



CITY OF WASILLA

290 E. HERNING AVE.

WASILLA, ALASKA 99654-7091

PHONE: (907) 373-9050

FAX: (907) 373-0788

COUNCIL MEMORANDUM NO. 92-59

From: Mayor Stein

Date: June 4, 1992

Re: Head Start Lease

Council has expressed concern over the 3-year commitment of old Wasilla School space to the Head Start program. It was felt that the cafeteria and teachers rooms would be needed for other City offices.

Administration has re-negotiated with Head Start and Head Start has agreed to drop their request to use the cafeteria. They still wish to use the old kitchen and will construct a pass-through to provide access to the hall. A list of the rooms and a plan showing the lease space is attached.

Administration requests authority to consummate the lease as described and to provide for a three-year renewal.

John C. Stein, Mayor

Enclosures: List
Plan

No action



CITY OF WASILLA

290 E. HERNING AVE.
WASILLA, ALASKA 99654-7091
PHONE: (907) 373-9050
FAX: (907) 373-0788

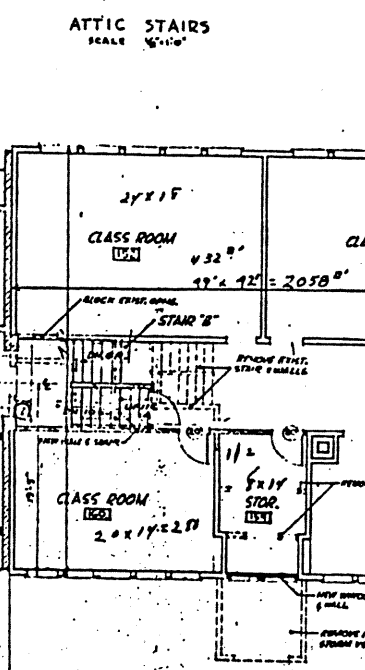
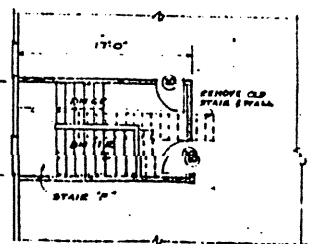
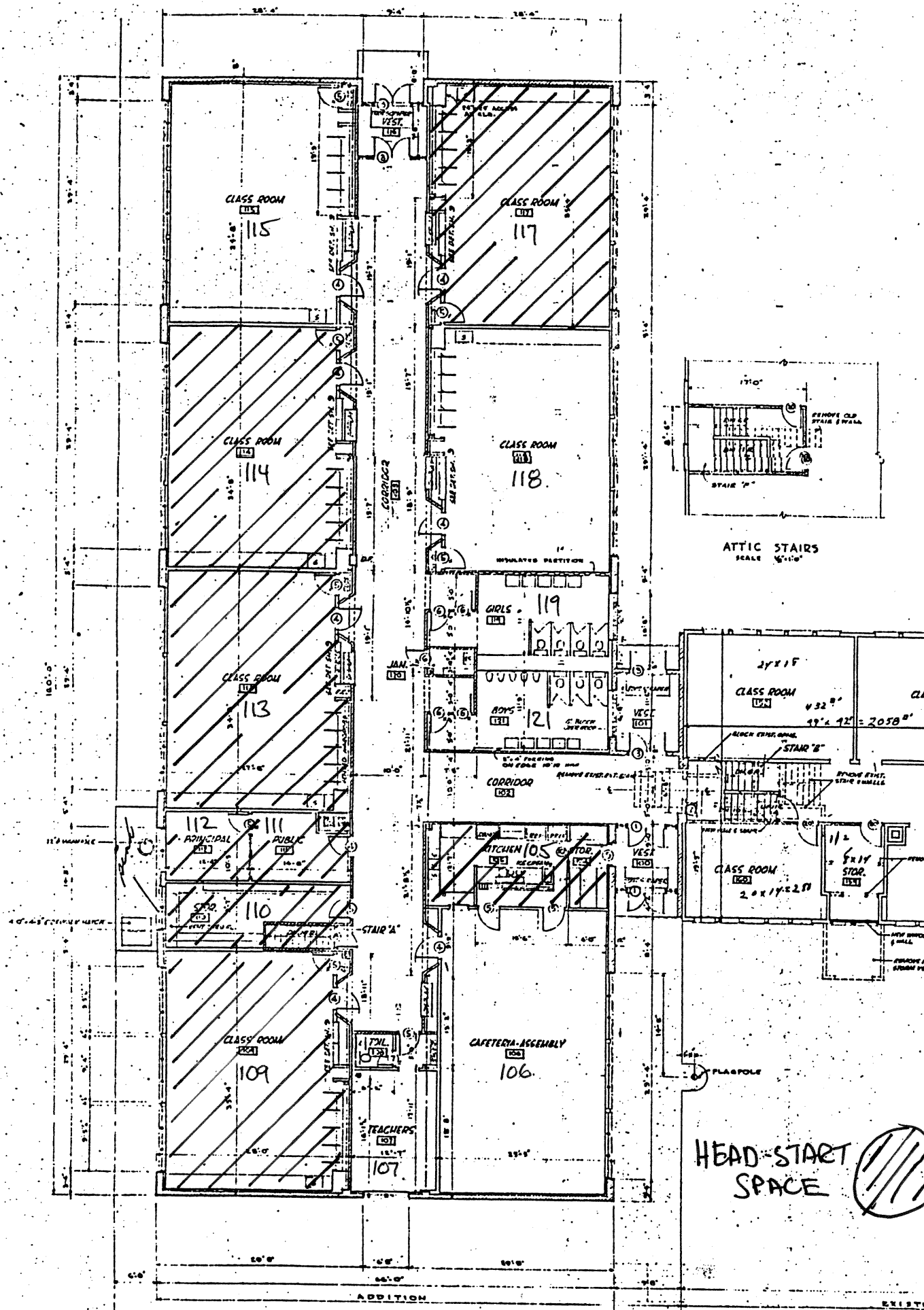
WASILLA ELEMENTARY SCHOOL

Head Start Lease - 1992-1993

<u>Room</u>	<u>Approximate Dimensions</u>	<u>Area</u>
104/105 Kitchen	13' x 25'	325
109 Classroom	27' x 35'	945
110 Office	27' x 9.5'	256
111/112 Office	27' x 10.5'	283
113 Classroom	27' x 35'	945
114 Classroom	27' x 35'	945
117 Classroom	27' x 35'	<u>945</u>
Total Square Footage for Lease Computation		4,644

Note: Hallways and restrooms are considered common space.
Rooms 106 Cafeteria, 107 Teachers, 108 toilet, 115 and
classrooms are reserved for City use.

JCS/6-1-92



HEAD-START SPACE

ADDITION

EXISTING

100-6-107

**AGREEMENT TO RENEW LEASE OF
CITY OF WASILLA SCHOOL BUILDING BY
CHUGIAK CHILDREN'S SERVICES, INC.**

THIS AGREEMENT is made and entered into as of the date of the execution of this Agreement by the City of Wasilla. This Agreement represents the renewal of a lease agreement (originally effective August 1, 1990 through to May 31, 1991) between the City of Wasilla, an Alaska Municipal Corporation, whose address is 290 E. Herning Avenue, Wasilla, Alaska 99654, hereinafter referred to as the "Lessor" and Chugiak Children's Services, Inc., Post Office Box 670233, Chugiak, Alaska 99567, hereinafter referred to as the "Lessee." The lease renewal expressed herein is effective August 1, 1992.

1. Reaffirmation of Original Lease. Lessee and Lessor both reaffirm the terms of the original Lease Agreement effective August 1, 1990 through May 31, 1991, except as expressly modified by the terms of this renewal. The modifications expressed herein are adopted by the Lessee and the Lessor by mutual agreement.

2. Description of Leased Premises. The leased premises are slightly modified from the terms of the original lease agreement. The parties agree to modify the original lease agreement so as to include in the description of rooms to be leased the following:

Rooms 104/105 (kitchen), 109, 110, 111/112 (office), 113, 114 and 117. The restrooms (119 and 121) and hallways are also available for use, in common with other occupants, including the City use of the property.

Rooms 106 (cafeteria), 107 (teacher's room), 108 (toilet), 115, and all other areas and classrooms within the former Wasilla Elementary School are reserved for City use.

The description of the leased premises from the earlier agreement, referred to above in Paragraph 1, are hereby amended and modified as set forth above.

As will be set forth below, the lease payment is premised upon a lease rate multiplied by the square footage of the premises leased. For purposes of determining the total square footage involved in the leased premises described herein, the parties mutually understand the total square footage to be equal to 4,644 square feet.

3. Rental Payment. Lessee agrees to pay a total monthly lease amount of forty cents per square foot. This rate equals \$1,857.60 per month, payable in equal monthly installments of \$1,857.60, such amount to be paid on or before the 1st day of each month of the term of the lease - to be described below. For example, \$1,857.60 is to be paid on or before August 1, 1992 through August 31, 1992.

4. Adjustment Of Lease Rate Pursuant To The Average Annual Consumer Price Index For Anchorage. The preceding establishes that the lease rate is premised upon forty cents per square foot per month. Both parties mutually agree that the lease rate shall be adjusted up or down from forty cents, on an annual basis (effective August 1 of each year of the term of this lease), to reflect the percentage change in the average annual consumer price index for the Anchorage area as established by the statistics maintained by the United States Department of Labor.

To be specific, the base time frame for purposes of the starting point from which to gauge whether there has been a change, up or down, in the annual average CPI for the Anchorage area shall be the average annual CPI for 1991. It is the understanding of the parties that the average CPI for the Anchorage area, for calendar year 1991 will be published sometime during the month of August in the calendar year following 1991 (that is the 1991 average annual CPI will be published in August, 1992). The 1991 annual average, to be published in August, 1992, is the base by which to judge if there is a change in the CPI. The lease rate will be adjusted, up or down, by the same percentage change in the average annual CPI for the Anchorage area for that portion

of the renewal term covering August 1, 1993 through May 31, 1994, by consulting the difference between the average annual CPI for 1991 as against the average annual CPI for 1992. Since that comparison will not be known until, in all likelihood, some time shortly after August 1, 1993, the lease rate effective from August 1, 1993 through to and including May 31, 1994 shall be calculated when the CPI information becomes available. In the interim time, the rate of forty cents per square foot shall be payable with reconcilliation payments to be made, up or down, when the Department of Labor information becomes published.

Similarly, the lease rate effective August 1, 1994 through May 31, 1995 shall be based on the percentage change in the Anchorage area CPI by comparing the 1991 annual average to the 1993 annual average.

5. Lease Term. The parties mutually agree to a lease renewal that will include three ten month periods, the first ten month period includes August 1, 1992 through May 31, 1993. The second ten month term which is part of this renewal agreement shall be from August 1, 1994 through May 31, 1995. As noted above, the first ten month period of this lease renewal shall be governed by the lease rate of forty cents per square foot. The second ten month lease

period covered by this renewal agreement shall be adjusted by the percentage change in the average annual CPI index for the Anchorage area, comparing the average annual index for 1992 with the average annual index of 1991. The third lease period covered by this renewal agreement shall also include an adjustment of the lease rate by again comparing the percentage change of the annual CPI index of 1991 with the average annual CPI for 1993. The same percentage change in the CPI shall be the percentage change in the lease rate, whether up or down.

6. No Other Changes. The parties mutually agree that all other provisions of the original lease agreement, referred to at the outset of this renewal agreement, are hereby confirmed as applicable and binding upon the parties.

DATED this ____ day of _____, 1992.

LESSOR:

CITY OF WASILLA

By: _____
John C. Stein
Mayor

CITY SEAL

ATTEST:

Erling P. Nelson, CMC,
City Clerk

DATED this ____ day of _____, 1992.

LESSEE:

CHUGIAK CHILDREN SERVICES, INC.

By: _____
Its: _____

STATE OF ALASKA)
)
THIRD JUDICIAL DISTRICT)

THIS IS TO CERTIFY that on the ____ day of _____, 1992, before me, the undersigned, a Notary Public in and for Alaska, duly commissioned and sworn, personally appeared _____, to me known to be the identical person described in and who executed the within and foregoing instrument as _____ of Chugiak Children's Services, and acknowledged to me that he/she signed the same as _____ of Chugiak Children's Services, in the name of and for and on behalf of said corporation, that _____ knows and can attest to the signature of _____ that he/she had signed the foregoing, and that he/she had signed the foregoing freely and voluntarily and by authority of the Board of Directors of said corporation for the uses and purposes therein mentioned.

GIVEN UNDER MY HAND and official seal the day and year last above written.

Notary Public in and for Alaska
My Commission Expires: _____