

MEMORANDUM

TO: Brent Hibbert, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor *CP*
Melanie Aeschliman, Planning Director *MA*

FROM: Marcus A Mueller, Land Management Officer *M A M*

DATE: December 22, 2020

RE: Ordinance 2021-01, Amending KPB 17.10, Borough Lands and Resources, to Change Agriculture and Grazing Lease Rates to a Standard Fee Schedule and Clarify Tax Responsibility (Mayor)

KPB 17.10 provides for the administration of borough land and resources. There has been substantial focus on improving methods for directing borough land to agricultural uses. Current code requires the assessor to determine lease rates for agriculture and grazing leases. This method can be cumbersome, with uncertain results.

This ordinance would amend borough code to change agriculture and grazing lease rates to a standard fee schedule. This would allow for the maintenance of agriculture and grazing lease rates through the borough's schedule of rates, fees and charges, which is adopted and revised by resolution in accordance with KPB 1.26.

The proposed ordinance would also amend code to add a lease term that clarifies that taxes may be assessed on leases of borough land and that it is the responsibility of the leaseholder to pay such taxes.

Your consideration is appreciated.