



# KENAI PENINSULA BOROUGH

Planning Department • Land Management Division  
144 North Binkley Street • Soldotna, Alaska 99669-7520  
**PHONE:** (907) 714-2200 • **FAX:** (907) 714-2378  
Toll-free within the Borough: 1-800-478-4441, Ext. 2200  
[www.kpb.us](http://www.kpb.us)

**MIKE NAVARRE**  
**BOROUGH MAYOR**

## MEMORANDUM

**TO:** Assembly President  
Kenai Peninsula Borough Assembly Members

**THRU:** Mike Navarre, Borough Mayor *R.O. for M.N.*  
Craig Chapman, Finance Director *C Chapman*  
Max Best, Planning Director *mb*

**FROM:** Marcus A. Mueller, Land Management Officer *ma*

**DATE:** October 16, 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 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 enclosed 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. Your consideration of this ordinance is appreciated.

**Enclosures:**

- Draft Purchase Agreement
- July 7, 2014 Memo from CPGH, Inc
- CPGH, Inc Resolution 2014-50
- Appraisal Summary / Maps
- Draft Amendment to L&O

<b>FINANCE DEPARTMENT ACCOUNT / FUNDS VERIFIED</b>	
Acct. No. _____	490.00000.00000.20602
Amount _____	\$604,000.00
By: _____	Date: 10/16/14