

Introduced by: Mayor
Date: 12/03/19
Hearing: 01/07/20
Action: Enacted as Amended
Vote: 9 Yes, 0 No, 0 Absent

**KENAI PENINSULA BOROUGH
ORDINANCE 2019-37**

**AN ORDINANCE AMENDING KPB 17.10.120, TERMS OF A LAND SALE, TO
ADDRESS KENAI PENINSULA BOROUGH EMPLOYEE AND CONTRACTOR
PARTICIPATION IN CERTAIN LAND DISPOSAL METHODS**

WHEREAS, KPB 17.10 authorizes the sale of borough land through several methods of disposition; and

WHEREAS, KPB 17.10.010 directs the borough to ensure that the disposition of borough land is carried out in a manner which is fair to all; and

WHEREAS, the borough wishes to adopt certain qualifications to ensure a fair process is in place for borough employees or contractors to participate in land sales; and

WHEREAS, Kenai Peninsula Borough Comprehensive Plan Goal 2, Focus Area: Land Use and Changing Environment, Objective A, establishes policies that better guide land use to minimize land use conflicts, maintain property values, protect natural systems and support individual land use freedoms; and

WHEREAS, ensuring fair land disposal procedures furthers the Kenai Peninsula Borough Comprehensive Plan Goal 2, Focus Area: Land Use and Changing Environment, Objectives A; and

WHEREAS, the Kenai Peninsula Borough Planning Commission at its meeting held on December 16, 2019, recommended approval by unanimous consent;

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

SECTION 1. That KPB 17.10.120, Terms of a Land Sale, is amended as follows:

17.10.120. Terms of a Land Sale.

- A. The assembly shall by ordinance fix the terms of all sales of borough lands. The ordinance shall contain the date of sale, the method or methods of sale, the manner in which payment is to be made, the interest to be conveyed, the

instrument of conveyance to be used, and any other terms the assembly deems appropriate.

- B. Land disposal actions will be in conformance with the land classification system.
- C. The assembly may authorize payment to be made over time only if:
 - 1. The down payment is at least 10% of the sale price;
 - 2. The rate of interest is the prime rate on the authorized date of sale plus two percent (2%);
 - 3. The period for total payment does not exceed ten years;
 - 4. The period for total payment does not exceed twenty years if the land is sold for agricultural use;
 - 5. A late fee of ten percent of the monthly payment shall be charged whenever a payment is received ten or more calendar days past the due date.
 - 6. Any unpaid balance due the borough must be paid in full if the purchaser sells the property unless the assembly has provided otherwise.
- D. The assembly may authorize the sale of land for an amount other than fair market value only if the ordinance authorizing the sale contains:
 - 1. A finding that sale for an amount other than fair market value is in the best public interest;
 - 2. A statement of the facts on which the finding is based; and
 - 3. The period of time during which the offer may be accepted.
- E. If the assembly requires a prospective buyer to pay to the borough a down payment, bond or other deposit, and if the prospective buyer breaches a term of the sale, then the borough shall retain as liquidated damages the prospective buyer's down payment, bond or other deposit.
- F. [THE MAYOR SHALL NOT SELL, LEASE OR AUTHORIZE ANY OTHER USE OR DISPOSITION OF BOROUGH LAND TO A PERSON WHO IS DELINQUENT IN THE PAYMENT OF ANY TAX, DEBT OR OBLIGATION OWED TO THE BOROUGH.] Restrictions:

1. A person who is delinquent in the payment of any tax, debt or obligation owed to the borough may not buy, lease, or be authorized for any other use or disposition of borough land.
2. An employee of the Kenai Peninsula Borough is not eligible to acquire land by negotiated sale or negotiated lease.
3. An employee or contractor of the Kenai Peninsula Borough that was in a position to obtain information not available to the general public about the disposal process may not submit an application for a sealed bid sale held under 17.10.100(F) within the final 15 days of the offering period.

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SECTION 2. That this ordinance takes effect immediately upon its enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 7TH DAY OF JANUARY, 2020.

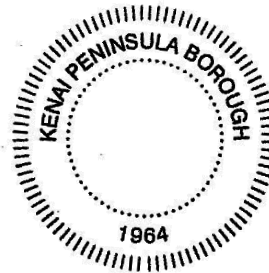


 Kelly Cooper, Assembly President

ATTEST:



 Johni Blankenship, MMC, Borough Clerk



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