



KENAI PENINSULA BOROUGH

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MEMORANDUM

DALE BAGLEY
MAYOR

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

THRU: Dale Bagley, Mayor

FROM: *MB* Max Best, Planning Director
P.O. Paul Ostrander, Land Management Officer

CC: Marcus Mueller, Land Management Agent
Holly Montague, Deputy Borough Attorney

DATE: September 19, 2005

SUBJECT: Resolution 2005-085, authorizing an extension of the South Peninsula Hospital property lease

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Due to an oversight, this resolution refers to a 31-year extension of the South Peninsula Hospital property lease with the City of Homer. The borough administration and the city administration have agreed upon a 36-year extension, until 2060, subject to assembly and city council approval. As this longer-term lease would provide the borough with a better opportunity to use the facility, it is respectfully requested that the assembly amend Resolution 2005-085 to provide for a 36-year extension as follows:

- Amend the sixth whereas clause as follows:

WHEREAS, a [31] 36-year extension of the original lease term would provide the borough with a more substantial interest in the property to better justify expenditures for the expansion project; and

- Amend Section 2 as follows:

SECTION 2. That the agreement described in Section 1 above shall provide for a [31] 36-year extension of the original terms, and all other terms of the amended lease shall remain in effect.

The Homer City Council is expected to consider this matter by ordinance at its next meeting of September 26. Thank you for your consideration.