

Chapter 16.20 LEASE OF CITY LANDS

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16.20.010 Property available for leasing.

All real property, including tide, submerged, or shore lands, which the City owns, or in which the City has right, title and interest, or to which the City may become entitled, may be leased as provided in this chapter. The term "property" as used in this chapter includes any and all interests in real property. [Ord. 01-77 Ch. 47 § 1].

16.20.020 Term of lease.

No lease shall be for a term of more than 21 years unless the Council shall determine from the purpose, use of the premises, and nature of improvements which may be placed thereon that a longer term would benefit the City and would be consistent with City planning. A lease having a term of greater than five years shall first be approved by the City Council. Any renewal period or option to renew the lease period shall be included in the term of the lease in computing the five-year period of time. [Ord. 01-77 Ch. 47 § 2].

16.20.030 Lease procedure.

The provisions of SMC 16.20.080 and 16.20.090 on the method of disposition of City-owned property shall apply to all leases of City land authorized by this chapter. The Council may lease property to a party if it determines the lease to be in the best interest of the public. [Ord. 01-77 Ch. 47 § 3].

16.20.040 Fair rental value.

Property shall be leased for a fair rental value. "Fair rental value" means the highest price described in terms of money for which the property would rent, if exposed for rent for a reasonable time in the open

market, for the use permitted by the City. [Ord. 01-77 Ch. 47 § 4].

16.20.050 Adjustment of rental.

A lease having a term of more than two years shall provide for adjustment of rental prices at specified intervals during the term of lease. The intervals shall be every two years unless the Council deems another arrangement is necessary and is in the best interest of the City. This section shall be incorporated in each lease by reference and enforceable as if fully stated in the lease. [Ord. 21-05 § 2; Ord. 01-77 Ch. 47 § 5].

16.20.060 Transfer of lessee's interest.

A lessee may sublease or assign the lease only upon approval of the transfer by the City in writing. [Ord. 01-77 Ch. 47 § 6].

16.20.070 Improvements and chattels.

The lease shall provide the terms, conditions, and limitations of the removal or reversion of the improvements or chattels upon the lease premises after termination of the lease. The retiring lessee may, with the consent of the Mayor, sell the improvements to the succeeding lessee. If the improvements or chattels are not removed within the time set forth in the lease, the improvements and chattels may, upon reasonable notice to the lessee, be sold at public sale to be provided by regulations of the Mayor. The proceeds of such sale shall be deposited into the City general fund. [Ord. 01-77 Ch. 47 § 7].

16.20.080 Inspection of leased premises.

The lessee shall allow an authorized representative of the City to enter the leased premises for inspection at any reasonable time. [Ord. 01-77 Ch. 47 § 8].

16.20.090 Easements and right-of-way.

The City expressly reserves the right, without compensation or adjustment in rentals to the lessee, to grant surface, underground or overhead utility easements or rights-of-way in or upon the leased property. [Ord. 01-77 Ch. 47 § 9].

16.20.100 Condemnation of premises – Lease termination.

Upon condemnation of the premises or any part thereof by the State, Borough, or Federal government or agency thereof, including inverse condemnation, the lease shall terminate without any liability to the City. The City shall not be liable in damages or pay any compensation to the lessee as a result of the condemnation terminating the lease. [Ord. 01-77 Ch. 47 § 10].

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