

## **IMMEDIATE RELEASE**

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### **North Pine Area Hospital District Enters Agreements with Sandstone, Essentia and Gateway**

Sandstone, MN – January 30, 2015 – The North Pine Area Hospital District (Hospital District) approved and entered into a Memorandum of Understanding (MOU) with Pine Medical Center, (a subsidiary of Essentia Health) and Gateway Family Health Clinic. The Hospital District board also approved and entered into a development agreement with the City of Sandstone.

“These agreements are major steps forward in making the new medical campus a reality for our citizens,” states Ron Osladil, chairman of the North Pine Area Hospital District. “After extensive study and discussion the key players have come together to plan a medical campus that will deliver excellent health care services, tailored to fit our needs.”

With this agreement, the City of Sandstone will begin engineering work for the infrastructure planning, including a bridge over the wetland. The site was cleared of trees in December and will be ready to begin onsite work in the spring. In the agreement, the City of Sandstone states that this development agreement is “in the vital and best interest of the City and will promote the health ... of its residents.”

Building construction is planned to begin in early fall to ensure that the footings and other foundational construction is completed before winter. Construction will be completed in 2016.

The MOUs signed by the hospital and clinic establishes the foundation for further collaborative planning, development and construction of the medical campus. Both Pine Medical Center and Gateway will enter into a long-term lease agreement that will pay the Hospital District for the entire cost of the project. The lessees will pay all expenses, taxes, assessments, fees, insurance premiums, repair and maintenance costs.

#### **About North Pine Area Hospital District**

The North Pine Area Hospital District is a Minnesota political subdivision of the state whose purpose is to ensure that the area residents have access to high quality health care. Hospital districts have taxing authority to acquire, improve, and run hospital and nursing home facilities. The North Pine Area Hospital District owns the Sandstone hospital building and has chosen to contract for health care services with a professional provider, Essentia Health. They lease the facility from the Hospital District and provide the medical services. A Board composed of 19 individuals appointed/elected by their respective cities or townships, including one at-large member, governs the North Pine Area Hospital District. For more information go to [www.pinehospitaldistrict.com](http://www.pinehospitaldistrict.com).

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