

KENAI PENINSULA BOROUGH

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> MIKE NAVARRE BOROUGH MAYOR

MEMORANDUM

TO:Blaine Gilman, Assembly President
Kenai Peninsula Borough Assembly Members

THRU: Mike Navarre, Mayor M Craig C. Chapman, Finance Director A Society Max Best, Planning Director

FROM: Marcus A. Mueller, Land Management Officer 74 4

CC: Sean Dusek, KPBSD Superintendent

DATE: May 26, 2016

SUBJECT: Ordinance 2016- <u>20</u> An Ordinance Authorizing a Negotiated Lease at Less Than Fair Market Value to SAH Soccer, Inc., dba Soccer Association of Homer of Approximately 3.5 Acres of Borough Land Adjacent to the Homer Middle School for the Development, Management and Maintenance of a Year-Round Indoor Field aka "South Peninsula Athletic and Recreation Center"

The Kenai Peninsula Borough and Kenai Peninsula Borough School District were approached by the Soccer Association of Homer with an inquiry regarding allowing for the development of a year-round indoor field on land owned by the borough and partially integrated in the Homer Middle School campus. The resulting stakeholder process led to the proposal contained in the attached ordinance. This proposal involves platting a self-contained tract of land embracing an old softball field and leasing that parcel to the Soccer Association of Homer to implement their plan. The lease additionally provides permission for common use of the ingress, egress and parking area which serves the school and school grounds. The proposed term is 20 years with a 10-year renewal option at rate of \$1.00 per year.

The borough's leasing format approves specified use through approval of a development plan, therefore the plan documents referenced in the lease compose the scope of the uses that would be authorized by the lease, along with a provision that allows for development plans to be modified over time consistent with the nature of the original lease.

This lease will benefit the school district by making available an indoor recreational facility to the school district for school purposes during designated hours for a negotiated fee. Promoting wellness in the community is consistent with the Kenai Peninsula Hospital service area purposes. Upon termination of the lease valuable site improvements will remain on the parcel.

Your consideration of this ordinance is appreciated.