



CITY OF UTQIAġVIK

"Farthest North Incorporated City"

Introduced by:	Mayor Asisaun Toovak
Date:	October 26, 2023
Public Hearing:	
Action:	
Vote:	

CITY OF UTQIAġVIK, ALASKA

ORDINANCE 7-2023

AN ORDINANCE RELATING TO A GROUND LEASE OF CITY LAND TO DAI CHAILUECHA D/B/A DAIMARU SUSHI RESTAURANT

WHEREAS the City of Utqiaġvik (the "City") owns the real property located at Townsite Barrow Plat 87-8, Block 16C, Lot 10, Utqiaġvik, Alaska (the "Property"), a portion of which it leases to other tenants;

WHEREAS Dai Chailuecha, d/b/a Daimaru Sushi ("Tenant"), desires to build a wood frame insulated building, approximately 16 feet wide, 13 feet tall, and 20 feet long, which sits on pilings on the Property (the "Building") and all equipment included inside of the Building (the "Equipment") for the purposes of operating a food business in the Building (the "Business");

WHEREAS Tenant desires to lease from the City approximately 320 square feet of the Property for construction of the Building and operation of its Business as depicted with the blue square in Exhibit A (the "Leased Premises");

WHEREAS the terms and conditions of the proposed ground lease agreement between the City and Tenant for the Leased Premises are attached as Exhibit B to this Ordinance (the "Ground Lease"); and

WHEREAS the rent to be charged to Tenant for the Leased Premises contemplated in the Ground Lease is the fair rental value and current market value of the Property.

BE IT ORDAINED by the City Council of Utqiaġvik, Alaska, that:

SECTION 1. Classification. This ordinance is not permanent or general in nature and shall not be placed in the City of Utqiaġvik Code of Ordinances ("Code").

SECTION 2. Inapplicability of Code Provisions. The requirement for an appraisal in Sections 13.12.020(A) of the Code, and the requirement for a lease auction in Section 13.12.060 of the Code shall not apply to this Ground Lease as the parcel has been assessed by a tax assessor during the year in which the property is being leased, consistent with Section 13.12.020(B) of the Code.



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SECTION 3. Council Approval. In accordance with Sections 13.12.010, 13.12.030(A) and (B), and 13.12.050 of the Code, (1) the City Council finds that the Ground Lease charges a fair rental value, based upon the pro-rata percentage that the Leased Premises compromises the Property and current market values, and (2) the City Council hereby authorizes the terms and conditions of the Ground Lease and authorizes the Mayor to execute the Ground Lease.

SECTION 4. Effective Date. This ordinance shall become effective immediately upon adoption and shall have retroactive effect back to the first date that the City administration began to negotiate the terms and conditions of the Ground Lease with Tenant.

ENACTED THIS 26th DAY OF OCTOBER, 2023, by a vote of ___ in favor and ___ opposed.

Asisaun Toovak, Mayor

ATTEST:

Mary V. Patkotak, City Clerk



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Exhibit A Drawing of Leased Premises





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Exhibit B Ground Lease

[See attached]