIELD DRIVE.
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8 WHEREAS, A & W Services, an Alaska general partnership, is the existing
9 leaseholder of Lot 3, Block 4, Merrill Field Replat; and

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11 WHEREAS, A & W Services has requested to make considerable improvements
12 to the leasehold which includes a new 2,540 square foot addition and renovation work
13 to the existing building; and

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15 WHEREAS, A & W Services requires additional lease term to make the
16 proposed improvements economically feasible, the existing lease term expires
17 November 30, 2011 (6 years); and

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19 WHEREAS, Merrill Field Airport is very supportive of the new building addition
20 and renovation work and recommends entering into a new Lease as opposed to an
21 extension to the existing Lease for the additional lease term; and

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23 WHEREAS, disposal by lease of the real property described will permit
24 development of Lot 3 by A & W Services at its own cost and expense which further
25 reflects a new sense of confidence and revitalization for our locally owned airport
26 thereby having a positive economic benefit to the Municipality; and

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

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32 WHEREAS, AMC Section 25.30.020 states that disposal of Municipal land shall
33 be by ordinance only; now, therefore
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THE ANCHORAGE MUNICIPAL ASSEMBLY ORDAINS:

Section 1. The Municipality of Anchorage is authorized to lease Lot 3, Block 4, Merrill Field Replat, located within the Anchorage Recording District of the Third Judicial District, composed of approximately 122,850 square feet, to A & W Services, an Alaska general partnership, upon the terms and conditions summarized in Assembly Memorandum No. 277-2005 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 3rd day of May, 2005.

Anna L. Fairclough
Chairman

ATTEST:

Barbara E. Jones
Municipal Clerk

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects -- General Government

AO Number: **2005- 64**

Title: New Long Term Lease with A & W Services for Lot 3, Block 4, Merrill Field
 Replat

Sponsor: David A. Lundeby
 Preparing Agency: Merrill Field Airport
 Others Impacted: None

CHANGES IN EXPENDITURES AND REVENUES:

(In Thousands of Dollars)

	FY05	FY06	FY07	FY08	FY09
Operating Expenditures					
1000 Personal Services					
2000 Non-Labor					
3900 Contributions					
4000 Debt Service					
TOTAL DIRECT COSTS:	\$ -	\$ -	\$ -	\$ -	\$ -
Add: 6000 Charges from Others					
Less: 7000 Charges to Others					
FUNCTION COST:	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUES:		\$ 6	\$ 6	\$ 6	\$ 6

CAPITAL:

POSITIONS: FT/PT and Temp

PUBLIC SECTOR ECONOMIC EFFECTS:

Will expand the existing tax base for General Government.

PRIVATE SECTOR ECONOMIC EFFECTS:

The construction improvements will provide business and employment opportunities to the local community.

SUMMARY OF ECONOMIC EFFECTS FOR UTILITIES:

No Effects to Utilities:

The ground rental rate for Lot 3, Block 4 remains the same.

Prepared by: David A. Lundeby, Manager, Merrill Field Airport

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