

Introduced by: Mayor
Date: 02/25/20
Hearing: 03/17/20
Action: Enacted as Amended
Vote: 9 Yes, 0 No, 0 Absent

**KENAI PENINSULA BOROUGH
ORDINANCE 2020-08**

**AN ORDINANCE AUTHORIZING THE SALE OF CERTAIN PARCELS OF
BOROUGH LAND BY SEALED BID FOLLOWED BY AN
OVER-THE-COUNTER SALE**

WHEREAS, the borough has clear title to the land listed in Section 1 of this ordinance; and

WHEREAS, the land has been appropriately classified pursuant to KPB 17.10.080; and

WHEREAS, authorization of a sealed bid sale provides a competitive market process, followed by an over-the-counter sale to keep the properties on the market over a longer term; and

WHEREAS, appropriate market exposure is key to a successful land sale and an economical means for the borough to achieve such exposure is to offer a 1.5 percent finder's fee, with a \$300 minimum, to qualified finders; and

WHEREAS, because Tract A, Huske-Scout Lake Subdivision, as shown on Plat No. 2020-TBD, Kenai Recording District appears to contain trash and records of use have not been located, a prospective buyer of the property should be allowed extended provisions for conducting due diligence; and

WHEREAS, because N $\frac{1}{2}$ N $\frac{1}{2}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$, Section 35, T1S, R14W, Seward Meridian, Alaska was originally gifted by Edward and Wade Jackinsky to the Peninsula General Hospital, and later deeded to the Kenai Peninsula Borough Central Hospital Service Area, the proceeds from the sale of this property should be directed to the Central Peninsula Hospital Service Area; and

WHEREAS, properties contained in this ordinance that were acquired through tax foreclosure are handled according to state statute, and tax foreclosed property being offered, but held for less than 10 years from the date of tax deed, are conditioned on the borough's ability to secure title insurance; and

WHEREAS, the Planning Commission at its regularly scheduled meeting of February 24, 2020, recommended approval by unanimous consent;

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

SECTION 1. The parcels listed below are authorized for sale at a minimum of the fair market value as determined in consultation with the KPB Assessing Department provided all proposed plats containing lots to be sold shall be finalized and recorded before any of the lots are sold or offered for sale.

Parcel ID	General Location	Legal Description	Acres+/-	Minimum Bid
01302012 & 01302118	Nikiski	Government Lots 2 and 3, Section 22, T8N, R11W, Seward Meridian, Kenai Recording District, Third Judicial District, State of Alaska And NE¼SW¼, Section 22, T8N, R11W, Seward Meridian, Kenai Recording District, Third Judicial District, State of Alaska	99.77	\$100,000
01302119	Nikiski	SE¼NW¼, Section 22, T8N, R11W, Seward Meridian, Kenai Recording District, Third Judicial District, State of Alaska	40	\$25,000
01302120	Nikiski	S½NE¼NW¼ & NW¼NE¼NW¼ and W½NE¼NE¼NW¼, Section 22, T8N, R11W, Seward Meridian, Kenai Recording District, Third Judicial District, State of Alaska	35	\$40,000
01404001 & 01404002	Nikiski	Lots 4 and 5, Bernice Lake Alaska Industrial Subdivision, as shown on Plat No. K-1560, Kenai Recording District	1.93	\$32,500
01713014	North Kenai	SE¼SW¼SE¼, Section 23, T6N, R12W, Seward Meridian, Alaska, lying east of the North Kenai Road right-of-way	6.20	\$120,000
01715028	North Kenai	Government Lot 67, Section 14, T6N, R12W, Seward Meridian, Kenai Recording District, Third Judicial District, State of Alaska Subject to right-of-ways per Book 253, Page 621, Kenai Recording District	2	\$6,000
03503064	Hope	Lot 1, Discovery Park Subdivision, as shown on Plat No. 2010-11, Kenai Recording District	1.94	\$60,000
03503072	Hope	Lot 9, Discovery Park Subdivision, as shown on Plat No. 2010-11, Kenai Recording District	1.98	\$60,000
03503073	Hope	Lot 10, Discovery Park Subdivision, as shown on Plat No. 2010-11, Kenai Recording District	2.09	\$60,000
05503514	Ciechanski	Lot 1, Block 3, Widgeon Woods Phase Two, as shown on Plat No. 2012-32, Kenai Recording District	1.2	\$32,500
05503515	Ciechanski	Lot 2, Block 3, Widgeon Woods Phase Two, as shown on Plat No. 2012-32, Kenai Recording District	1.2	\$33,000

05503159	Kalifornsky	Lot 2, Phillips Station Subdivision, as shown on Plat No. 2010-41, Kenai Recording District	0.94	\$40,000
TBD	Kalifornsky	Tract A, Kalifornsky Center Subdivision, as shown on Plat No. 2020-TBD Kenai Recording District.	54.91	\$350,000
TBD	Kalifornsky	Lot 1, Kalifornsky Center Subdivision, as shown on Plat No. 2020-TBD Kenai Recording District.	0.92	\$25,000
TBD	Kalifornsky	Lot 2, Kalifornsky Center Subdivision, as shown on Plat No. 2020-TBD Kenai Recording District.	0.92	\$25,000
TBD	Kalifornsky	Lot 3, Kalifornsky Center Subdivision, as shown on Plat No. 2020-TBD Kenai Recording District.	0.92	\$25,000
TBD	Kalifornsky	Lot 4, Kalifornsky Center Subdivision, as shown on Plat No. 2020-TBD Kenai Recording District.	0.92	\$25,000
TBD	Kalifornsky	Lot 5, Kalifornsky Center Subdivision, as shown on Plat No. 2020-TBD Kenai Recording District.	0.92	\$25,000
TBD	Kalifornsky	Lot 6, Kalifornsky Center Subdivision, as shown on Plat No. 2020-TBD Kenai Recording District.	0.92	\$25,000
TBD	Kalifornsky	Lot 7, Kalifornsky Center Subdivision, as shown on Plat No. 2020-TBD Kenai Recording District.	0.92	\$25,000
TBD	Kalifornsky	Lot 8, Kalifornsky Center Subdivision, as shown on Plat No. 2020-TBD Kenai Recording District.	0.92	\$25,000
TBD	Kalifornsky	Lot 9, Kalifornsky Center Subdivision, as shown on Plat No. 2020-TBD Kenai Recording District.	0.92	\$25,000
063141TBD	Sterling	Tract A, Huske-Scout Lake Subdivision, as shown on Plat No. 2020-TBD, Kenai Recording District	17.03	\$60,000
065440TBD	Sterling	Lot 43A, Block 14, Gregory Subdivision, 2019 Replat, as shown on Plat No. 2020-TBD, Kenai Recording District	0.93	\$18,000
13106033	Kalifornsky	Lot 9, Two The Bluff Subdivision 2013 Addition, as shown on Plat No. 2013-125, Kenai Recording District	2.59	\$110,000
13106034	Kalifornsky	Lot 10, Two The Bluff Subdivision 2013 Addition, as shown on Plat No. 2013-125, Kenai Recording District	2.59	\$110,000
13106036	Kalifornsky	Lot 12, Two The Bluff Subdivision 2013 Addition, as shown on Plat No. 2013-125, Kenai Recording District	2.60	\$110,000

SECTION 2. The method of disposal shall be by sealed bid pursuant to KPB 17.10.100(F) followed by an over-the-counter sale pursuant to KPB 17.10.100(H). The date of the sealed bid sale shall be May 15, 2020. Bids shall be accepted at the Kenai Peninsula Borough, Planning Department located at 144 N. Binkley Street, Soldotna, Alaska 99669, by no later than 2:00 pm, May 15, 2020. The over-the-counter sale shall begin October 1, 2020 and end January 31, 2021.

SECTION 3. All parcels will be conveyed by quitclaim deed. Either title insurance or another similar report must be obtained for all borough-financed sales, at the buyer's expense, showing the condition of title and that there are no unsatisfied judgments

or liens against the buyer at the time of closing, the latter of which shall also be verified by the buyer. In the event a title report showing a reasonably acceptable condition of title cannot be obtained, then either the buyer or the borough may elect to terminate the purchase agreement, in which case all monies on deposit will be refunded to the buyer. For borough-financed sales Buyers must execute a release authorizing the borough to obtain a credit report on the Buyers.

SECTION 4. That parcels listed below are tax foreclosed properties retained for public purpose under KPB Ordinance 2017-20 as substandard lots (less than 40,000sf.). That in accordance with provisions of A.S. 29.45.460, the assembly finds that a public need no longer exists provided that the lots are combined to create a standard sized lot. KPB shall purchase title insurance as a condition of the sale of these properties.

Parcel ID	General Location	Legal Description	Last Owner of Record
06544043 06544044 06544045	Sterling	Lot 43, 44, 45, Block 14, Gregory Subdivision, Addition No. 6, as shown on Plat No. 74-54, Kenai Recording District <i>Note: These parcels are currently being surveyed and platted into one lot as Lot 43A, Block 14, Gregory Subdivision, 2019 Replat, as shown on Plat No. 2020-___, Kenai Recording District (KPB Plat File # 2019-134)</i>	Anderson, Skeg

SECTION 5. Upon entering into an agreement to acquire the land, a down payment of 10 percent of the sale price, or \$1,500.00, whichever is greater, shall be made and the applicable terms and provisions of KPB 17.10.120 and KPB 17.10.130 shall apply, except that the borough shall retain the down payment, up to \$1,000, if the prospective buyer breaches a term of the sale.

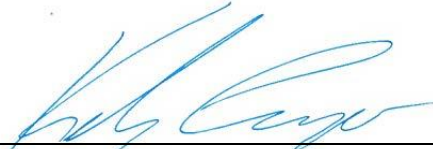
SECTION 6. A 1.5 percent finder’s fee will be paid by the borough to qualified finders with a \$300 minimum. At a minimum a qualified finder shall be a duly licensed real estate sales person authorized to perform such services under Alaska Law. Successful bids less than \$20,000 will qualify for the \$300 minimum fee. This fee will be based on the bid amount of the successful bidder. Applications for finders will be received through the bid process. The borough will not contract directly with individual finders. The finder’s fee is applicable to sealed bid and over-the-counter sales authorized by this ordinance.

SECTION 7. The terms of the sale for Tract A, Huske-Scout Lake Subdivision, as shown on Plat No. 2020-TBD, Kenai Recording District shall provide up to 180 days from the signing of the purchase agreement to closing for the purpose of buyer’s due diligence inspection. The buyer may withdraw his or her offer without penalty during that period.

SECTION 8. The mayor is authorized to sign any documents necessary to effectuate this ordinance.

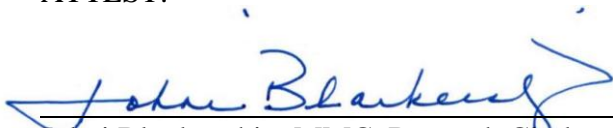
SECTION 9. This ordinance shall become effective immediately upon its enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 17TH DAY OF MARCH, 2020.

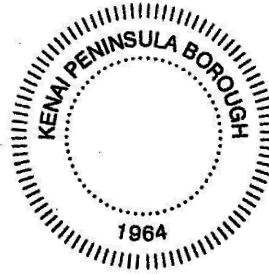


Kelly Cooper, Assembly President

ATTEST:



Johni Blankenship, MMC, Borough Clerk



Yes: Bjorkman, Blakeley, Carpenter, Cox, Dunne, Hibbert, Johnson, Smalley, Cooper
No: None
Absent: None