

**ORDINANCE SERIAL NO. 22-01**

**AN ORDINANCE AUTHORIZING THE ASSIGNMENT OF CERTAIN REAL PROPERTY LEASED BY THE ALEUTIANS EAST BOROUGH**

**WHEREAS**, the legislative power of the Aleutians East Borough (“Borough”) is vested in its Borough Assembly under Alaska State Statute Sec. 29.20.050; and

**WHEREAS**, the disposal of real property owned by the Borough is governed by Chapter 50.10 of the Borough Code and generally requires that the assignment of leases be authorized by Ordinance; and

**WHEREAS**, the Borough owns the school building and appurtenances in Cold Bay, Alaska; and

**WHEREAS**, the school is located near the Cold Bay Airport within the Seward Meridian, Township 57 South, Range 89 West, Section 36 in the Aleutian Islands Recording District, Third Judicial District, Alaska; and

**WHEREAS**, more specifically, the school is located on Lot1A, Block 10, consisting of 84,689.92 square feet of land; and

**WHEREAS**, the Borough is interested in disposing of the school building and appurtenances; and

**WHEREAS**, Gould Construction LLC submitted a proposal to acquire the Cold Bay School from the Borough to be used for office space, classroom space for homeschooled children, emergency shelter for airline passengers during emergency landings, additional community uses such as physical activities utilizing the gym, as well as temporary lodging for special events to support the community, which may include community and governmental events; and

**WHEREAS,** the land is owned by the State of Alaska and is leased to the Borough through the Alaska Department of Transportation and Public Facilities (ADOT&PF) under lease ADA-07842; and

**WHEREAS,** the Borough must assign its ADOT&PF lease to Gould Construction LLC as part of the school facility disposal; and

**WHEREAS,** the Borough Code provides that the assignment may be conducted, among other methods, by negotiation; and

**WHEREAS,** the Assembly believes assignment of the lease in question is in the best interest of the Borough.

**NOW, THEREFORE, LET IT BE ORDAINED BY THE ASSEMBLY OF THE ALEUTIANS EAST BOROUGH AS FOLLOWS:**

**Section 1.** Assembly Approval.

(1) The Borough Assembly approves the assignment of:

Lease ADA-07842 between the Alaska Department of Transportation and Public Facilities and the Aleutians East Borough

(2) The Borough Assembly determines that the above described lease is no longer required for a public purpose and that it is in the best interest of the Borough to assign the lease.

(3) This lease will be assigned by the Assignment of Agreement form provided by ADOT&PF.

(4) This lease is to be assigned subject to approval of the Assembly for the disposal of the Cold Bay School facility to Gould Construction LLC.

(5) The fair market value of the lease is undetermined. The Borough pays \$4,912.02 annually for the leased land.

(6) The lease will be assigned of at less than fair market value because the Borough Assembly has determined that the lease is a liability to the Borough.

(7) The method of disposal used will be by negotiation.

(8) The Assembly has determined that assignment of the lease for less than fair market value provides a public benefit that is equal or exceeds the reduction in value of the consideration to be received by the Borough.

**Section 2.** Classification. This is a non-code Ordinance.


**Section 3.** Severability. If any provision of this Ordinance, or any application thereof to any person or circumstance is held invalid, the remainder of this Ordinance and the application to other persons or circumstances shall not be affected thereby.

**Section 4.** Effective Date. This Ordinance shall become effective upon adoption.

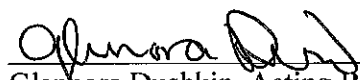
Passed and adopted by the Aleutians East Borough Assembly this 13th day of January, 2022.

Date Introduced: December 10, 2021

Date Adopted: January 13, 2022

  
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Alvin D. Osterback, Mayor

ATTEST:

  
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Glenora Dushkin, Acting Borough Clerk

(SEAL)

