

Introduced by:

Mayor

Date:

06/15/21

Action:

Vote:

**KENAI PENINSULA BOROUGH  
RESOLUTION 2021-**

**A RESOLUTION AUTHORIZING THE KENAI PENINSULA BOROUGH, ON BEHALF  
OF THE SOUTH KENAI PENINSULA HOSPITAL SERVICE AREA, TO ENTER INTO  
A LEASE AGREEMENT WITH FIRST RIGHT OF REFUSAL AND OPTION TO  
PURCHASE, FOR OFFICE SPACE AT 4117 BARTLETT STREET 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 SKPHSA; and

**WHEREAS,** the borough currently leases from Westwing, LLC approximately 1,500 square feet of office space within the Women's Clinic Building in Homer and subleases that space to SPHI; and

**WHEREAS,** the current lease agreement, as amended on June 27, 2019, is between Westwing, 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 term for continued operations of the Women's Health Clinic; 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, recommended approval of this lease of office space; and

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

**WHEREAS,** the KPB 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 borough mayor is authorized to execute the lease agreement with a first right of refusal and option to purchase by and between Westwing, LLC as Lessor, the borough as Lessee and Sublessor, and SPHI as Sublessee, of the following office space:

Approximately 1,500 square feet within the Women's Clinic Building, located at 4117 Bartlett Street, Homer, Alaska, and more particularly described as:

Lot 4, Block 10, Fairview Subdivision, Plat No. 56-2936, Homer Recording District, Third Judicial District, State of Alaska (Assessor's Parcel No.: 175-061-04).

**SECTION 2.** The purpose of this acquisition is to provide space for SPHI's Women's Health Clinic.

**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 a 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 five years and includes five one-year renewal options. Monthly rental shall be \$3,000.00 subject to the appropriation and availability of funds, plus utilities and snow removal services, as described in the 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.** Exercise of the option to purchase is subject to separate authorizations, in accordance with KPB 17.10, and the appropriation and availability of funds.

**SECTION 7.** That this resolution takes effect immediately upon its adoption.

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

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Brent Hibbert, Assembly President

ATTEST:

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Johni Blankenship, MMC, Borough Clerk

Yes:

No:

Absent: