

Introduced	Mayor
Date:	12/02/97
Action:	Postponed until 12/16/97
Final Action:	Adopted
Vote:	Unanimous

**KENAI PENINSULA BOROUGH
RESOLUTION 97-088**

**A RESOLUTION APPROVING THE LEASE OF 1.45 ACRES FROM THE CITY OF
HOMER FOR EXPANSION OF LONG-TERM CARE UNIT OF SOUTH PENINSULA
HOSPITAL**

- WHEREAS,** South Kenai Peninsula Hospital Service Area expanded its powers to include long-term care in 1995;
- WHEREAS,** there is a need for expansion to accommodate common areas within the long-term care unit and for office space within the hospital generally;
- WHEREAS,** expansion of the hospital to meet the needs of long-term care patients within the South Kenai Peninsula Hospital Service Area and the needs of the hospital and its patients generally is in the best interest of the borough;
- WHEREAS,** the area most feasible for expansion is currently within Karen Hornaday Park;
- WHEREAS,** the city has agreed to rezone the park property to accommodate the hospital expansion;
- WHEREAS,** there is a deed restriction on the park property that it be used for public recreational purposes and a court action, in the nature of a quiet title or similar action, appears necessary to eliminate this deed restriction;
- WHEREAS,** the city has requested that the borough pay for the replat of the park parcel, vacation of public interest as a park property, perform the quiet title or other necessary action, and assume the risk of the warranty deed, as a condition of the amended lease; and
- WHEREAS,** the lease term will expire in the year 2024 and the proposed rent is “nominal consideration”; and
- WHEREAS,** an assumption of risk by the borough regarding the deed restriction is not in the best interest of the borough since the lease expansion will not give the borough a permanent interest in the parcel; and

WHEREAS, all acquisitions of interests in land must be approved by resolution of the assembly pursuant to KPB 17.10;

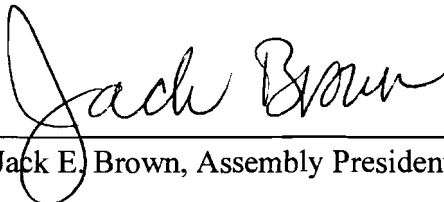
NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

SECTION 1. The borough assembly hereby authorizes the Mayor to proceed with all things necessary as set forth above to accomplish the lease of additional lands from the city of Homer for expansion of the South Peninsula Hospital described as follows: The North 528.76 feet of the East 120 feet, SW 1/4 SE 1/4, Section 18, T6S, R13W, S.M. within the Homer Recording District, Third Judicial District, State of Alaska.

SECTION 2. If the borough's action to quiet title or remove cloud from title is successful, and the borough proceeds with the expansion and lease amendment, the borough will indemnify the City of Homer against the risk of loss regarding the park property that will be replatted and joined with the hospital property with the following restrictions:

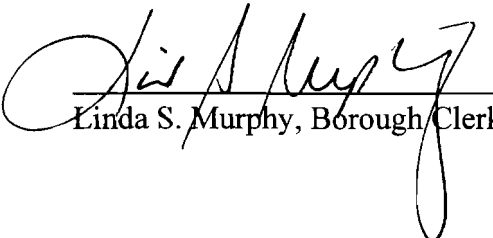
- A. The indemnification is limited to losses arising from the failure of the borough to remove the cloud or quiet title, as appropriate, regarding the public recreational use restriction contained in the deed recorded at Book 42, page 252, within the Homer Recording District from the Homer Fair Association, Inc. (Grantor) to the City of Homer (Grantee).
- B. The borough's obligation to indemnify any claim or action regarding the public recreational use deed restriction will terminate with the lease agreement, or any future amendments to the lease agreement between Homer and the borough for the property.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 16TH DAY OF DECEMBER, 1997.



Jack E. Brown, Assembly President

ATTEST:



Linda S. Murphy, Borough Clerk