

**CITY OF WASILLA
RESOLUTION SERIAL NO. 11-23**

A RESOLUTION OF THE WASILLA CITY COUNCIL AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT WITH MATANUSKA MAILBOXES, INC. FOR LEASED WALL SPACE IN THE META ROSE SQUARE FOR A NOMINAL AMOUNT OF \$30 PER MONTH.

WHEREAS, the City of Wasilla leases out commercial space in the Meta Rose Square; and

WHEREAS, Matanuska Mailboxes, Inc., has been leasing a small space and using it as an extension of their home business but without open hours of operation; and

WHEREAS, this agreement provides an option for Matanuska Mailboxes, Inc., to satisfy their business need; and

WHEREAS, it would create a vacancy in the space leased that could then be leased to a merchant interested in using the space as an active site for their business.

NOW, THEREFORE, BE IT RESOLVED, that the Wasilla City Council authorizes the Mayor to execute an agreement with Matanuska Mailboxes, Inc., for leased wall space in the Meta Rose Square for a nominal amount of \$30 per month.

ADOPTED by the Wasilla City Council on June 13, 2011.



VERNE E. RUPRIGHT, Mayor

ATTEST:



KRISTIE SMITHERS, MMC, City Clerk

[SEAL]

VOTE: Harris, Holler, Menard, Katkus, Sullivan-Leonard and Woodruff in favor.







**CITY OF WASILLA
LEGISLATION STAFF REPORT**

Resolution Serial No. 11-23: AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT WITH MATANUSKA MAILBOXES, INC. FOR LEASED WALL SPACE IN THE META ROSE SQUARE FOR A NOMINAL AMOUNT OF \$30 PER MONTH.

Agenda of: June 13, 2011
Originator: Finance Director

Date: May 31, 2011

Route to:	Department	Signature/Date
X	Director of Public Works	 5/31/11
X	Finance Director	 6/1/11
X	Interim Deputy Administrator	 6-1-11
X	City Clerk	

REVIEWED BY MAYOR VERNE E. RUPRIGHT: 

FISCAL IMPACT: yes\$ or no Funds Available yes no N/A

Account name/number: Meta Rose Revenue 001-4300-362.15-00
Attachments: Matanuska Mailboxes, Inc. Agreement (3pp)
Resolution Serial No. 11-23 (1 p)

SUMMARY STATEMENT: Matanuska Mailboxes, Inc. has been leasing a small nook (approximately 42 square feet) on the main floor of the Meta-Rose Square. The lease has been month-to-month under an agreement that was in effect when the City acquired the property. The space was used primarily by the merchant as a drop station for customer correspondence and payments and business displays but did not have open hours of operation. Their business is operated from their home office.

In our agreements with other merchants in the Square, open hours of operation are detailed to ensure that the liveliness of the Square is preserved or enhanced. This agreement would provide wall space to Matanuska Mailboxes, Inc. in the atrium to display business marketing information in a professional manner along with a wall-mounted drop box to receive payments and communication. By approving this agreement, Matanuska Mailboxes, Inc. meets their business objective for which they had been leasing the small nook. The City can then lease the vacated nook to a merchant interested in using the space as an active sight for their business.

Note that the amount of revenue related to this agreement is nominal and due to the month-to-month terms of the agreement is not guaranteed for future revenue streams.

This agreement was not pursued for immediate monetary reasons but was pursued to add vitality to the property which adds inherent value to any commercial site. This agreement satisfies the business needs of Matanuska Mailboxes, Inc. and the City.

STAFF RECOMMENDATION: Approve the adoption of Resolution Serial No. 11-23.

This agreement is between the CITY OF WASILLA, an Alaskan municipal corporation hereinafter referred to as the "Lessor", and MATANUSKA MAILBOXES, INC., [] an individual business, [] a partnership, [x] an Alaskan Corporation, hereinafter referred to as the "Tenant".

The parties hereby agree as follow:

ARTICLE 1

PREMISES, TERMS AND RENTALS

Section 1.1 Premises

Lessor leases to tenant, and tenant leases from lessor, wall space of approximately four (4) feet by three (3) feet located in the atrium of the Meta Rose Square located at 290 N. Yenlo Street, Wasilla AK (hereinafter "the Property").

Section 1.2 Term

The term of this agreement shall be month to month, starting the first day of June 2011. A one-month notice must be given by either party for termination of this agreement.

Section 1.3 Rent

Tenant shall pay to the Lessor the amount of Thirty Dollars (\$30.00) per month. Failure to pay rent by the seventh (7th) day of the month shall bear interest from the date due until paid at the rate of fourteen percent (14%) per year or at the then current maximum legal rate of interest, whichever is less.

Section 1.4 Rent Adjustment

At each one-year interval, the fair market value of the Property leased to the Lessee shall be assessed by Lessor and modified accordingly.

ARTICLE II

USE

Section 2.1 Property

Tenant may use the Property for noticing information about the Tenant's business and for use of a wall mounted drop box for customer payments and communication.

Section 2.2 Prohibited Uses

Tenant shall not use or permit any part of the Property to be used for any unlawful purpose or for any purpose, that may constitute a nuisance or hazard to health, safety, or property. Tenant shall not permit any part of the Property to be used for any purpose in violation of any applicable law, lawful order, or rule or regulation. Prior approval of the wall display is not required but Lessor reserves the right and privilege to request removal of any display not considered appropriate in meeting the objective as just stated.

Section 2.3 Hazardous Material

Tenant shall not cause or permit any hazardous material to be on or used on the Property.

Section 2.4 Discriminatory Acts Prohibited

The Tenant shall not discriminate against any person or class of persons by reason of race, color, creed, gender, or national origin.

Section 2.5 Maintenance of Premises

The Tenant shall keep Property and displays in good repair and in a neat and orderly condition.

Section 2.6 Tenant's Right to Terminate

The Tenant shall have the option to terminate this lease for any reason upon thirty (30) days written notice to Lessor.

ARTICLE III

DEFAULT AND ENFORCEMENT

Section 3.1 Default Defined

Each of the following shall be deemed a default by the Tenant and a breach of this lease:

- (a) Failure to pay the rent provided herein, or any part thereof, for a period of ten (10) days after it is due.
- (b) Failure to do, observe, keep and perform any other term, covenant, condition, agreement or provision contained in this lease for a period of thirty (30) days after written notice of such failure is sent by Lessor, or, in the case of a default not reasonably susceptible of being cured within thirty (30) days (which does not include any default which may be cured by the payment of money), failure to commence promptly and proceed diligently and in good faith to cure within a total of sixty (60) days after the sending of the notice.

Section 3.2 Lessor Remedies on Default

In the event of any default by the Tenant, the Lessor may terminate this lease in accordance with Section 4.3, below.

Section 3.3 Termination

In the event of default by the Tenant, Lessor may send a written notice to the Tenant stating that the Lessor elects to terminate this lease upon a specified date not less than thirty (30) days after the date of the sending of such notice at which date this lease shall expire as if that date

had been originally fixed as the expiration date of the term unless the default is cured within the applicable period provided in the notice of termination. Upon termination, all interest of the Tenant in the Property shall expire and Lessor shall have the right to immediate possession.

ARTICLE IV

GENERAL COVENANTS

Section 4.1 Condition and Status of Premises

Tenant acknowledges that Tenant has examined the Property and accepts same in its present condition without any representation or warranty, express or implied in fact or by law, by the Lessor as to the title, nature, condition or usability of the premises for the purposes set forth in this lease, all of these warranties being hereby expressly disclaimed by Lessor.

Section 4.2 Holdover

In the event the Tenant shall hold over after the expiration or termination of this lease for any cause whatsoever, such holding over shall be deemed a tenancy from month to month only, at the same rental per month and upon the same provisions set forth in this lease. The lessor may terminate this holdover tenancy by giving Tenant written prior notice of at least thirty (30) days. Such holding over period shall include any time employed by the Tenant to remove any buildings, structures or improvements permitted by this lease.

Section 4.3 Notices

Any notices required to be sent in accordance with the terms of this lease, including legal process, shall be sent in writing by registered or certified mail, to the parties at the following addresses unless otherwise notified in writing and deemed to be received when so sent:

Lessor's Address: City of Wasilla
290 E. Herning Avenue
Wasilla, Alaska 99654

Tenant's Address: Matanuska Mailboxes, Inc.
6828 Herman Street
Wasilla, AK 99654

LESSOR: CITY OF WASILLA

TENANT: MATANUSKA MAILBOXES, INC.

Mayor, Verne E. Rupright

Officer, Anna Phelps

Date

Date