

Kenai Peninsula Borough
Office of the Borough Clerk

MEMORANDUM

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

THRU: Johni Blankenship, Borough Clerk (JB)

FROM: Michele Turner, Deputy Borough Clerk (MT)

DATE: February 16, 2021

RE: Ordinance 2020-19-17: Authorizing the Acquisition of Real Property Located at 4135 Hohe Street, Homer, Alaska on Behalf of South Peninsula Hospital, Appropriating \$315,000 from the South Peninsula Hospital Plant Replacement and Expansion Fund for the Purchase, and Authorizing an Amendment to the SPH, Inc. Operating Agreement (Mayor)

The South Peninsula Hospital Service Area (SPHSA) board addressed the referenced ordinance. Please amend the ninth Whereas clauses to read:

"WHEREAS, the South Peninsula Hospital Service Area Board, at its meeting of January 14, 2021 recommended approval by the passage of SPHSA Resolution 2021-01."

Thank you.

**SOUTH KENAI PENINSULA HOSPITAL
SERVICE AREA BOARD RESOLUTION**

2021-01

**A RESOLUTION OF THE SOUTH KENAI PENINSULA SERVICE AREA BOARD
SUPPORTING THE PURCHASE OF PROPERTY LOCATED AT 4135 HOHE STREET,
HOMER AK 99603**

WHEREAS, the South Kenai Peninsula Hospital (SKPH) current campus is landlocked by residential and commercial properties and unable to expand; and

WHEREAS, there is a need for additional clinic, parking, and office space for use by the SKPH; and

WHEREAS, future expansions and strategic facility planning are unable to be pursued without the purchase of additional properties near the SKPH; and

WHEREAS, the property located at 4135 Hohe Street, Homer, AK 99603, KPB Parcel number: 17506205 was listed for sale; and

WHEREAS, this property consists of .28 acres and a single family residence which may be converted to commercial medical office space as it resides in the Medical Zoning District; and

WHEREAS, an independent appraisal of the property indicates that its fair market value plus closing costs are estimated at \$315,000; and

WHEREAS, SKPH Management has reviewed the appraisal and completed the KPB Real Property Need Questionnaire (RPNQ); and

WHEREAS, the SKPH currently has over \$8 million dollars of unobligated Plant Replacement and Expansion Funds being held at the borough; and

WHEREAS, SKPH Management would like to use Plant Replacement funds to purchase the property located at 4135 Hohe Street, Homer, AK 99603 Parcel number: 17506205; and

WHEREAS, the South Peninsula Hospital Board of Directors approved on December 2, 2020 the use of Plant Replacement and Expansion Funds to purchase the property located at 4135 Hohe Street, Homer, AK 99603. 24817-4476-4011v.1 0034521-000002; and

WHEREAS, the South Peninsula Hospital Board of Directors requested that the Kenai Peninsula Borough execute a purchase agreement on behalf of South Peninsula Hospital in an amount estimated at \$315,000 for purchase price and all closing costs; and

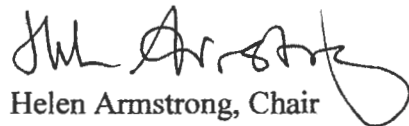
WHEREAS, the Kenai Peninsula Borough has proposed Ordinance 2020-19- authorizing the acquisition of real property located at 4135 Hohe Street, Homer Alaska on behalf of South Peninsula Hospital, appropriating \$315,000 from the South Peninsula Hospital Plant Replacement and Expansion Fund for the purchase and authorizing an amendment to the SPH, INC. Operating Agreement;

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

1. Supports Resolution 20-21 of the South Peninsula Hospital Board of Directors approving the use of \$315,000 Plant Replacement and Expansion Funds to purchase the property located at 4135 Hohe Street, Homer, AK 99603. 24817-4476-4011v.1 0034521-000002.
2. Supports the Kenai Peninsula Borough Ordinance 21020-19- authorizing \$300,000 plus closing costs, prorated taxes and property investigation costs estimated not to exceed \$15,000 for the acquisition of real property located at 4135 Hohe Street, Homer, Alaska on behalf of South Peninsula Hospital Plant Replacement and Expansion fund for the purchase and authorizing an amendment to the SPH, Inc. Operating Agreement.

PASSED AND ADOPTED BY THE SERVICE AREA BOARD OF THE SOUTH KENAI PENINSULA HOSPITAL AT ITS MEETING HELD ON THIS 14TH DAY OF JANUARY, 2021.

ATTEST:


Helen Armstrong, Chair