Kenai Peninsula Borough

Office of the Borough Clerk

MEMORANDUM

TO:

Peter Ribbens, Assembly President

Members, Borough Assembly

FROM:

Michele Turner, Borough Clerk

DATE:

August 19, 2025

RE:

Ordinance 2025-19-06: Authorizing the Acquisition, and Appropriating Funds for the Purchase, of Four Properties Located in Homer, Alaska on Behalf of the South

Kenai Peninsula Hospital Service Area (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. This serves as our memorandum to advise the assembly of same.

Conforming to the advisory boards' actions, the last three Whereas clauses has been updated to read:

"WHEREAS, at its regular meeting of <u>July 30, 2025</u>, the SPHI Board of Directors recommended <u>approval by the passage of SPHI Resolution 2025-16</u>; and

WHEREAS, at its regular meeting of <u>August 14, 2025</u>, the South Kenai Peninsula Hospital Service Area Board recommended <u>approval by the passage of SKPHSAB</u> Resolution 2025-06; and

WHEREAS, its regular meeting of <u>August 11, 2025</u>, the KPB Planning Commission recommended <u>approval by unanimous consent</u>;"

Thank you.

Introduced by: Date: Action: Vote: Administration
7/30/2025
Approved
Yes - 9; No - 0, Exc - 1,
Abstain/Recuse -

SOUTH PENINSULA HOSPITAL BOARD RESOLUTION 2025-16

A RESOLUTION OF THE SOUTH PENINSULA HOSPITAL BOARD OF DIRECTORS APPROVING THE KENAI PENINSULA BOROUGH'S PURCHASE OF PROPERTY INCLUDING PARCEL 17504022, 4117 BARTLETT ST, AND 324 W FAIRVIEW AVE, HOMER AK 99603

WHEREAS, South Peninsula Hospital is interested in purchasing properties within the Medical District or contiguous to the Hospital; and

WHEREAS, there are three properties available for purchase within the medical district or contiguous to SPH; and

WHEREAS, the property located at KPB Parcel number: 17504022 for 4.82 acres is located directly behind the hospital and could be developed for additional parking by the Emergency Room entrance; and

WHEREAS, the property at 4117 Bartlett St is within the city's medical district and is currently being leased and utilized by the hospital and purchasing this property will save the hospital \$36,000 in annual lease payments; and

WHEREAS, the property at 324 W Fairview Ave is within the city's medical district and fits the hospital's strategic plan to acquire such properties for continued growth; and

WHEREAS, an independent appraisal and an inspection of the property may be performed by the Kenai Peninsula Borough; and

WHEREAS, South Peninsula Hospital currently has over \$6 million dollars of unobligated Plant Replacement and Expansion Funds being held at the borough; and

WHEREAS, SPH Management would like to use Plant Replacement and Expansion funds to purchase these properties; and

WHEREAS, the purchase was discussed at Finance Committee on July 24, 2025.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SOUTH PENINSULA HOSPITAL:

1. That the South Peninsula Hospital Board of Directors approves the use of Plant Replacement and Expansion Funds to purchase the property located at KPB Parcel 17504022, 4117 Bartlett St, and 324 W Fairview Ave.

2. That the South Peninsula Hospital Board of Directors requests that the Kenai Peninsula Borough execute a purchase agreement on behalf of South Peninsula Hospital in an amount equal to the Kenai Peninsula Borough negotiated purchase price and closing costs.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF SOUTH PENINSULA HOSPITAL THIS 30th DAY OF JULY, 2025.

ATTEST:

DocuSigned by:

Aaron Weisser, President

Mary E. Wyllu

CCSF BAESSBAGAFA.

Mary E. Wythe, Secretary

SOUTH KENAI PENINSULA HOSPITAL SERVICE AREA BOARD

RESOLUTION 2025-06

A RESOLUTION OF THE SOUTH KENAI PENINSULA HOSPITAL SERVICE AREA BOARD RECOMMENDING THE KENAI PENINSULA BOROUGH ASSEMBLY APPROVE THE PURCHASE OF THREE PROPERTIES: PARCEL 17504022, 4117 BARTLETT ST, AND 324 W FAIRVIEW AVE, HOMER AK 99603

WHEREAS, the South Peninsula Hospital is interested in purchasing properties within the Medical District or contiguous to the Hospital; and

WHEREAS, there are three properties available for purchase within the Medical District or contiguous to SPH; and

WHEREAS, the property identified by KPB Parcel number 17504022 is 4.82 acres, located directly behind the hospital, in an area of concern in terms of slope and soils, and should not be developed. See attached Maps 1 and 2 indicating the topography and the slopes. Purchase of this property would protect the hospital's site from potential harm from development impacts; and

WHEREAS, the property identified by KPB Parcel number 17504022 is 4.82 acres and located directly behind the hospital, is outside of the Homer Medical District and is zoned as Rural Residential; and

WHEREAS, the property at 4117 Bartlett St is within the city's Medical District and is currently being leased and utilized by the hospital, and purchasing this property will save the hospital \$36,000 in annual lease payments; and

WHEREAS, the property at 324 W Fairview Ave is within the city's Medical District and fits the hospital's strategic plan to acquire such properties for continued growth; and

WHEREAS, an independent appraisal and an inspection of the property may be performed by the Kenai Peninsula Borough; and

WHEREAS, South Peninsula Hospital currently has over \$6 million dollars of unobligated Plant Replacement and Expansion Funds being held at the borough; and

WHEREAS, SPH Management would like to use Plant Replacement and Expansion Funds to purchase these properties; and

WHEREAS, SPH Resolution 2025-16 recommending that the KPB Assembly approve the purchase of parcel 17504022, 4117 Bartlett St., and 324 W. Fairview Ave. in Homer, Alaska, was discussed at the South Peninsula Hospital Board of Directors Finance Committee on July 24, 2025; and,

WHEREAS, SPH Resolution 2025-16 was recommended for approval by the South Peninsula Hospital Board of Directors on July 30, 2025, to purchase parcel 17504022, 4117 Bartlett St., and 324 W. Fairview Ave. in Homer, Alaska.

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

- 1. **SECTION 1.** That the board recommends that the Kenai Peninsula Borough Assembly approves the purchase of parcel 17504022, 4117 Bartlett St., and 324 W. Fairview Ave. in Homer, Alaska.
- 2. SECTION 2. That the board recommends that the Kenai Peninsula Borough Assembly approves the purchase of parcel 17504022 with the understanding that this parcel is too steep for development and that any development would make the slope unstable. If there should be a proposal for development in the future, it would have to be reviewed and approved by the City of Homer Planning Commission, Planning Department, and the Homer City Council, as well as the South Peninsula Hospital Board of Directors, the South Kenai Peninsula Hospital Service Area Board, and the Kenai Peninsula Borough Assembly. Purchase of this property would protect the hospital from potential harm due to development. Additionally, this parcel lies outside of the Homer Medical District and is zoned Rural Residential and could not be developed without a rezone.
- 3. **SECTION 3.** That this resolution takes effect immediately.

ADOPTED BY THE SOUTH KENAI PENINSULA HOSPITAL SERVICE AREA BOARD THIS 14th DAY OF AUGUST 2025.

ATTEST:

Helen Armstrong, Chair

South Kenai Peninsula Hospital Service Area Board