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| Introduced by: | Mayor                 |
| Date:          | 06/02/26              |
| Hearing:       | 06/16/26              |
| Action:        | Enacted               |
| Vote:          | 8 Yes, 0 No, 1 Absent |

**KENAI PENINSULA BOROUGH  
ORDINANCE 2025-19-45**

**AN ORDINANCE APPROPRIATING FUNDS FROM THE SOUTH  
PENINSULA HOSPITAL SERVICE AREA OPERATING FUND TO BE  
TRANSFERRED TO THE SOUTH PENINSULA HOSPITAL SERVICE  
AREA CAPITAL PROJECT FUND FOR DEMOLITION AND SITE  
IMPROVEMENTS AT 324 WEST FAIRVIEW AVENUE, HOMER  
MEDICAL DISTRICT**

**WHEREAS,** the Kenai Peninsula Borough (KPB) has entered into an Operating Agreement with South Peninsula Hospital, Inc. (SPHI) for operation of the South Peninsula Hospital and other related facilities, and to provide other healthcare programs and services, on a nonprofit basis in order to ensure the continued availability to the South Kenai Peninsula Hospital Service Area residents; and

**WHEREAS,** Ordinance 2025-19-06 authorized the purchase of the residential property at 324 West Fairview Avenue, Homer Medical District, which needs to be demolished in order to use the property for health care purposes within the service area and in support of the adjacent SPH clinic; and

**WHEREAS,** the SPHI Board, at its regularly scheduled meeting held on May 27, 2026, recommended approval by unanimous consent; and

**WHEREAS,** the South Kenai Peninsula Hospital Service Area Board, at its special meeting held on June 4, 2026, recommended approval by unanimous consent;

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

**SECTION 1.** That this is a non-code ordinance.

**SECTION 2.** That \$175,000 is appropriated from the South Peninsula Hospital Service Area Operating Fund, fund balance to be transferred to the South Peninsula Hospital Service Area Capital Project Fund account number 491.81210.26SHF.49999 to provide for the demotion and site improvements and related costs.

**SECTION 3.** That the appropriations made in this ordinance are project length in nature and as such do not lapse at the end of any particular fiscal year.

**SECTION 4.** If any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of the ordinance or the application of the provision to other persons or circumstances will not be affected.

**SECTION 5.** That this ordinance shall be effective immediately.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 16TH DAY OF JUNE, 2026.**

ATTEST:



Michele Turner, MMC, Borough Clerk



Ryan Tunseth, Assembly President



Yes: Cooper, Dunne, Ecklund, Eicher, Griebel, Niesen, Truesdell, Tunseth  
No: None  
Absent: Hicks