

An Ordinance of the Haines Borough authorizing a new lease of the Chilkat Center with Lynn Canal Broadcasting for the purpose of operating a non-profit, public FM broadcasting facility.

WHEREAS, HBC 14.16.060 provides that “[t]he lease of any borough land may be made to any state or federal agency, nonprofit organization, or political subdivision of the state for less than the appraised value, and for a consideration to be determined by the assembly to be in the best interests of the borough”; and

WHEREAS, the public interest is served by Lynn Canal Broadcasting, Inc. (KHNS-FM) as the sole radio broadcast licensee mandated to serve the educational and informational needs of the Haines Borough; and

WHEREAS, KHNS has leased this property since June 18, 1980 with the initial lease being for 25 years and a subsequent renewal lease was for five years effective July 1, 2005; and

WHEREAS, the 2005 lease document included an option to renew the Lease for three additional terms of five years each on the terms then offered by the borough, and to secure that right, tenant had to give notice of renewal to Borough Manager in writing not less than 60 days before the end of the then term of June 30, 2010; and

WHEREAS, there is no evidence of a written notice of lease renewal from KHNS nor is there any evidence the borough did not intend to continue the arrangement, therefore a new lease is recommended; and

WHEREAS, the value of the leased premises is determined to be \$1.34 per square foot for a total value of \$28,044 annually; and

WHEREAS, it is the intent of the parties to execute a new, separate Memorandum of Understanding regarding management of the Chilkat Center (“MOU”), and the sole compensation for the management would continue to be in the form of a waiver of the borough’s right to collect rent under this lease agreement until such time as the MOU would cease to exist at which time borough’s right to collect rent shall be immediately and automatically reinstated with a rental rate appropriate for that year of the lease; and

WHEREAS, Borough Charter 3.03(8) stipulates that the leasing of borough property must be granted by the assembly by ordinance,

NOW THEREFORE BE IT ENACTED, to authorize the borough manager to execute a new lease with Lynn Canal Broadcasting, Inc. for use of the specified portion of the Chilkat Center for the sole purpose of operating a full-service, non-profit, public FM broadcasting facility under the conditions of the attached lease agreement, and for a period of 5 years with renewal options.

Section 1. Classification. This ordinance is a non-code ordinance.

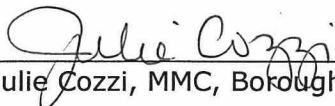
Section 2. Severability. If any provision of this ordinance or any application thereof to any person or circumstance is held to be invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

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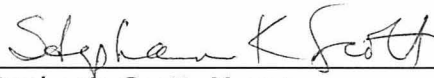
Section 3. Effective Date. This ordinance shall become effective immediately upon adoption.

ADOPTED BY A DULY CONSTITUTED QUORUM OF THE HAINES BOROUGH ASSEMBLY THIS 24th DAY OF JUNE, 2014.

Attest:


Julie Cozzi, MMC, Borough Clerk




Stephanie Scott, Mayor

Date Introduced: 05/27/14
Date of First Public Hearing: 06/10/14
Date of Second Public Hearing: 06/24/14 - Adopted