

**Petersburg Borough, Alaska
RESOLUTION 2018-14**

**A RESOLUTION EXTENDING THE PETERSBURG ECONOMIC DEVELOPMENT
COUNCIL'S (PEDC) LEASE FOR THE COMMUNITY COLD STORAGE PROPERTY
FOR ANOTHER FIVE (5) YEARS UNDER THE SAME TERMS AND CONDITIONS**

WHEREAS, the City of Petersburg and PEDC entered into a long-term lease agreement in February, 2006 for the construction and operation of a community cold storage/freight consolidation and expediting facility; and,

WHEREAS, the original terms of the lease allowed for PEDC to pay \$1.00 as the rental fee for the property for the first five years of the lease and after the first five years the council was to review the project and determine how future annual lease rates would be established; and,

WHEREAS, the Cold Storage is a community facility made available to the general public by payment of fees; and,

WHEREAS, during the Community Cold Storage's life, use of the facility has been steady, but the ups and downs of the local economy and the closing or relocation of two main seafood production facilities has made it difficult to project if the facility can generate enough income to provide payment of annual rent for the balance of the lease term (lease ends January 31, 2061).

THEREFORE, BE IT RESOLVED, the Petersburg Borough Assembly hereby agrees to extend the current provisions of Article 3 (Rent) of the Tidelands Lease Agreement, dated February 1, 2006, for another five (5) years (this 5 year term will expire March 31, 2021).

Passed and Approved by the Petersburg Borough Assembly on December 3, 2018.

Mark Jensen, Mayor

ATTEST:

Debra Thompson, Borough Clerk