

Introduced by: Administration  
Date: July 27, 2022  
Action: Approved  
Vote: Yes - 9, No - 0, Excused  
- 2

**SOUTH PENINSULA HOSPITAL  
BOARD RESOLUTION  
2022-10**

**A RESOLUTION OF THE SOUTH PENINSULA HOSPITAL BOARD OF DIRECTORS  
APPROVING THE PURCHASE OF PROPERTY FOR STAFF HOUSING**

**WHEREAS**, South Peninsula Hospital (the Hospital) is currently leasing 25 individual properties throughout the Homer area to provide temporary housing for contract staff and physicians, and new hire relocation, and

**WHEREAS**, the ability to recruit and retain professional staff has been impeded by seasonal housing shortages and high housing costs, and

**WHEREAS**, our current facilities do not provide for staff housing nor do our future expansion projects, and

**WHEREAS**, the properties located at 3964 Bartlett, Homer, AK 99603, KPB Parcel number: 17513342, 135/151 W. Bayview Avenue, Homer, AK 99603, KPB Parcel numbers: 17505405/17505406 are available for sale, and

**WHEREAS**, these properties consists of .17 acres and .58 acres and both contain staff housing which would accommodate a minimum of 11 staff in a location that is located near the hospital campus; and

**WHEREAS**, an independent appraisal will be performed prior to purchase in order to determine the fair market value of the final property purchases which is currently estimated at \$699,000 for the Bartlett Street property and \$749,000 for the West Bayview property; and

**WHEREAS**, the estimated closing costs for each property would be approximately \$20,000 to \$25,000, and

**WHEREAS**, SPH Management performed a Return on Investment analysis, and completed the KPB Real Property Need Questionnaire (RPNQ) for both properties; and

**WHEREAS**, South Peninsula Hospital currently has over \$5.7 million dollars of unobligated Plant Replacement and Expansion Funds (PREF) being held at the borough; and

**WHEREAS**, SPH Management would like to use up to \$1,500,000 of the unobligated Plant Replacement funds to purchase property which may be used as Staff Housing; and

**WHEREAS**, While the properties located at 3964 Bartlett Street, Homer and 135/151 W. Bayview Ave, Homer are ideal locations for staff housing it is understood by management that the purchase of these

properties is based upon the successful negotiation of a purchase agreement with the seller and may not be accepted,

**WHEREAS**, SPH Management would like the opportunity to act upon a comparable property should either or both of these property purchases fall through; and

**WHEREAS**, this resolution was discussed at Finance Committee on July 21, 2022.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SOUTH PENINSULA HOSPITAL:**

1. That the South Peninsula Hospital Board of Directors approves the use of up to \$1,500,000 in unobligated Plant Replacement and Expansion Funds to purchase the property located at 3964 Bartlett Street and/or 135/151 W. Bayview Ave, Homer, AK 99603 or another comparable property.
2. That the South Kenai Peninsula Hospital Service Area Board please review this resolution and make a recommendation for approval to the Kenai Peninsula Borough Assembly.
3. That the South Peninsula Hospital Board of Directors requests that the Kenai Peninsula Borough execute a purchase agreement on behalf of South Peninsula Hospital in an amount estimated at \$699,000 for purchase price and up to \$20,000 for closing costs on the property located at 3964 Bartlett Street, Homer AK 99603, or another comparable property.
4. That the South Peninsula Hospital Board of Directors requests that the Kenai Peninsula Borough execute a purchase agreement on behalf of South Peninsula Hospital in an amount estimated at \$749,000 for purchase price and up to \$25,000 for closing costs on the property located at 135/151 W. Bayview Ave, Homer AK 99603, or another comparable property.

**PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF SOUTH PENINSULA AT ITS MEETING HELD ON THIS 27th DAY OF JULY, 2022.**

ATTEST:



Julie Woodworth, Board Secretary

  
Kelly Cooper, Board President