



## KENAI PENINSULA BOROUGH

### PLANNING DEPARTMENT

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.borough.kenai.ak.us](http://www.borough.kenai.ak.us)

DAVID R. CAREY  
BOROUGH MAYOR

### MEMORANDUM

TO: Pete Sprague, Assembly President  
Kenai Peninsula Borough Assembly Members

THRU: David R. Carey, Borough Mayor *DR Carey*

FROM: *MB* Max J. Best, Planning Director

DATE: July 22, 2010

SUBJECT: Ordinance 2010-19 *06* Authorizing the Acquisition of Three Properties at Fair Market Value Adjoining the Central Peninsula Hospital on Behalf of the Hospital and Appropriating \$2,312,650 from the CPH Plant Replacement Fund for the Purchases

The Planning Commission reviewed the subject Ordinance during their regularly scheduled July 19, 2010 meeting. A motion passed by unanimous consent to recommend approval of the ordinance.

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

WHEREAS, the KPB Planning Commission at its regularly scheduled meeting of July 19, 2010 recommended approval by unanimous consent.

Draft, unapproved minutes of the subject portion of the meeting are attached.

AGENDA ITEM F. PUBLIC HEARINGS

2. Ordinance 2010-19 06 Authorizing the Acquisition of Three Properties at Fair Market Value Adjoining the Central Peninsula Hospital on Behalf of the Hospital and Appropriating \$2,312,650 from the CPH Plant Replacement Fund for the Purchases

Memorandum reviewed by Marcus Mueller

PC Meeting: 7/19/10

Three properties adjoining the Central Peninsula Hospital have been identified which would support the hospital campus and would provide medical office space for hospital operations. The owners, Earl and Alice Mundell, have provided the borough and CPGH, Inc. the opportunity to conduct due diligence investigations on the properties. The properties were independently appraised by Derry and Associates providing the basis for the purchase price of \$2.3 million. The property is zoned appropriately.

If approved by the assembly the administration will enter into a purchase agreement for the three properties and, upon purchase, lease the properties to CPGH, Inc. through an amendment to the lease and operating agreement. There are a number of existing tenant leases on these properties which CPGH, Inc. is prepared to manage and would be transferred along with the properties. A summary of the terms of these leases were included in the packet.

If the acquisition is approved and subject to CPGH, Inc.'s budget process, a subsequent ordinance will be brought forward to the assembly to appropriate funds for anticipated improvements to the properties.

Thank you for your consideration with the ordinance which authorizes the purchase, appropriating funds for the purchase and estimated closing costs, and authorizing amendment of the lease and operating agreement with CPGH, Inc.

END OF MEMORANDUM

Chairman Bryson asked if there were improvements on the property. Mr. Mueller referred the commission to pages 75-76 of the packet which are pictures from the appraisal. The property at 245 Binkley was a good quality, two-story commercial building. The property at 265 Binkley was a one-story commercial building. He stated that both buildings are suitable to serve the immediate purposes of medical office space.

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 Gross moved, seconded by Commissioner Carluccio to recommend approval of Ordinance 2010-19-\_\_\_; Authorizing the Acquisition of Three Properties at Fair Market Value Adjoining the Central Peninsula Hospital on Behalf of the Hospital and Appropriating \$2,312,650 from the CPH Plant Replacement Fund for the Purchases

**VOTE:** The motion passed by unanimous consent.

|                   |                  |                  |                |                    |                  |                    |
|-------------------|------------------|------------------|----------------|--------------------|------------------|--------------------|
| BRYSON<br>YES     | CARLUCCIO<br>YES | COLLINS<br>YES   | ECKLUND<br>YES | FOSTER<br>YES      | GROSS<br>YES     | ISHAM<br>YES       |
| JOHNSON<br>ABSENT | LOCKWOOD<br>YES  | MARTIN<br>ABSENT | MURPHY<br>YES  | PETERSEN<br>ABSENT | TAURIANEN<br>YES | 10 YES<br>3 ABSENT |

AGENDA ITEM F. PUBLIC HEARINGS

3. Rename existing streets in conjunction with the Enhanced 911 Street Naming and Addressing Methods within the Kenai Peninsula Borough. Streets under consideration at this meeting are described as follows: