

# Kenai Peninsula Borough

## Planning Department – Land Management Division

---

### MEMORANDUM

**TO:** Peter Ribbens, KPB Assembly President  
Members, KPB Assembly

**THRU:** Peter A. Micciche, Mayor *PM*  
Robert Ruffner, Planning Director *RR*  
Aaron Hughes, Land Management Officer *AH*  
Sovala Kisena, Risk Management Director *SK*

**FROM:** Jennifer Shields, Land Management Agent *JS*

**DATE:** January 9, 2025

**RE:** Resolution 2025-006, Authorizing the Borough to Enter Into a New Two-Year Lease Agreement With a Month-to-Month Renewal Option With TKC, LLC for the Continued Occupancy of Commercial Office Space for the Kenai Peninsula Borough Risk Management Department (Mayor)

---

In 2023, the Kenai Peninsula Borough (KPB) Risk Management Office was displaced from its portable office structure located on KPB's Administration Campus in Soldotna as a result of damage caused by high snow loads. An extensive internal review of existing KPB-owned or managed office spaces was conducted, with no suitable alternate locations being identified.

A two-year lease was then authorized by Resolution 2023-028 for 1,190 square feet of private commercial office space located at 170 North Birch Street, Suite 103 in Soldotna. The lease was negotiated at a monthly rate of \$2,300 (\$27,600/annually) to facilitate continued operations of the Risk Management Department. The current lease term will expire on March 30, 2025, with an option to renew on a month-to-month basis for an additional one-year term at a monthly rate of \$2,392 (\$28,704/annually).

Alternatively, TKC, LLC (Lessor) has agreed to a new two-year lease agreement at a monthly rate of \$2,369 (\$28,428/annually) which equates to \$1.93 per square foot. This adjustment is requested to cover utilities, snow removal, insurance, and other related expenses paid by Lessor. The initial term of the new lease, if approved, would commence on March 31, 2025 and run through March 31, 2027, unless terminated sooner.

This Resolution authorizes KPB to enter into a new two-year lease agreement with Lessor to facilitate continued operations of the Risk Management Department at 170 North Birch Street, Suite 103 in Soldotna.

Your consideration is appreciated.