

Introduced by: Mayor  
Date: 09/20/05  
Action: Adopted  
Vote: 9 Yes, 0 No

**KENAI PENINSULA BOROUGH  
RESOLUTION 2005-085**

**A RESOLUTION AUTHORIZING AN EXTENSION OF THE SOUTH PENINSULA  
HOSPITAL PROPERTY LEASE**

**WHEREAS,** the Borough has a lease agreement with the City of Homer that expires on June 30, 2024; and

**WHEREAS,** the South Peninsula Hospital is situated on the said lease; and

**WHEREAS,** in 2003 the voters of the South Peninsula Hospital Service Area approved the expenditure of \$17 million for capital improvements to the South Peninsula Hospital; and

**WHEREAS,** the Hospital Expansion has a design life of 35 years and the anticipated useful life of properly maintained improvements should extend beyond the design life; and

**WHEREAS,** the City of Homer has offered to negotiate an extension of the existing lease agreement; and

**WHEREAS,** a 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

**WHEREAS,** at its meeting of September 8, 2005, the South Peninsula Hospital Service Area Board recommended adoption of this resolution;

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

**SECTION 1.** That the mayor is authorized to negotiate and enter into an agreement providing for the extension of the lease agreement dated November 10, 1969, as amended, with the City of Homer, for the real property located in the City of Homer, described as:

Tract A, South Peninsula Hospital Subdivision, Plat No. 98-41, on file in the Homer Recording District, Third Judicial District, State of Alaska.

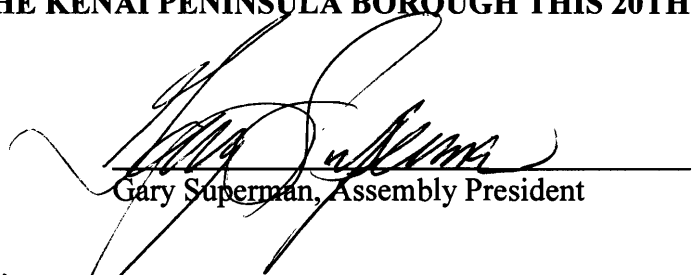
**SECTION 2.** That the agreement described in Section 1 above shall provide for a 36-year extension of the original term, and all other terms of the amended lease shall remain in effect.

**SECTION 3.** The purpose of the acquisition is to extend the borough's interest in the hospital property.

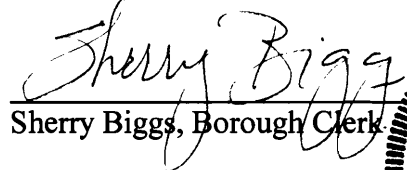
**SECTION 4.** That pursuant to KPB 17.10.080 (C), no land classification is proposed for this leased property.

**SECTION 5.** That this resolution shall take effect immediately upon its adoption.

**ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 20TH DAY OF SEPTEMBER, 2005.**

  
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Gary Superman, Assembly President

ATTEST:

  
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Sherry Biggs, Borough Clerk

