

# Kenai Peninsula Borough

## Planning Department – Land Management Division

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### MEMORANDUM

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

**THRU:** Charlie Pierce, Mayor *CP*  
Max Best, Planning Director *MB*

**FROM:** Marcus Mueller, Land Management Officer *mm*

**DATE:** November 21, 2019

**RE:** Resolution 2019-069, Authorizing the Borough, on Behalf of the South Kenai Peninsula Hospital Service Area, to Enter into a Long-Term Lease Agreement for a Professional Office Building at 4201 Bartlett Street, Homer, Alaska (Mayor)

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On behalf of South Peninsula Hospital, Inc. (SPH, Inc.), the borough has leased medical office space at the Kachemak Bay Professional Building located at 4201 Bartlett Street in Homer. A copy of the proposed lease is attached.

This resolution would authorize a lease of the entire property located at 4201 Bartlett Street, commonly known as the Kachemak Bay Professional Building. The leased property is an 11,000 square foot medical-professional building on 1.2 acres and includes a parking area. The lease term is a 10-year initial term with the possibility of two 10-year renewal terms. Rent begins at \$2.00 per square foot per month plus utilities, upkeep, taxes, and insurance. The lease will allow SPH, Inc. to occupy all of the Kachemak Bay Professional Building.

Additionally, the lease agreement authorized by this resolution will be included in the Operating Agreement between the borough and SPH, Inc. Per the terms of the agreement, SPH, Inc. will be directly responsible for the costs of this lease.

Your consideration of this resolution is appreciated.