



KENAI PENINSULA BOROUGH

PLANNING DEPARTMENT

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MIKE NAVARRE
BOROUGH MAYOR

MEMORANDUM

TO: Dale Bagley, Assembly President
Kenai Peninsula Borough Assembly Members

THRU: Mike Navarre, Borough Mayor *MN*

FROM: Max Best, Planning Director *MB*

DATE: November 12, 2014

SUBJECT: Ordinance 2014-19-32; Authorizing the Acquisition of Real Property Located at 262 N. Binkley Street, Soldotna, Alaska on Behalf of Central Peninsula Hospital, Appropriating \$604,000 from the CPGH, Inc. Plant Replacement and Expansion Fund for the Purchase, and Authorizing an Amendment to the CPGH, Inc Lease and Operating Agreement

The Kenai Peninsula Borough Planning Commission reviewed the subject Ordinance 2014-19-32 during their regularly scheduled November 10, 2014 meeting. A motion passed by unanimous consent to recommend approval of the ordinance authorizing the acquisition of real property located at 262 N. Binkley St., Soldotna, Alaska.

In the Ordinance, please make the following amendment to the last WHEREAS statement:

WHEREAS, the Kenai Peninsula Borough Planning Commission, at its regular meeting of November 10, 2014 recommended approval by unanimous consent.

Attached are the unapproved minutes of the subject portion of the meeting.



AGENDA ITEM F. PUBLIC HEARINGS

- 2. Ordinance 2014-19-32; Authorizing the Acquisition of Real Property Located at 262 N. Binkley Street, Soldotna, Alaska on Behalf of Central Peninsula Hospital, Appropriating \$604,000 from the CPGH, Inc. Plant Replacement and Expansion Fund for the Purchase, and Authorizing an Amendment to the CPGH, Inc Lease and Operating Agreement

Memorandum & Staff Report given by Marcus Mueller

PC Meeting: 11/10/14

The Kenai Peninsula Borough owns and provides for the operation of the Central Peninsula Hospital and for other health services and medical facilities through the Central Kenai Peninsula Hospital Service Area. The borough has entered into a Lease and Operating Agreement with Central Peninsula General Hospital, Inc. (CPGH, Inc.) to operate these medical facilities on a nonprofit basis to ensure continued availability of medical services within the service area.

CPGH, Inc. received an offer to sell from the owner of property currently utilized as a urology medical practice at 262 N. Binkley Street and has evaluated the practicability of purchasing the property for its continued use in providing urology services through the service area. The property has been independently appraised and is being offered at the appraised fair market value of \$600,000, plus one half of closing costs. Additional information is presented in the July 7, 2014 memorandum from CPGH, Inc.

The administration is scheduling due diligence inspections which will be reported to the assembly by the November 25, 2014 public hearing. The inspections both from an engineering and environmental standpoint came up very well. Consideration of this ordinance is appreciated.

END OF MEMORANDUM AND STAFF REPORT

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

MOTION: Commissioner Holsten moved, seconded by Commissioner Collins to recommend approval of Ordinance 2014-19-32, authorizing the Acquisition of Real Property located at 262 N. Binkley St, Soldotna for \$604,000.

VOTE: The motion passed by unanimous consent.

BRYSON YES	CARLUCCIO YES	COLLINS YES	ECKLUND YES	FOSTER YES	HOLSTEN YES	ISHAM YES
LOCKWOOD YES	MARTIN YES	RUFFNER YES	VENUTI YES	WHITNEY YES		12 YES

AGENDA ITEM F. PUBLIC HEARINGS

- 3. Ordinance 2014-31; Authorizing the Release of a Deed Restriction at the Request of the Homer City Council on a Parcel of Land Containing the Former Homer Intermediate School that was Deeded to the City of Homer by the Kenai Peninsula Borough

Memorandum & Staff Report given by Marcus Mueller

PC Meeting: 11/10/14

Parcel No. 175-100-70 was deeded to the City of Homer in 2000 after the property was deemed surplus to borough and school district needs under KPB Ordinance 98-42. The deed was made subject to a restriction requiring the property to be owned by the city and used for public purposes in perpetuity. This property contains the former Homer Intermediate School which has since been used for KPC Kachemak Bay Campus, Boys and Girls Club, and other generally beneficial public uses.

The Homer City Council adopted resolution 13-096 which served to request the borough to amend the deed restriction to permit the city to sell the property and dedicate the proceeds for the use and benefit of the general public. In that resolution the city cites concerns of sustainability of operation and maintenance costs of the existing facilities on the property and additionally cites goals of providing for a new public safety building.