

CITY OF PALMER ACTION MEMORANDUM No. 08-062

SUBJECT: Authorize the City Manager to Amend and Extend the Lease Agreement with Silvertip Sports for Pro Shop Services at the Palmer Ice Arena

AGENDA OF: September 9, 2008

Authorized

Approved for presentation by B. B. Allen, City Manager *B B Allen*

Route To:	Department/Individual:	Initials:	Remarks:
x	Originator – Comm Svcs	<i>pk</i>	
x	City Clerk	<i>JW</i>	
x	City Attorney	<i>[Signature]</i>	
	Director of Public Safety		
x	Director of Administration		
	Director of Community Services		
	Director of Public Works		

Attachment(s): Summary of Economic Impact

Finance Director's Certification of Funds:

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

Finance Director Signature: *[Signature]*

Summary statement:

The original lease agreement between the City of Palmer and Silvertip Sports, executed in August 2007, provided for two one-year renewal periods. This is the first renewal. The agreement provides for two non-financial changes. The first, in Section 1.1 compensates Silvertip Sports for providing staff to collect fees during public skate with 4 hours of non-prime ice time per month. The second, in Section 4.1 corrects the amount paid by Silvertip Sports for utilities to agree with the amount listed in Section 1.6.

Administration recommendation: Approve action memorandum 08-062.

City of Palmer • Summary of Economic Impact

Does the proposed legislative action have an economic impact on the City? Yes No

Proposed Legislative Action:

Authorize the City Manager to Amend and Extend the Lease Agreement with Silvertip Sports for Pro Shop Services at the Palmer Ice Arena

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:	FY08	FY09	FY10	FY11
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____
Total:	\$ _____	\$ _____	\$ _____	\$ _____

Enterprise funds:	FY08	FY09	FY10	FY11
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____
Total:	\$ _____	\$ _____	\$ _____	\$ _____

Capital funds:	FY08	FY09	FY10	FY11
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____
_____	\$ _____	\$ _____	\$ _____	\$ _____
Total:	\$ _____	\$ _____	\$ _____	\$ _____

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

Operating funds:

	FY08	FY09	FY10	FY11
	\$ _____	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____	\$ _____
Total	\$ _____	\$ _____	\$ _____	\$ _____

Enterprise funds:

	FY08	FY09	FY10	FY11
	\$ _____	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____	\$ _____
Total:	\$ _____	\$ _____	\$ _____	\$ _____

Capital funds:

	FY08	FY09	FY10	FY11
	\$ _____	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____	\$ _____
Total:	\$ _____	\$ _____	\$ _____	\$ _____

Are new positions required? Yes No

Yes No

Position Title:

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

Approximate Cost:

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

List impacts on existing programs created by the proposed legislation:

Fiscal effects of not passing the legislation:

Silvertip would no longer provided services at the Ice Arena.

**CITY OF PALMER ICE ARENA
LEASE AMENDMENT AND RENEWAL**

This Lease Amendment and Renewal is made and entered into this ____ day of August 2008, 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 as to the following changes in the Ice Arena Lease dated August 3, 2007:

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 Amendment and Renewal constitutes the first of these renewals, and extends the period of the lease from August 3, 2008 through August 3, 2009.

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 Doyka, Partner

Date:

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

THIS IS TO CERTIFY that on the _____ day of _____, 2008 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 _____, 2008, 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 _____, 2008, by Christopher Doyka, partner, on behalf of Silvertip Sports, a partnership.

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