

Kenai Peninsula Borough
Office of the Borough Clerk

MEMORANDUM

TO: Ryan Tunseth, Assembly President
Members, KPB Assembly

FROM: Michele Turner, Borough Clerk 

DATE: June 16, 2026

RE: Ordinance 2025-19-45: Appropriating Funds from the South Peninsula Hospital Service Area Operating Fund to be Transferred to the South Peninsula Hospital Service Area Capital Project Fund for Demolition and Site Improvements at 324 West Fairview Avenue, Homer Medical District (Mayor)

Per KPB 22.40.050(F), the borough clerk, or the clerk's designee in his or her absence, has the authority to revise pending resolutions and ordinances prior to assembly action, by filling in any blanks in the legislation stating advisory board recommendations made concerning the legislation.

Therefore, this serves to advise the Assembly, that last two Whereas clauses in Ordinance 2025-19-45 have been updated:

“**WHEREAS**, the SPHI Board, at its regularly scheduled meeting held on [JUNE] May 27, 2026, recommended approval by unanimous consent; and

WHEREAS, the South Kenai Peninsula Hospital Service Area Board, at its [REGULARLY SCHEDULED]special meeting held on June 4, 2026 recommended approval by unanimous consent,”

Thank you.

**SOUTH KENAI PENINSULA HOSPITAL SERVICE AREA BOARD
RESOLUTION 2026-03**

**A Resolution of the South Kenai Peninsula Hospital Service Area Board (SKPHSAB)
Supporting Authorizing the Obligation of \$175,000 from the Service Area Operating Fund
Balance for Demolition of the Structure Located At 324 West Fairview Avenue,
Homer, Alaska (PARCEL 17506105)**

WHEREAS South Peninsula Hospital, Inc. ("SPHI") acquired the property located at 324 West Fairview Avenue, Homer, Alaska, identified as Parcel 17506105; and

WHEREAS the Kenai Peninsula Borough, through correspondence from Borough Land Management Officer Aaron Hughes, dated October 10, 2025, required demolition of the structure located on the property as a condition of closing and occupancy; and

WHEREAS building inspection findings identified significant structural and environmental concerns within the building, including substantial damage and asbestos exposure; and

WHEREAS demolition of the structure is necessary to address safety concerns, comply with Borough requirements, and facilitate future use of the property; and

WHEREAS following demolition, the property will be converted into a gravel parking lot to assist in addressing the current parking shortage serving the hospital campus; and

WHEREAS the proposed demolition and site improvement project will be managed by the Kenai Peninsula Borough; and

WHEREAS the SPHI Finance Committee reviewed this request on May 21, 2026, and recommended approval; and

WHEREAS the Operating Fund balance is estimated to be \$2.16 million as of 6/30/26 with this additional appropriation, which is right in between the minimum of \$1.9 million and the maximum of \$2.9 million per policy;

NOW, THEREFORE, BE IT RESOLVED BY THE SOUTH KENAI PENINSULA HOSPITAL SERVICE AREA BOARD (SKPHSAB) THAT:

1. The SKPHSAB approves the obligation of One Hundred Seventy-Five Thousand Dollars (\$175,000) from the Service Area Operating Fund balance for demolition of the structure located at 324 West Fairview Avenue, Homer, Alaska (Parcel 17506105), and conversion of the property into a gravel parking lot.
2. The demolition and site improvement project shall be managed by the Kenai Peninsula Borough.
3. South Peninsula Hospital administration is authorized to take all actions necessary to implement this resolution and coordinate with the Kenai Peninsula Borough regarding project execution and payment.

PASSED AND ADOPTED by the South Kenai Peninsula Hospital Service Area Board this 4th day of June, 2026.

ATTEST:



Francie Roberts
Chair, South Kenai Peninsula Hospital Service Area Board