



Action taken	<i>approved</i>	Presented	<i>5/23/05</i>
Other:			
Verified by:	<i>[Signature]</i>		

WASILLA CITY COUNCIL ACTION MEMORANDUM

AM No. 05-23

TITLE: APPROVAL OF AIRPORT LEASE LOT APPLCIATIONS FOR LOTS 11, 12, AND 15 PURSUANT TO WMC 5.32.120.C(3) FOR THE NEW APRON PHASE 1A

Agenda of: May 23, 2005

Date: May 13, 2005

Originator: Archie Giddings, Public Works Director

Route to:	Department	Signature/Date
	Police	
	Recreational and Cultural Services Library, Museum	
X	Public Works Planning	<i>[Signature]</i> 5/13/05
X	Finance *signature required	<i>[Signature]</i>
X	Clerk	<i>[Signature]</i>
	Economic Development	

REVIEWED BY MAYOR DIANNE M. KELLER: *Dianne M. Keller*

FISCAL IMPACT: yes\$ or no

Funds Available yes no

Account name/number:

Attachments: none

SUMMARY STATEMENT:

For lease lots at the Wasilla Airport, Wasilla Municipal Code § 5.32.120.C(3) requires approval of leases for buildings more than 10,000 square feet in size, or for leases longer than ten years, from the City Council upon recommendation from the Wasilla Planning Commission.

The City of Wasilla recently advertised for the availability lease Lots 10 – 15 at the Wasilla Airport. Four applications were received in response to the advertisement on or before the May 1, 2005 deadline. Two of the applications received were for buildings greater than 10,000 square feet in size and for leases of longer than ten years and therefore require a Planning commission recommendation and City Council approval.

The Planning Commission met with the Airport Advisory Commission in a work session on May 10, 2005 to discuss the two applications and make recommendations on pursuant to § 5.32.120.C(3). In reviewing the request for leases for terms longer than 10

years, the Planning Commission and the Airport Advisory Commission agreed that the City needs to provide a reasonable lease term to allow a lessee to amortize his or her development investment. The two commissions considered copies of the Merrill Field Airport Lease Term Guidelines and the State's Rural Airports Lease Term Guidelines in reaching their decision to recommended approval of the applicants request for 30 year leases based on the value of the proposed hangars for those lease lots.

The Wasilla Planning Commission first considered the two applications meeting the criteria of § 5.32.120.C(3) on April 26, 2005 and adopted their final recommendation on the applications on May 10, 2005 following their work session with the Airport Advisory Commission.

- Arctic Hangers, LLC has applied to lease Lots 14 and 15, or Lots 11 and 12, to construct, during the 2005 construction season, 13,650 square feet of T-Hangers with an estimated project cost of \$800,000 to \$1,000,000 and has asked for a 30 year lease. It is recommended that a lease of 30 years be awarded to Arctic Hangers, LLC for lots 11 and 12.
- Marti List has applied to lease Lot 15 or Lot 12, to construct, during the 2005 construction season, 11,781 square feet of T-Hangers with an estimated project cost of \$335,400 and has asked for a 30 year lease. It is recommended a lease with a term of 30 years be awarded to Marti List for lot 15.

During their May 10, work session, the two commissions agreed to work together in the next few months to create formal review criteria for leasing lots at the Airport and for evaluating lease requests for terms longer than ten years. When completed, the formal criteria will be forwarded to the City Council for ratification and then be used to evaluate future applications for leases at the Airport.

STAFF RECOMMENDED ACTION: Council is requested to approve the lease lot applications for Arctic Hangers, LLC Lots 11 and 12; and for Marti List Lot 15.