



PUBLIC SERVICE ANNOUNCEMENT

For Immediate Release
August 3, 2015

For More Information:
City Manager's Office / 228-0435
UPHS Regional Dir., Marketing and Business Development Victor Harrington / 225-4771

CITY COMMISSION APPROVES SALE OF ROUNDHOUSE PROPERTY TO DUKE LIFEPOINT HEALTHCARE

The purchase agreement, as identified in the memorandum of understanding signed in September of 2014, contains terms by which Duke LifePoint Healthcare (Duke LifePoint) will pay the City \$4 million for the 37 acres of land containing the Roundhouse site and the property on which the Municipal Service Center stands. This property will become the new home of UP Health System - Marquette.

“This has been a lot of work,” Marquette Mayor Mike Coyne said. “It’s taken a year of negotiations with many different parties participating, and we’re very happy this agreement was reached. Now Duke LifePoint and UP Health System can get the process of building a new hospital going in earnest.”

“We are extremely grateful to the leaders of the City of Marquette for their collaboration and support throughout this process, making this land purchase possible and providing an ideal site for the new hospital project,” said Tom Butler, LifePoint Health’s Eastern Group Chief Financial Officer and representative of Duke LifePoint. “We are truly excited to celebrate this major milestone, as we can now move forward with our vision to create what will be a world-class hospital facility.”

City staff and the Marquette Brownfield Redevelopment Authority (MBRA) worked with Duke LifePoint to pursue Brownfield Economic Development incentives for construction of infrastructure necessary to relocate the Municipal Service Center, as well as improve site utilities and road access. Representatives of the City, MBRA, Duke LifePoint, and elected officials provided testimony before the Michigan Strategic Fund (MSF) Board, and on Feb. 24, 2015, Michigan Economic Development Corporation (MEDC) Chief Steve Arwood announced approval of the project, to include MSF approved \$55,763,061 in local and school tax capture for the City of Marquette Brownfield Redevelopment Authority to redevelop the property in the City of Marquette. The project will consist of demolition of existing structures on the site and construction of the new regional UP Health System – Marquette hospital facilities. Formerly known as Marquette General Hospital, UP Health System – Marquette is an affiliate of Duke LifePoint. The completed project will also include medical office buildings and a parking deck.

The purchase agreement is required by the MOU to initiate all subsequent construction activities. Negotiations regarding a subsequent MBRA/City/Duke LifePoint development agreement will be initiated as required by the Brownfield process.

“This is such an exciting time for not only the city of Marquette but the entire Upper Peninsula and the families this hospital serves,” said Judy Watson-Olson, Chair of UP Health System – Marquette Board of Trustees. “In addition to building a state-of-the-art facility that will truly enhance the quality of care we provide the community, we are also able to contribute to the environmental health of the city and bring an historic area back to life.”

The City will receive \$4 million as a result of the property sale. The project will generate a minimum total capital investment of \$170 million and create 150 new jobs, as well as retain 2,300 jobs.

#####