



KENAI PENINSULA BOROUGH

144 North Binkley St., Soldotna, Alaska 99669-7520
1-800-478-4441 • 907-714-2205 • Fax 907-714-2378
www.kpb.us/land • lmweb@kpb.us

MIKE NAVARRE
BOROUGH MAYOR

MEMORANDUM

TO: Kelly Cooper, Assembly President
Kenai Peninsula Borough Assembly Members

THRU: Mike Navarre, Mayor *MN*
Craig C. Chapman, Finance Director *C Chapman*
Max Best, Planning Director *max best for MB*

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

DATE: March 23, 2017

SUBJECT: Ordinance 2016-19-*34*, Authorizing the Acquisition of Real Property Located at 354 Tye Street, Soldotna, Alaska on Behalf of Central Peninsula Hospital for a Withdrawal Management Services Facility, Appropriating \$750,900 from the Central Peninsula Hospital Plant Replacement and Expansion Fund for the Purchase and Remodel of the Property, and Authorizing an Amendment to the CPGH, Inc. Lease and Operating Agreement (Mayor)

Central Peninsula General Hospital, Inc. ("CPGH") has evaluated a 4,380 square foot building located at 354 Tye Street, Soldotna for conversion to a withdrawal management services facility. The purchase price of the property with closing costs is \$504,000. The administration has conducted property inspections and due diligence work. A remodel of the space is required to support the withdrawal services programming and to address identified maintenance items. The cost of remodel is budgeted at \$240,900 based on CPGH estimates. A \$6,000 processing fee is being applied to this project for cost recovery to the Land Trust Fund.

CPGH is seeking borough approval to move forward with the acquisition, remodel and use of funds, which requires assembly approval under the Lease and Operating Agreement.

FINANCE DEPARTMENT
ACCOUNT / FUNDS VERIFIED

Acct. No.: 490.20602

Amount \$ 750,900.⁰⁰

By: AP Date: 3/23/17