

Introduced by:	Mayor
Date:	10/12/21
Hearing:	10/26/21
Action:	
Vote:	

**KENAI PENINSULA BOROUGH
ORDINANCE 2021-19-**

**AN ORDINANCE AUTHORIZING RETENTION OR SALE OF CERTAIN REAL
PROPERTY OBTAINED BY THE KENAI PENINSULA BOROUGH THROUGH TAX
FORECLOSURE PROCEEDINGS AND APPROPRIATING FUNDS TO SATISFY TAX
OBLIGATIONS FOR RETAINED PARCELS**

WHEREAS, certain real property has been deeded to the borough through tax foreclosure proceedings pursuant to AS 29.45.290 et seq. for delinquent payment of taxes; and

WHEREAS, these parcels have been reviewed by the Kenai Peninsula Borough School District, all Kenai Peninsula Borough administrative departments, service areas, cities, and the Kenai Peninsula Borough Planning Commission; and

WHEREAS, the administration recommends certain parcels be retained for the public purpose noted; and

WHEREAS, notice of hearing of this ordinance has been sent by certified mail to the former owners of record of the real properties which are subject to this ordinance within five days of the first publication of this ordinance as per AS 29.45.460(c); and

WHEREAS, it is the administration’s intent to extend the right to purchase properties that are to be retained for public purpose up to the date of auction similar to those foreclosed properties that are scheduled for sale; and

WHEREAS, the Planning Commission conducted a public hearing on October 11, 2021, and recommended _____;

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

SECTION 1. That the following real property as shown in Exhibit A is designated as tax foreclosed parcels retained for a public purpose with a recommended classification, pursuant to KPB 5.12.310.

SECTION 2. It is hereby determined that a public need for the parcels listed in Exhibit B does not exist and they are hereby designated as tax foreclosed parcels eligible for sale and may be sold by auction, pursuant to KPB 5.12.320.

SECTION 3. That the mayor is hereby authorized to market and sell the real property designated as foreclosed parcels for sale for an amount not less than the judgment amount for delinquent taxes, plus penalties, interest and any and all other related costs as certified by the finance department, for cash at a public outcry auction. All real property is to be sold as is where is, subject to any and all encumbrances, restrictions of record, zoning ordinances, and any and all plat requirements and covenants.

SECTION 4. In the event a parcel is sold for an amount in excess of the delinquent taxes, penalties, interest and any other related costs, excess sale proceeds for that parcel may be subject to additional sale fees incurred by the borough for Auction Services as defined in the contract for auction services.

SECTION 5. Once all deductions have been tabulated, the borough finance director shall provide written notice to the former record owner of the real property advising of the excess sale proceeds amount and the manner in which a claim for the balance of the proceeds may be submitted. Notice is sufficient if mailed to the former owner of record at his/her last known address as disclosed by borough assessor records. Upon presentation of a proper claim, the borough shall remit excess sale proceeds to the former owner of record. A claim for excess proceeds which is filed after six (6) months from the date of the auction is forever barred. Upon expiration of the above claim period, all unclaimed excess sale proceeds are to be deposited in the Land Trust Investment Fund.

SECTION 6. That the assembly authorizes the mayor to conduct a live outcry auction, online auction or a combination thereof of the tax foreclosed real property listed in Exhibit B. Auction is to be held on December 4, 2021, at the Soldotna High School Auditorium, 425 West Marydale Ave., Soldotna, Alaska. Public notice to be published in a newspaper of general circulation within the borough not less than thirty (30) days before the date of the sale. In the event there are borough or State of Alaska restrictions in place that would prohibit an in-person event of this nature, the administration may elect to proceed with the auction in an online only format or postpone the event for a period not to exceed 90 days.

SECTION 7. That the mayor shall execute and deliver to the buyer of any of the sale parcels a tax foreclosure deed specifically without any warranty or representation. Said deed will convey any and all interest the borough may have in the subject parcel. Prospective buyers shall be put on notice by this ordinance and by other means of publication and or public notice of the terms of the sale. The borough has no expressed or implied knowledge of said parcels and does not guarantee any right, title or interest in and to any of the parcels sold or improvements that may be located on said parcels. It is the burden of potential buyers to determine condition of title prior to bidding at the sale. The borough shall be held harmless from any and all claims regarding title or possession to and future use and enjoyment of, any of the parcels to be sold. Potential buyers shall be advised that the borough, at its sole discretion, reserves the right to withdraw any and or all of the parcels listed for sale.

Pursuant to law, any or all of the real property listed for sale may be repurchased by the record owners, or their assigns or heirs, at any time prior to the close of business the day prior to the scheduled sale date, excluding holidays and weekends.

SECTION 8. That \$6,921.64 is appropriated from the Land Trust Fund Account fund balance to Account No. 250.21210.00000.45110 to satisfy tax obligations pursuant to AS 29.45.290 for those parcels specifically being retained by the borough for a public purpose.

SECTION 9. That Sections 2 through 6 of this ordinance shall take effect immediately upon enactment.

SECTION 10. That Section 1 of this ordinance shall take effect at 5pm the day prior to the scheduled sale date.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS DAY OF _____, 2021.

Brent Hibbert, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk