

Introduced by: Mayor
Date: 06/15/2021
Action:
Vote:

**KENAI PENINSULA BOROUGH
RESOLUTION 2021-XXX**

A RESOLUTION AUTHORIZING THE KENAI PENINSULA BOROUGH, ON BEHALF OF THE SOUTH KENAI PENINSULA HOSPITAL SERVICE AREA, TO ENTER INTO AN OFFICE SPACE LEASE AGREEMENT FOR OFFICE SPACE AT 203 W. PIONEER AVENUE IN HOMER

WHEREAS, South Peninsula Hospital, Inc. (“SPHI”) subleases and operates South Peninsula Hospital (“SPH”) pursuant to the Operating Agreement (“OA”) with the Kenai Peninsula Borough (“borough”) on behalf of the South Kenai Peninsula Hospital Service Area (“SKPHSA”); and

WHEREAS, the OA authorizes the SKPHSA Board to approve by resolution leases of real property by SPHI for its operation of programs for the SKPHSA; and

WHEREAS, SPHI currently leases from Jonas Ridge, LLC approximately 4,400 square feet of office space within the Peninsula Surgical Clinic Building in Homer; and

WHEREAS, the current Office Space Lease Agreement, as amended on June 27, 2019, is between Jonas Ridge, LLC, as Lessor, the borough as Lessee, and SPHI, as Sublessee, and terminates on June 30, 2021; and

WHEREAS, SPHI has requested a new lease for continued operations of the Home Health Office and Training Center; and

WHEREAS, the borough may enter into the lease on behalf of the SKPHSA and subsequently sublease it to SPHI; and

WHEREAS, pursuant to borough code and the OA, assembly approval of this lease agreement may be by resolution upon receipt of a planning commission recommendation; and

WHEREAS, the SPHI Board at its regularly scheduled meeting of May 26, 2021 approved SPH Board Resolution 2021-06 requesting execution of the subject lease; and

WHEREAS, the SKPHSA Board at its regularly scheduled meeting of June 8, 2021, recommended _____; and

WHEREAS, the Planning Commission at its regularly scheduled meeting of June 14, 2021, recommended _____;

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

SECTION 1. That the mayor is authorized to execute the Office Space Lease Agreement with Jonas Ridge, LLC as Lessor, the borough as Lessee and Sublessor, and SPHI as Sublessee, of the following office space:

Approximately 4,400 square feet of office space within the Peninsula Surgical Clinic Building, designated as Suite 1, located at 203 W. Pioneer Avenue, Homer, Alaska, and situated within:

TRACT A, Chamberlain & Watson Subdivision of Tract A, Plat No. 75-63, Homer Recording District, Third Judicial District, State of Alaska (Assessor's Parcel No. 175-143-04).

SECTION 2. The purpose of this acquisition is to provide office space for SPHI's Home Health Care Department and Community Education Department and other similar hospital uses.

SECTION 3. That pursuant to KPB 17.10.080(C), no land classification is proposed for this rental property.

SECTION 4. That the mayor is authorized to execute an Office Space Lease Agreement, substantially in the form of the agreement attached hereto and incorporated by reference, and to make any other agreement deemed necessary in accordance with this resolution.

If the OA terminates during the term of the lease, the borough may sublet the property to another entity subject to approval by the owner.

The lease shall be for a term of two (2) years and includes three 1-year renewal options. Monthly rental shall be \$6,800, subject to the appropriation and availability of funds, plus utilities and snow removal services, as described in the Office Space Lease Agreement.

SECTION 5. That expenditures for the lease will be paid by SPHI for the term of the Sublease Agreement and the Operating Agreement, including any extension or renewal thereof, or until this lease is terminated, whichever occurs first.

SECTION 6. That this resolution takes effect immediately upon its adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY * 2021.

Brent Hibbert, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent: