

**CITY OF PALMER ACTION MEMORANDUM No. 09-044**

**SUBJECT:** Authorize the City Manager to Enter into the City Of Palmer Ice Arena Lease Renewal with Silvertip Sports

**AGENDA OF: August 11, 2009**

<b>Council action:</b> <div style="border: 1px solid red; padding: 5px; display: inline-block; color: red;">Authorized</div>
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Approved for presentation by B. B. Allen, City Manager *B. B. Allen*

Route To:	Department/Individual:	Initials/Date:	Remarks:
x	Originator – Director of Community Services	<i>pk</i> 7/20/09	
x	City Clerk	<i>JB</i> 8/3/09	
x	City Attorney	<i>↔</i> 8/3/09	
X	Director of Administration	<i>HW</i> 7/23/09	
	Director of Community Development		
	Director of Community Services		
	Director of Public Safety		
	Director of Public Works		

**Attachment(s):** Summary of Economic Impact  
City Of Palmer Ice Arena Lease Renewal

**Certification of Funds:**

	No fiscal impact.	
x	Funds are budgeted from this account number:	01-0000-3690
	Funds are not budgeted. Budget modification is required. Affected account number:	

Director of Administration Signature: *HW*

**Summary statement:** The City entered into a lease with Silvertip Sports to provide food service, skate sharpening and staffing for public skate periods at the Palmer Ice Arena in August 2007. The original lease agreement provided for two one-year renewal periods. The lease was renewed in August 2008, and this is the second renewal. There are no changes proposed to the current lease.

The lease runs from August 2009 to July 2010, so the revenue shown in the Summary of Economic Impact has been divided into five months of income in 2009, and seven months of

income in 2010.

**Administration recommendation:** Approve action memorandum 09-044.



## City of Palmer • Summary of Economic Impact

Proposed Legislative Action:

Action Memorandum 09-044: Authorize the City Manager to Enter into the City Of Palmer Ice Arena Lease Renewal with Silvertip Sports

List all of the costs associated with enactment of the legislation:

List the corresponding funding source:

		Source:				Amount:	
Implementation:	\$ _____	_____	_____	_____	_____	\$ _____	_____
Capital:	\$ _____	_____	_____	_____	_____	\$ _____	_____
Operation:	\$ _____	_____	_____	_____	_____	\$ _____	_____
Maintenance:	\$ _____	_____	_____	_____	_____	\$ _____	_____
Total:	\$ _____	_____	_____	_____	_____	Total: \$ _____	_____

**Revenues** (list the affected line item name and number):

Operating funds:	FY09	FY10	FY11	FY12
01-00-00-3690 (Estimated Revenues)	\$ 1,948	\$ 1,816	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____
Total:	\$ 1,948	\$ 1,816	\$ _____	\$ _____

Enterprise funds:	FY09	FY10	FY11	FY12
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____
Total:	\$ _____	\$ _____	\$ _____	\$ _____

Capital funds:	FY09	FY10	FY11	FY12
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____
Total:	\$ _____	\$ _____	\$ _____	\$ _____

**Expenses** (list the affected line item name and number):

Operating funds:

	FY09	FY10	FY11	FY12
	\$ _____	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____	\$ _____
Total	\$ _____	\$ _____	\$ _____	\$ _____

Enterprise funds:

	FY09	FY10	FY11	FY12
	\$ _____	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____	\$ _____
Total:	\$ _____	\$ _____	\$ _____	\$ _____

Capital funds:

	FY09	FY10	FY11	FY12
	\$ _____	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____	\$ _____
Total:	\$ _____	\$ _____	\$ _____	\$ _____

Are new positions required?  Yes  No  x

Position Title:

Position Type (full-time, part-time, temporary):

Approximate Cost:

_____	_____	\$ _____
_____	_____	\$ _____
_____	_____	\$ _____

List impacts on existing programs created by the proposed legislation:

Continues services at the Ice Arena.

Fiscal effects of not passing the legislation:

Loss of revenue to ice arena; loss of services to the public.

# CITY OF PALMER ICE ARENA LEASE RENEWAL

This Lease Amendment and Renewal is made and entered into this \_\_\_\_ day of August 2009, by and between the City of Palmer, a municipal corporation organized and existing under its charter and the laws of the State of Alaska, hereinafter referred to as the "Lessor," and Silvertip Sports, a Partnership, hereinafter referred to as the "Lessee."

In consideration of the mutual covenants and promises contained herein, the parties agree that the following changes in the Ice Arena Lease dated August 3, 2007, which were approved in the first renewal of this lease in 2008, shall remain in effect:

1. **Section 1.1. Premises and Purpose** is amended as follows:

B. Lessee shall use the Premises for the following uses only, and for no other uses: display and sale of merchandise, including food services, and the provision of services related to activities conducted in the Palmer Ice Arena (hereinafter "Ice Arena"), and including but not limited to, skate sharpening. Lessee shall provide staff to perform skate rental services for periods when rental services are needed (Open Skate periods, for example), and shall provide staff to receive payments for public skate fees. *In return, Lessor shall provide Lessee with four (4) hours of non-prime ice time per month, to be used by Lessor only, and not resold. Ice time not used in a calendar month will be forfeited.*

2. **Section 1.2. Term and Renewal** provides for two additional one-year terms at the expiration of the original lease. This Renewal constitutes the second of these renewals, and extends the period of the lease from August 3, 2009 through August 3, 2010.

3. **Section 4.1 Taxes, Assessments, and Utilities** shall be amended to read that the Lessee shall pay the Lessor \$130 per month for utility costs for those months when the Ice Arena is open to the public for the entire month, in order for this paragraph to conform with the provisions in **Section 1.6. Utility Payments.**

4. All other provisions in the original lease shall remain in full force and effect.

**LESSOR:**  
City of Palmer

**LESSEE:**  
Silvertip Sports

\_\_\_\_\_  
B. B. Allen, City Manager

\_\_\_\_\_  
Tod Richards, Partner

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Christopher Dojka, Partner

\_\_\_\_\_  
Date:

| STATE OF ALASKA )  
 )ss.  
THIRD JUDICIAL DISTRICT )

THIS IS TO CERTIFY that on the \_\_\_\_\_ day of \_\_\_\_\_, 2009 before me the undersigned, a Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared, B. B. Allen, to me known and known to me to be the identical individual described in and who executed the within and foregoing LEASE Amendment and Renewal, freely and voluntarily on behalf of the City of Palmer 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 the State of Alaska  
My Commission Expires: \_\_\_\_\_

| STATE OF ALASKA )  
 )ss.  
THIRD JUDICIAL DISTRICT )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2009, by Tod Richards, partner, on behalf of Silvertip Sports, a partnership.

\_\_\_\_\_  
Notary Public in and for the State of Alaska  
My Commission Expires: \_\_\_\_\_

| STATE OF ALASKA )  
 )ss.  
THIRD JUDICIAL DISTRICT )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2009, by Christopher Dojka, partner, on behalf of Silvertip Sports, a partnership.

\_\_\_\_\_  
Notary Public in and for the State of Alaska  
My Commission Expires: \_\_\_\_\_