

Introduced by:	Mayor
Date:	07/06/10
Hearings:	08/03/10 & 09/07/10
Action:	Introduced and Set for Public Hearings on 08/03/10 and 09/07/10
Date:	08/03/10
Action:	Postponed Until 09/07/10
Date:	09/07/10
Action:	Enacted as Amended
Vote:	8 Yes, 1 No, 0 Absent

**KENAI PENINSULA BOROUGH
ORDINANCE 2010-19-06**

**AN ORDINANCE AUTHORIZING THE ACQUISITION OF THREE PROPERTIES AT
FAIR MARKET VALUE ADJOINING THE CENTRAL PENINSULA HOSPITAL FOR
HOSPITAL PURPOSES, APPROPRIATING \$2,312,650 FROM THE CPGH, INC.
PLANT REPLACEMENT AND EXPANSION FUND FOR THE PURCHASE AND
ASSOCIATED COSTS, AND AUTHORIZING AN AMENDMENT TO THE
CPGH, INC. LEASE AND OPERATING AGREEMENT**

WHEREAS, the Central Peninsula Hospital has a need for additional medical office space and hospital campus expansion; and

WHEREAS, Central Peninsula General Hospital, Inc. (CPGH, Inc.) has identified three properties for sale that serve these purposes; and

WHEREAS, the borough administration has negotiated a purchase agreement with the owners, Earl and Alice Mundell, subject to CPGH, Inc. board approval, Central Kenai Peninsula Hospital Service Area (CKPHSA) board recommendation, and assembly approval and appropriation of funds; and

WHEREAS, upon purchase it would be appropriate to amend the lease and operating agreement with CPGH, Inc. to include these properties; and

WHEREAS, at its meeting of June 24, 2010, the CPGH, Inc. Board recommended approval by CPGH, Inc. Resolution 2010-40; and

WHEREAS, the CKPHSA Board at its regularly scheduled meeting of August 16, 2010, recommended approval by voting in support of CPGH, Inc. Resolution 2010-40; and

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

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

SECTION 1. That the Assembly finds that purchasing the following described real properties pursuant to KPB 17.10.040 is in the best interest of the Borough:

- a) Lot 4-A Peninsula Medical Center Subdivision No. 2, according to Plat No. 84-103, Kenai Recording District, Third Judicial District, State of Alaska.
- b) Lot 3 Peninsula Medical Center Subdivision, according to Plat No. 83-79, Kenai Recording District, Third Judicial District, State of Alaska.
- c) Lot 2 Peninsula Medical Center Subdivision, according to Plat No. 83-79, Kenai Recording District, Third Judicial District, State of Alaska.

SECTION 2. That the purchase price shall be \$2,300,000.00, the costs are estimated to be \$12,650.00, and all other terms and conditions set forth in the purchase agreement attached to this ordinance are hereby approved.

SECTION 3. That the acquisition is for hospital purposes.

SECTION 4. That the above described lands are zoned as Limited Commercial pursuant to City of Soldotna zoning code and therefore are not proposed to be further classified under KPB 17.10.080.

SECTION 5. That the mayor is authorized to execute the sale and purchase agreement substantially in the form of the one accompanying this ordinance, and any and all documents necessary to effectuate this ordinance.

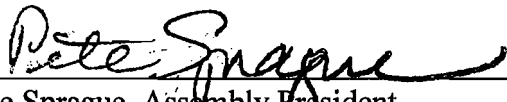
SECTION 6. That the mayor is authorized to execute an amendment to the lease and operating agreement with Central Peninsula General Hospital, Inc. substantially in the form of the agreement attached hereto and incorporated herein by reference. This agreement amends Section 2 of the lease and operating agreement to provide a description of those properties listed in Section 1 of this ordinance as leased properties and transfers existing leases encumbering these properties to CPGH, Inc. to be administered as subleases pursuant to Section 29 of the lease and operating agreement.

SECTION 7. That \$2,312,650 is appropriated from the CPGH, Inc. Plant Replacement and Expansion Fund to account no. 490.81111.MUNDL.48620 for the purchase price and \$12,650 for estimated closing costs.

SECTION 8. That Sections 1, 2, 3, 4, 5, and 7 of this ordinance shall take effect immediately upon its enactment.

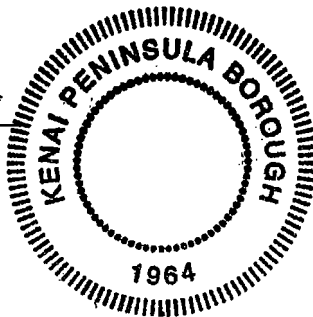
SECTION 9. That Section 6 of this ordinance shall take effect upon purchase of the properties listed in Section 1 above.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 7TH DAY OF SEPTEMBER, 2010.


Pete Sprague, Assembly President

ATTEST:


Johni Blankenship, Borough Clerk



Yes: Haggerty, Knopp, McClure, Pierce, Smalley, Smith, Superman, Sprague
No: Fischer
Absent: None