



KENAI PENINSULA BOROUGH

PLANNING DEPARTMENT

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**MIKE NAVARRE
BOROUGH MAYOR**

MEMORANDUM

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

THRU: Mike Navarre, Borough Mayor *MN*

FROM: Marcus Mueller, Land Management Officer *mm*

DATE: March 15, 2017

SUBJECT: Resolution 2017-023; Resolution authorizing the Borough on behalf of the South Kenai Peninsula Hospital Service Area, to amend the Homer Medical Business Office Lease Agreement for property at 309 W. Fairview Avenue to include terms regarding early termination.

The Kenai Peninsula Borough Planning Commission reviewed the subject resolution during their regularly scheduled March 13, 2017 meeting.

A motion passed by unanimous consent to recommend approval of Resolution 2017-023, a resolution authorizing the Borough on behalf of the South Kenai Peninsula Hospital Service Area, to amend the Homer Medical Business Office Lease Agreement for property at 309 W. Fairview Avenue to include terms regarding early termination.

In the resolution, please make the following amendment to the last WHEREAS statement:

WHEREAS, the KPB Planning Commission at its regularly scheduled meeting of March 13, 2017 recommended approval by unanimous consent.

Attached are the unapproved minutes of the subject portion of the meeting.

AGENDA ITEM F. PUBLIC HEARINGS

3. Resolution 2017-023; Resolution authorizing the Borough on behalf of the South Kenai Peninsula Hospital Service Area, to amend the Homer Medical Business Office Lease Agreement for property at 309 W. Fairview Avenue to include terms regarding early termination.

Staff Report & Memorandum overview given by Marcus Mueller

PC Meeting: 3/13/17

The borough leases 700 square feet of medical business office space at 309 W. Fairview Avenue, Homer, on behalf of the South Kenai Peninsula Hospital Service Area ("SKPHSA"), and subleases that space to South Peninsula Hospital, Inc. ("SPH, Inc.") under the terms of the Sublease and Operating Agreement dated September 27, 2013 pursuant to resolution 2012-026. Said lease is for a two-year term and contained provisions for two renewal options. The second and final renewal option was exercised in writing on January 11, 2017.

SPH, Inc. anticipates moving its business office operations to the Homer Medical Clinic as soon as the expansion project is complete. SPH, Inc. has negotiated an amendment of the terms of the original lease to provide for an early termination clause.

The SPH, Inc. board recommended approval at its meeting held on January 25, 2017. The SKPHSA board is scheduled to meet on March 9, 2017, and its recommendation will be provided before the March 21, 2017 meeting. The Planning Commission is scheduled to meet on March 13, 2017, and its recommendation will be provided before the March 21, 2017 meeting.

Consideration of this resolution is appreciated.

END OF MEMORANDUM

Chairman Martin opened the meeting for public comment. Seeing and hearing no one wishing to speak Chairman Martin closed the public comment period and opened discussion among the Commission.

MOTION: Commissioner Whitney moved, seconded by Commissioner Glendening to recommend approval of Resolution 2017-023, authorizing the borough on behalf of the South Kenai Peninsula Hospital Service Area, to amend the Homer Medical Business Office Lease Agreement for property located at 309 W. Fairview Avenue.

VOTE: The motion passed by unanimous consent.

CARLUCCIO YES	ECKLUND YES	ERNST ABSENT	FOSTER YES	GLENDENING YES	ISHAM ABSENT	LOCKWOOD YES
MARTIN YES	MORGAN ABSENT	RUFFNER YES	VENUTI ABSENT	WHITNEY YES		8 YES 4 ABSENT

~~AGENDA ITEM F.~~ PUBLIC HEARINGS

4. Resolution 2017-___; Resolution authorizing the Borough, on behalf of the South Kenai Peninsula Hospital Service Area, to amend the Homer Women's Clinic Lease Agreement for property at 4117 Bartlett Street to revise terms regarding extension of the lease.

Staff Report & Memorandum overview given by Marcus Mueller

PC Meeting: 3/13/17

The borough leases the Women's Clinic building located at 309 W. Fairview Avenue, Homer, on behalf of the South Kenai Peninsula Hospital Service Area, and subleases that space to South Peninsula Hospital, Inc. ("SPH, Inc.") under the terms of the Sublease and Operating Agreement, dated September 27, 2013 pursuant to resolution 2012-026. Said lease is for a five-year term and contained provisions for two one-year renewal options. The first renewal option was exercised in writing on January 11, 2017.