

Kenai Peninsula Borough

Planning Department – Land Management Division

MEMORANDUM

TO: Peter Ribbens, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Peter A. Micciche, Mayor *PM*
Brandi Harbaugh, Finance Director *BT*
Robert Ruffner, Planning Director *RR*

FROM: Aaron Hughes, Land Management Officer *AH*

DATE: January 9, 2025

RE: Ordinance . 2024-19- 24 Authorizing the Acquisition of 80 Acres of Real Property Located in Seward, Appropriating Funds from the Land Trust Investment Fund and Land Trust Fund for the Purchase, and Authorizing a Memorandum of Agreement for the Completion of a Road Access Feasibility Study (Mayor)

The Kenai Peninsula Borough (KPB) has placed an eighty-acre parcel in the Blueberry Hill area of Seward (the Blueberry Hill Parcel) under contract contingent upon Assembly approval and upon the completion of an access feasibility study to determine the potential for developed road access that complies with KPB road standards (the Study). Such access will provide a substantial future benefit to approximately 2,300 acres of adjacent KPB-owned or managed lands.

The Alaska Mental Health Trust Authority (MHT) owns land adjacent to the Blueberry Hill Parcel, and MHT also will benefit from the Study. Accordingly, MHT has agreed to participate by incorporating MHT-owned lands into the Study and by paying one half of the cost, not to exceed \$25,000.

Pursuant to the attached Purchase Agreement, the negotiated purchase price of the Blueberry Hill Parcel is \$1,200,000. An additional appropriation of \$50,000 is proposed to address costs related to the Study, additional due-diligence costs, and closing fees. The attached First Addendum to the Purchase Agreement provides for a closing on or before September 15, 2025.

The Ordinance authorizes the purchase of the Blueberry Hill Parcel and appropriates \$1,200,000 from the Land Trust Investment Fund to cover the purchase price and an additional \$50,000 from the Land Trust Fund for due-diligence costs and closing fees. The Ordinance also authorizes the Mayor to enter into a formal memorandum of agreement with MHT to memorialize KPB’s and MHT’s respective obligations relating to the Study.

Your consideration is appreciated.

FINANCE DEPARTMENT FUNDS/ACCOUNT VERIFIED	
Account: <u>250.27910</u>	Amt: \$ <u>50,000</u>
Account: <u>252.10790</u>	Amt: <u>\$1,200,000</u>
By: <u> <i>CH</i> </u>	Date: <u>1/8/2025</u>