



# **KENAI PENINSULA BOROUGH**

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**JOHN J. WILLIAMS**  
**BOROUGH MAYOR**

## **MEMORANDUM**

**TO:** Grace Merkes, Assembly President  
Kenai Peninsula Borough Assembly Members

**THRU:** John J. Williams, Borough Mayor 

**FROM:**  Max J. Best, Planning Director

**DATE:** March 25, 2008

**SUBJECT:** Ordinance 2008-07; Authorizing the Negotiated Lease of Office Space at the Former Nikiski Elementary School Building

The Planning Commission reviewed the subject ordinance during their regularly scheduled March 24, 2008 meeting. A motion to recommend adoption of the ordinance passed by unanimous consent.

Draft, unapproved minutes of the subject portion of the meeting are attached.

Agenda Item N. 5.

Committee Finance

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**AGENDA ITEM F. PUBLIC HEARINGS**

**3. Ordinance 2008-07; Authorizing the Negotiated Lease of Office Space at the Former Nikiski Elementary School Building**

Memorandum reviewed by Marcus Mueller

PC Meeting: 3/24/08

The Former Nikiski Elementary School Building was vacated by KPBSD in 2004. Approximately one-half of the building is currently occupied by the North Peninsula Recreation Service Area, and ten classrooms on the north wing are vacant.

The Land Management Division was assigned management of this facility and a facility management plan was developed in 2007. Leasing vacant space to defray holding costs associated with the building was identified as one management alternative. Recently the Borough was approached by representatives of Lockheed Martin about the possibility of renting office space at the facility. The property was inspected and found to be suitable for their intended use of operating a local office to administer a Transportation Security Administration contract for an 8-10 month time frame.

The basic terms agreed upon include renting a 941 square foot classroom for a base six-month term with month-to-month extensions thereafter at a rental of \$1,500 per month.

Borough code does not address the leasing of building space. The requirements of KPB 17.10 for the leasing of land are not applicable to the leasing of building space. While KPB 17.10.100(l) authorizes this negotiated lease, the ordinance otherwise finds inapplicable other provisions of KPB 17.10 including land classification, notice of disposition, lease types, lease terms and conditions, and general conditions.

The attached ordinance would authorize the Mayor to lease one classroom space at the Former Nikiski Elementary School Building to Lockheed Martin for office space. Your consideration is appreciated.

END OF MEMORANDUM

Chairman Bryson opened the meeting for public comment. Seeing and hearing no one wishing to speak, Chairman Bryson closed the public comment period and opened discussion among the Commission.

**MOTION:** Commissioner Carluccio moved, seconded by Commissioner Gross to recommend adoption of KPB Ordinance 2008-007.

**VOTE:** The motion passed by unanimous consent.

BRYSON YES	CARLUCCIO YES	COLLINS ABSENT	FOSTER YES	GROSS YES	ISHAM YES	JOHNSON YES
LOCKWOOD ABSENT	MARTIN YES	PETERSEN YES	TAURIAINEN ABSENT			8 YES 3 ABSENT

**AGENDA ITEM F. PUBLIC HEARINGS**

**4. Resolution 2008-\_\_\_\_; Proposed Resource Development Classification of approximately 10 acres of Borough land located in the Beluga area within Section 4, T12N, R10W, S.M., Alaska, Pursuant to KPB Code of Ordinances, Chapter 17.10.080(F)**

Staff Report given by Marcus Mueller

PC Meeting: March 24, 2008

**Petitioner:** Kenai Peninsula Borough, Alaska

**Basis for Classification:** The Borough Land Management Division has identified a 10-acre parcel for the development of a new gravel site in the Beluga area. As per KPB Code of Ordinances 17.10.080, parcels appropriate for Resource Development may be then considered for development purposes. A gravel source will be beneficial to the communities of Beluga and Tyonek for commercial and small quantity purchase. Test holes were drilled on the subject land indicating an available gravel source was present.