



# KENAI PENINSULA BOROUGH

144 N. BINKLEY • SOLDOTNA, ALASKA • 99669-7599  
BUSINESS (907) 262-4441 FAX (907) 262-1892

DALE BAGLEY  
MAYOR

## MEMORANDUM

TO: Gary Superman, Assembly President  
Kenai Peninsula Borough Assembly Members

THRU: *DLB* Dale L. Bagley, Borough Mayor

FROM: Max J. Best, Planning Director

DATE: *MB* September 2, 2005

SUBJECT: Resolution 2005-081; Authorizing the continued rental of office space in the Red Diamond Center for the Community and Economic Development Division

The Planning Commission reviewed the subject resolution during their regularly scheduled August 22, 2005 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 P. 2.a  
Committee Finance  
Page Number 152

KPB  
CLERK'S OFFICE

2005 SEP - 6 AM 9:03

RECEIVED

**AGENDA ITEM F. PUBLIC HEARINGS**

- 5. A Resolution authorizing the continued rental of office space in the Red Diamond Center for the Community and Economic Development Division.

Memorandum read by Paul Ostrander

PC Minutes: 8/22/05

The Kenai Peninsula Borough is currently leasing office space at the Red Diamond Center for Community and Economic Development Division offices. The final one-year renewal term of that lease expires on September 14, 2005.

The continued use of this space is desirable for KPB through an extension of the terms and conditions of the current lease. As the current lease has had a rental rate locked-in for the past five years at \$1,980 per month, a one-time 3% increase in rent is proposed for the 3-year lease extension.

The attached resolution would authorize the Borough to enter into a Lease Agreement Extension providing for 3 additional one-year renewal terms with a rental of \$2,040 per month.

Expenditures for the lease will be charged to the CEDD Rents and Operating Leases Account No. 100.11225.43810.

End of Memorandum

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

**MOTION:** Commissioner Martin moved, seconded by Commissioner Hutchinson to recommend adoption of Resolution 2005-\_\_\_ authorizing the continued rental of office space in the Red Diamond Center for the Community and Economic Development Division.

Commissioner Clark asked if the Borough pays the utilities. Mr. Ostrander stated the lessor pays for electric, heat, water and sewer at its own cost and expense. Commissioner Clark asked if the renewals are at the sole discretion of the Borough. Mr. Ostrander replied that the lease automatically renews for an additional one-year period per renewal term on the same term of this lease unless either party gives written notice of the termination no later than 60 days prior to the end of the term.

Chairman Bryson asked if there was further discussion. Hearing none, the commission proceeded to vote.

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

|               |                |               |                |                 |                   |                   |
|---------------|----------------|---------------|----------------|-----------------|-------------------|-------------------|
| BRYSON<br>YES | CLARK<br>YES   | FOSTER<br>YES | GROSS<br>YES   | HEIMBUCH<br>YES | HOHL<br>YES       | HUTCHINSON<br>YES |
| ISHAM<br>YES  | JOHNSON<br>YES | MARTIN<br>YES | MASSION<br>YES | PETERSEN<br>YES | TAURIAINEN<br>YES | 13 YES            |

**AGENDA ITEM F. PUBLIC HEARINGS**

- 6. Ordinance 2005-35; Authorizing the negotiated sale of fair market value of Lot 1 McBride Subdivision, Seward, Alaska, to Dean Carl.

Memorandum reviewed by Paul Ostrander

PC Meeting: 8/22/05

Mr. Dean Carl has submitted an application for the negotiated sale at fair market value of Lot 1, McBride Subdivision, Assessor Parcel No. 144060-02. Mr. Carl states that he has lived on the property since about 1994 and had attempted to purchase the property from the prior owner. The Kenai Peninsula Borough (KPB) took Clerk's Deed on this parcel on December 10, 2001, for \$1,051.30 in taxes owing for tax years 1999-2002. As the occupant of the property Mr. Carl was not specifically notified of the pending foreclosure and states he was unaware that the borough was going to foreclose. He further states he would have paid the outstanding balance if he had been aware of the pending foreclosure.

The Bear Creek Fire Service Area (BCFSA) by letter dated June 20, 2002, requested that the parcel be retained for a