

Introduced by:	Mayor
Date:	04/15/08
Action:	Introduced and Set for Public Hearing
Hearing:	05/20/08
Action:	Enacted as Amended
Vote:	6 Yes, 1 No, 2 Absent

**KENAI PENINSULA BOROUGH  
ORDINANCE 2007-19-45**

**AN ORDINANCE AUTHORIZING THE ACQUISITION OF 40 ACRES FROM BRAD  
AND LINDA HIBBARD FOR THE EXPANSION OF THE SERENITY HOUSE  
TREATMENT CENTER AND APPROPRIATING AN ADDITIONAL \$571,750 TO  
COMPLETE THE PROJECT**

- WHEREAS,** Central Peninsula General Hospital, Inc. (CPGH Inc.) currently operates Serenity House, an adult 6-bed alcohol and chemical dependency treatment center, under a long-term lease and needs to secure a new location to optimize its operation; and
- WHEREAS,** multiple options for the future of the program have been reviewed; and
- WHEREAS,** a potential site with a 5,000 square foot building with outbuildings situated on a 40-acre parcel has been identified that would accommodate expanding the program to 10 to 12 beds at a cost significantly less than new construction; and
- WHEREAS,** the cost of acquiring and remodeling the potential property is estimated at \$973,500; and
- WHEREAS,** the Borough assembly through Ordinance 2007-19-43 appropriated \$401,750 from the CPGH Plant Expansion and Replacement Fund in support of this project, and
- WHEREAS,** CPGH Inc. applied for a grant from the Denali Commission in support of the project and received notification of funding in the amount of \$486,750; and
- WHEREAS,** CPGH Inc. has received a grant from the State of Alaska Department of Health and Social Services in the amount of \$35,000 that can be used for acquiring furniture to be used at the facility; and
- WHEREAS,** the Central Peninsula Health Foundation has committed to providing \$50,000 for the Serenity House project of which \$25,000 is currently available that can be appropriated; and
- WHEREAS,** at its January 31, 2008 meeting, the CPGH Inc. board authorized the use of up to \$973,500 from the Plant Expansion and Replacement Fund of which \$426,750 is needed, and \$401,750 was previously appropriated; and

**WHEREAS,** at its February 18, 2008 meeting, the Central Kenai Peninsula Hospital Service Area board supported the expansion of the Serenity House Treatment Center; and

**WHEREAS,** a purchase agreement to sell the property for \$645,000 has been executed, subject to certain conditions, including a value supporting appraisal and assembly approval; and

**WHEREAS,** at its regularly scheduled meeting of May 12, 2008, the KPB Planning Commission recommended enactment by unanimous consent.

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

**SECTION 1.** That \$401,750 was previously appropriated for this project.

**SECTION 2.** That \$571,750 necessary to complete the funding necessary for purchase and remodel of the acquired property is appropriated to account 490.81111.8CH15.49999, with funding to be provided as follows:

State of Alaska, Department of Health and Social Services \$35,000  
Denali Commission \$486,750  
Central Peninsula Health Foundation \$25,000  
CPGH Plant Expansion and Replacement Fund \$25,000

**SECTION 3.** That the purchase of the following described real property for \$645,000 plus closing costs not to exceed \$1,500 is in the best interests of the borough:

SW1/4 SE1/4 Section 23, Township 5North, Range 11 West, Seward Meridian, Alaska, Kenai Peninsula Borough, Kenai Recording District, Third Judicial District, State of Alaska, commonly known as 47480 Kristina Way, Kenai, AK 99611

**SECTION 4.** That the real property interests are to be acquired by statutory warranty deed in the name of the Kenai Peninsula Borough, subject to the reservation of minerals to the State of Alaska in accordance with that certain deed recorded at Book 500, Page 382, Kenai Recording District, and further subject to all reservations, covenants and restrictions of record including the following covenants:

that a perpetual covenant for the benefit of all Alaska residents restricts the use of the land to agricultural purposes only as defined A.S. 38.05.321. This covenant runs with the land and is binding upon the Grantee and all persons or parties claiming through the Grantee.

That the owner of the land has exercised the option to subdivide under A.S. 38.05.321(e) for the right to construct housing on each newly subdivided parcel. A perpetual covenant for the benefit of all Alaska residents runs with the land with the restriction that the previously subdivided parcels cannot be further subdivided.

That the covenants listed above may be enforced only through a civil action brought by the State, a municipality or an Alaska resident in accordance with the requirements set forth in A.S. 38.05.321.

That the Grantee expressly covenants to operate in accordance with a Farm Conservation Plan approved by the Grantor. This covenant runs with the land and is binding upon the Grantee and all other persons or parties claiming through Grantee.

**SECTION 5.** That the purpose of this acquisition is for operating Serenity House drug and alcohol treatment center, and such other uses consistent with agricultural covenants on the property.

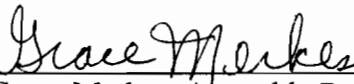
**SECTION 6.** That the proposed classification of this land is rural.

**SECTION 7.** That the mayor is authorized to execute any and all documents necessary to purchase the real property described in Section 1 for the price of \$645,000 and pay up to \$1,500 in closing costs, in accordance with the terms and conditions contained in this ordinance, terms and conditions substantially similar to the Purchase Agreement accompanying this ordinance, which is hereby approved, and consistent with applicable provisions of KPB Chapter 17.10.

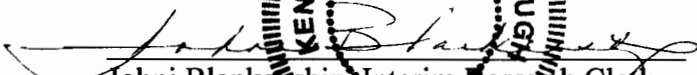
**SECTION 8.** That the approvals in this ordinance are contingent upon receiving signed grant agreements from the State of Alaska and the Denali Commission.


**SECTION 9.** That this ordinance takes effect immediately upon its enactment.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 20TH DAY OF MAY, 2008.**

  
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Grace Merkes, Assembly President

ATTEST:

  
\_\_\_\_\_  
John Blankenship, Interim Borough Clerk



Yes: Knopp, Long, Martin, Smith, Sprague, Merkes  
No: Fischer  
Absent: Gilman, Superman