



## **KENAI PENINSULA BOROUGH**

PLANNING DEPARTMENT

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**JOHN J. WILLIAMS  
BOROUGH MAYOR**

### **M E M O R A N D U M**

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

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

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

**DATE:** June 16, 2008

**SUBJECT:** Ordinance 2008-16 Authorizing the Negotiated Lease of a 1.22-Acre Parcel of Borough Land in Hope, Alaska to the United States Postal Service for a Main Post Office Site

The Planning Commission reviewed the subject ordinance during their regularly scheduled June 9, 2008 meeting. A motion to recommend enactment of the ordinance passed by unanimous consent.

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

**AGENDA ITEM I. SPECIAL CONSIDERATIONS**

- 2. Ordinance 2008-\_\_\_ Authorizing the Negotiated Lease of a 1.22-Acre Parcel of Borough Land in Hope, Alaska to the United States Postal Service for a Main Post Office Site

Staff Report given by Marcus Mueller

PC Meeting: 6/09/08

The USPS is planning on developing a new main post office in the community of Hope. The USPS conducted an open solicitation for sites to allow interested parties the opportunity to offer property for that use. During the initial solicitation period the USPS received 3 proposals. There was concern amongst the community about the suitability of the available locations. Meanwhile, a parcel owned by the borough was freed up when the Hope Volunteer EMS relocated, thereby vacating a parcel of land formerly leased to the EMS. The community organization known as Hope, Inc after its meeting of March 22, 2008, requested the USPS reopen their solicitation period in order that new proposals could be offered. The Hope APC then, at its meeting of April 10, 2008, requested that the borough submit an offer on the old EMS site. Land Management investigated prevailing land values and determined that the appropriate basis for this parcel would be 8% of \$37,500 with a 3% annual adjustment factor. On April 15<sup>th</sup> an offer was submitted to USPS, subject to assembly approval. The initial offer was clarified and modified on May 22<sup>nd</sup> under a USPS call for Best and Final Offers. On May 30<sup>th</sup> the borough received notice that the USPS Site Review Committee had endorsed the Borough's offer.

The USPS will be sending Land Management a draft lease according to the proposal as soon as possible. The USPS conveyed that this lease needs to be entered into as soon as possible in order that the project can move forward under their current pool of funding and in order that the development happens during this construction season. USPS additionally conveyed that if competitive funding is lost, the project would be lost for time uncertain. Therefore shortened hearing is respectfully requested.

The ordinance would authorize the mayor to enter into a lease with the USPS for a total term of 40 years for postal service facility use at fair market rental value. Although the land has not been classified, the "Community Land Use Plan for Borough Lands In Hope, September 1987", which recommended this parcel be used for centralized public facilities, was adopted by Ordinance 87-49. An exception to classification is requested. Additionally, an exception to notice of disposition is requested as that provision of code is intended to make the public aware of opportunities to purchase or lease lands, which this ordinance does not involve. Your consideration of this ordinance under shortened hearing is respectfully requested.

**END OF STAFF REPORT**

Chairman Bryson opened the meeting for public comment noting no members of the public were present.

**MOTION:** Commissioner Carluccio moved, seconded by Commissioner Martin to recommend approval of Ordinance 2008-\_\_\_; Authorizing the Negotiated Lease of a 1.22-Acre Parcel of Borough Land in Hope, Alaska to the United States Postal Service for a Main Post Office Site

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

BRYSON YES	CARLUCCIO YES	COLLINS YES	FOSTER ABSENT	GROSS ABSENT	ISHAM ABSENT	JOHNSON YES
LOCKWOOD YES	MARTIN YES	MURPHY YES	PETERSEN YES	TAURIAINEN ABSENT		8 YES 4 ABSENT

**AGENDA ITEM J. SUBDIVISION PLAT PUBLIC HEARINGS**

Chairman Carluccio reported the Plat Committee reviewed and granted conditional preliminary approval to 12 preliminary plats and postponed one preliminary plat.

**AGENDA ITEM K. COASTAL MANAGEMENT PROGRAM CONSIDERATIONS**

**AGENDA ITEM L. OTHER/NEW BUSINESS**

**AGENDA ITEM M. ASSEMBLY COMMENTS**