

Introduced by:	Mayor
Date:	06/02/26
Hearing:	06/16/26
Action:	Enacted
Vote:	8 Yes, 0 No, 1 Absent

**KENAI PENINSULA BOROUGH
ORDINANCE 2025-19-44**

AN ORDINANCE AUTHORIZING THE ACQUISITION OF REAL PROPERTY IN SOLDOTNA, ALASKA, ON BEHALF OF CENTRAL KENAI PENINSULA HOSPITAL SERVICE AREA, APPROPRIATING FUNDS FROM THE CENTRAL KENAI PENINSULA HOSPITAL SERVICE AREA PLANT REPLACEMENT AND EXPANSION FUND, AND AUTHORIZING AN AMENDMENT TO THE OPERATING AGREEMENT WITH CENTRAL PENINSULA GENERAL HOSPITAL, INC.

WHEREAS, the Kenai Peninsula Borough (KPB) Central Kenai Peninsula Hospital Service Area owns and provides for the operation of Central Peninsula Hospital related medical facilities, and campus (CPH) medical facilities for the Operating Agreement with Central Peninsula General Hospital, Inc. (CPGH, Inc.) for the operation of CPH on behalf of the service area; and

WHEREAS, this ordinance will authorize the purchase of two parcels of property to address immediate and long-term needs of the service area, the property proposed for purchase consists of two platted lots under common ownership, specifically one vacant lot (0.87 acres) and one developed lot (0.99 acres) with a 5,980 square foot commercial building located immediately adjacent to the main CPH campus property; and

WHEREAS, the CPGH, Inc. Board of Directors, at its regularly scheduled meeting held on May 28, 2026, adopted Board Resolution 2026-19 approving the purchase of the Property; and

WHEREAS, the KPB Planning Commission, at its regularly scheduled meeting held on June 8, 2026, recommended approval by unanimous consent;

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

SECTION 1. That this is a non-code ordinance.

SECTION 2. That the Assembly approves the purchase of the following-described real property as it furthers the purposes of the Central Kenai Peninsula Hospital Service Area as it secures additional area for future management and potential expansion:

LOTS 1A AND 2A, BUXTON SUBDIVISION, BICUSPID ADDITION NO. 2, ACCORDING TO THE OFFICIAL PLAT THEREOF, FILED UNDER PLAT NUMBER 2002-78, RECORDS OF THE KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA.
(PARCEL NO'S. 05910066 AND 05910067) (the "Property")

SECTION 3. That the terms and conditions substantially in the form of the Purchase Agreement accompanying this ordinance are hereby approved. The purchase price will be \$1,980,000 for the Property, plus closing and due diligence costs not to exceed \$50,000, for a total cost of \$2,030,000.

SECTION 4. That \$2,030,000 is appropriated from the Central Kenai Peninsula Hospital Service Area Plant Replacement and Expansion Fund to Account No. 490.81110.26CHA.49999 for the purchase, estimated closing costs of the Property and admin service fee.

SECTION 5. That revenues derived from any future lease of the real property described in Section 2 must be deposited monthly, within 10 days of receipt, into the Central Kenai Peninsula Hospital Service Area Plant Replacement and Expansion Fund Account No. 490.20602 until which time the Central Kenai Peninsula Hospital Service Area Plant Replacement and Expansion Fund recovers the cost of the property acquisition approved by this ordinance.

SECTION 6. That the Property is zoned "Limited Commercial", pursuant to the City of Soldotna zoning code, and will be classified by KPB as "Government" for KPB management purposes, pursuant to KPB 17.10.080.

SECTION 7. That the terms and conditions substantially in the form of the Purchase Agreement accompanying this ordinance are hereby approved, and the Mayor is authorized to execute any and all documents necessary to purchase the Property.

SECTION 8. That upon closing on the Property, the Mayor is authorized to execute an amendment to the Operating Agreement with CPGH, Inc. to incorporate into Exhibit A of the Operating Agreement the real property described above and approved for purchase by this ordinance.

SECTION 9. That appropriations made in this ordinance are project length in nature and as such do not lapse at the end of any particular fiscal year.

SECTION 10. That if any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of the ordinance or the application of the provision to other persons or circumstances will not be affected.

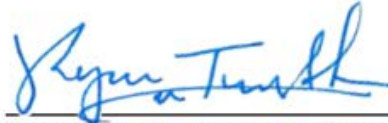
SECTION 11. That this ordinance shall be effective immediately.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 16TH DAY OF JUNE, 2026.

ATTEST:



Michele Turner, MMC, Borough Clerk



Ryan Tunseth, Assembly President



Yes: Cooper, Dunne, Ecklund, Eicher, Griebel, Niesen, Truesdell, Tunseth

No: None

Absent: Hicks