CITY OF CRAIG ORDINANCE No. 587

AUTHORIZING THE CITY ADMINISTRATOR TO NEGOTIATE WITH ASTORIA SEAFOODS AN AMENDMENT TO THE TERMS OF A LEASE OF CITY-OWNED TIDELAND PROPERTY ON THE TIDELANDS ADDITION TO USS 1429A (COMMONLY KNOWN AS THE WARD COVE CANNERY SITE).

Section 1. Classification. This is a non-code ordinance.

Section 2. <u>Severability</u>. If any provision of this ordinance or its application 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 3. Effective Date. This ordinance shall be effective immediately upon adoption.

Section 4. Action. This ordinance authorizes the City Administrator to negotiate an amendment to the lease of city-owned tideland property to Astoria Seafoods for the purpose of operating a seafood processing business. Astoria Seafoods is currently leasing approximately 71,000 square feet of upland and 29,000 square feet of tideland and certain improvements contained thereon. This ordinance will allow the city administrator to negotiate the lease of additional tideland for the purpose of placing an outfall pipe for fish processing waste discharge. The property considered for the amendment is limited to a portion of the Tidelands Addition to USS 1429A containing approximately 4,000 square feet of tideland. Final terms of amended lease are subject to the approval of the Craig city council.

The City Administrator is under no obligation to negotiate amendments to the lease of the Tidelands Addition to USS 1429A, and the City Council is under no obligation to approve any lease amendments negotiated by the City Administrator with Astoria Seafoods.

Passed and approved on Qugust 21 , 2007.

Mayor Dennis Watson

Vicki Hamilton, City Clerk