

Kenai Peninsula Borough

Planning Department – Land Management Division

MEMORANDUM

TO: Kelly Cooper, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor *CP*
Rachel Parra, NPRSA Recreation Director *RP*
Max Best, Planning Director *MB*

FROM: Marcus A Mueller, Land Management Officer *M A M*

DATE: April 23, 2020

RE: Ordinance 2020-22, Authorizing the Negotiated Lease of Rental Space at the Nikiski Community Recreation Center with the Kenaitze Indian Tribe (Mayor)

The Nikiski Community Recreation Center ("NCRC") is operated and budgeted by the North Peninsula Recreation Service Area ("NPRSA"). The Kenaitze Indian Tribe ("Kenaitze") has inquired about renting space within the NCRC to provide youth programs. Their programs include camps for youth ages 5-12 years of age.

Two rooms have been made available and configured at the NCRC and a lease agreement has been drafted for an initial three-month period with month-to-month extensions thereafter by mutual agreement. The anticipated span of the lease is three to six months, and will not exceed twelve months without further approval from the assembly.

The lease rental for the 1,792 square foot space is \$4,856.32 payable monthly to NPRSA. A monthly fee of \$500.00 will also be charged for shared use of the kitchen, gymnasium and includes janitorial services in common restrooms. The lease revenue would help to offset NPRSA's operational and building costs.

Borough code does not specifically address the leasing of building space. Several of the requirements of KPB 17.10 for the leasing of land are not applicable to the leasing of building space. While KPB 17.10.100(I) authorizes negotiated leases, the code does not specifically address negotiated leases of borough property at fair market value.

The attached ordinance would authorize the mayor to lease space at the NCRC to Kenaitze for programming space and providing terms for Kenaitze's scheduled use of other facility areas.

Your consideration is appreciated.