Kenai Peninsula Borough
Planning Department – Land Management Division

MEMORANDUM

TO: Brent Hibbert, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor *ᴬᴿ*
Melanie Aeschliman, Planning Director *ᴹᴬ*
Marcus A Mueller, Senior Land Management Officer *ᴹ ᴸ ᴹ*

FROM: Aaron Hughes, Land Management Agent *ᴬᴴ*

DATE: September 30, 2021

RE: Ordinance 2021-19-**20**, Authorizing the Acquisition of Real Property Located at 203 West Pioneer Avenue, Homer, Alaska on Behalf of the South Peninsula Hospital Service Area, Appropriating $975,000.00 from the South Peninsula Hospital Plant Replacement and Expansion Fund for the Purchase, and Authorizing a Second Amendment to the Operating Agreement with SPH, Inc. (Mayor)

Property currently leased to the Kenai Peninsula Borough ("Borough") on behalf of the South Peninsula Hospital (SPH) located at 203 West Pioneer Avenue, Homer, Alaska has become available for purchase. Acquiring the property would support the South Peninsula Hospital operations by securing an important leased facility through Borough ownership.

The property is currently located in the City of Homer's Central Business District, which provides for this specific use.

The proposed purchase price is $955,000.00, which is the independently appraised fair market value. Prior to completing the purchase, the property would be inspected for structural and environmental conditions. The purchase agreement provides up to 180 days to close and the Borough is responsible for all buyer related closing costs.

The attached ordinance would authorize the purchase of the property and appropriate $975,000.00 from the SPH Plant Replacement and Expansion Fund to cover the costs associated with the purchase. This ordinance also provides for a second amendment to the SPH Operating Agreement to add this property to the list of property leased to SPH, Inc. under the operating agreement.

FINANCE DEPARTMENT FUNDS/ACCOUNT VERIFIED
Account: 491.20602
Amount: $ 975,000
By: *BH*   Date: 9/24/2021