

Introduced by:	Mayor
Date:	08/04/26
Hearing:	08/18/26
Action:	
Vote:	

**KENAI PENINSULA BOROUGH
ORDINANCE 2026-28**

**AN ORDINANCE AUTHORIZING THE SALE OF CERTAIN PARCELS
OWNED BY THE KENAI PENINSULA BOROUGH VIA LIVE PUBLIC
OUTCRY/SIMULCAST ONLINE AUCTION FOLLOWED BY A
SECONDARY ONLINE-ONLY AUCTION**

- WHEREAS,** the Kenai Peninsula Borough (KPB) has title to the parcels listed in Section 2 of this ordinance; and
- WHEREAS,** these parcels have been reviewed by KPB, the School District, KPB administrative departments, service areas, affected cities, Advisory Planning Commissions, and the KPB Planning Commission; and
- WHEREAS,** the parcels are surplus to KPB needs; and
- WHEREAS,** the parcels listed in Section 3 of this ordinance were acquired through tax foreclosure and retained for public purposes; and
- WHEREAS,** this ordinance enacts an exception to the requirement under KPB 17.10.090 that KPB-owned lands are classified prior to disposal; and
- WHEREAS,** pursuant to KPB 17.10.080(A) the purposes served through classification include review, plan implementation, and management of KPB-owned land or resources; and
- WHEREAS,** classification is not zoning and classification of land pursuant to KPB 17.10.080, does not run with the land, and does not restrict land use after disposal; therefore, classification for the sole purpose of disposal may only confuse buyers, create unnecessary conflict for neighboring land owners, and does not accomplish the code purposes classification aims to provide; and
- WHEREAS,** pursuant to KPB 21.04.010, land outside of municipal zoning districts is deemed as the rural zoning district, whereby regulation of land use shall be unrestricted except as otherwise provided in Title 21; and

WHEREAS, the Assembly enacted Ordinance 2025-09 to create a Land Affordability Program (LAP) which provides an opportunity for qualifying participants to purchase certain residential properties identified as "LAP Eligible" under an approved sale ordinance; and

WHEREAS, LAP is designed to support residential development and homeownership while maintaining and ensuring a competitive bid process for authorized KPB land sale offerings; and

WHEREAS, the parcels listed in Section 5 of this ordinance have been deemed eligible to participate in the LAP; and

WHEREAS, the KPB Planning Commission at its regularly scheduled meeting held on _____, 2026, and recommended _____.

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

SECTION 1. That this is a non-code ordinance.

SECTION 2. That the parcels listed below are authorized for sale at a minimum of the reserve amounts listed.

PARCEL NO.	ACRES	LEGAL DESCRIPTION	GENERAL LOCATION	RESERVE AMOUNT
01713003	3.87	LOT FIFTEEN (15), SECTION 23, TOWNSHIP 6 NORTH, RANGE 12 WEST, SEWARD MERIDIAN, STATE OF ALASKA, ACCORDING TO THE SUPPLEMENTAL PLAT ACCEPTED BY THE UNITED STATES, DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT IN WASHINGTON, D.C., ON MARCH 18, 1953; AND FURTHER DEPICTED ON THE RECORD OF SURVEY, SURVEY OF STATE LAND, DNR FILE NUMBER 58-7, SERIALIZED AS EPF 580007, FILED IN THE KENAI RECORDING DISTRICT ON AUGUST 8, 1969, AS PLAT NO. K-1637, KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 01713003)	Salamatof	\$100,000
02533008	5.24	LOT TWO HUNDRED THIRTY-THREE (233), GRAY CLIFF SUBDIVISION, ACCORDING TO PLAT NO. 82-80, ON FILE IN THE KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 02533008)	Gray Cliff	\$20,000

PARCEL NO.	ACRES	LEGAL DESCRIPTION	GENERAL LOCATION	RESERVE AMOUNT
02544718	7.40	LOT TWO HUNDRED FORTY-FIVE (245), MOOSE POINT SUBDIVISION, ACCORDING TO PLAT NO. 84-65, ON FILE IN THE KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 02544718)	Moose Point	\$37,000
04938045	0.24	LOT FIFTEEN (15), BLOCK THREE (3), DEEPWOOD PARK SUBDIVISION AMENDED, ACCORDING TO PLAT NO. 84-158, ON FILE IN THE KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 04938045)	City of Kenai	\$25,000
04938046	0.28	LOT SIXTEEN (16), BLOCK THREE (3), DEEPWOOD PARK SUBDIVISION AMENDED, ACCORDING TO PLAT NO. 84-158, ON FILE IN THE KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 04938046)	City of Kenai	\$26,000
05503503	1.35	LOT THREE (3), BLOCK ONE (1), WIDGEON WOODS PHASE TWO SUBDIVISION, ACCORDING TO PLAT NO. 2012-32, ON FILE IN THE KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 05503503)	Kalifornsky	\$52,000
06301164	9.12	TRACT A, OWL PERCH SUBDIVISION, ACCORDING TO PLAT NO. 2024-92, ON FILE IN THE KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 06301164)	Sterling	\$119,000
11907106	2.02	LOT THIRTEEN B (13B) OF U.S. SURVEY 3306, ALASKA, ACCORDING TO THE SURVEY PLAT ACCEPTED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT IN WASHINGTON, D.C. ON JANUARY 24, 1955. (KPB PIN 11907106)	Cooper Landing	\$180,000
11907155	2.44	LOT EIGHTEEN (18), BIRCH AND GROUSE RIDGE SUBDIVISION, ACCORDING TO PLAT NO. 2004-14, ON FILE IN THE SEWARD RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 11907155)	Cooper Landing	\$185,000
12516010	0.81	LOT SEVEN (7) OF ALASKA STATE LAND SURVEY NO. 86-176, ACCORDING TO THE PLAT FILED IN THE SEWARD RECORDING DISTRICT ON APRIL 27, 1988, AS PLAT NO. 88-2, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 12516010)	Crown Point	\$70,000

PARCEL NO.	ACRES	LEGAL DESCRIPTION	GENERAL LOCATION	RESERVE AMOUNT
13301049	2.41	LOT ONE (1), HUMPY POINT SUBDIVISION, ACCORDING TO PLAT NO. 2025-5, ON FILE IN THE KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 13301049)	Kasilof	\$145,000
13301050	2.81	LOT TWO (2), HUMPY POINT SUBDIVISION, ACCORDING TO PLAT NO. 2025-5, ON FILE IN THE KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 13301050)	Kasilof	\$145,000
16905102	0.51	LOT TWO (2), COMMON GROUND SUBDIVISION, ACCORDING TO PLAT NO. 2024-15, ON FILE IN THE HOMER RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 16905102)	Anchor Point	\$30,000
16913228	13.64	THE SW¼ SE¼ SE¼ AND THAT PORTION OF THE W½ SE¼ SE¼ SE¼ LYING SOUTH OF THE STERLING HIGHWAY, SECTION 13, TOWNSHIP 5 SOUTH, RANGE 15 WEST, SEWARD MERIDIAN, HOMER RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 16913228)	Anchor Point	\$44,000
17908012	2.50	GOVERNMENT LOT THIRTEEN (13), SECTION 14, TOWNSHIP 6 SOUTH, RANGE 13 WEST, SEWARD MERIDIAN, ALASKA, ACCORDING TO THE SUPPLEMENTAL SURVEY PLAT ACCEPTED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, BUREAU OF LAND MANAGEMENT IN WASHINGTON, D.C. ON MAY 26, 1952. (KPB PIN 17908012)	City of Homer	\$125,000
19209106 AND 19209108	0.28	LOT 2-C, BLOCK 39, EAST ADDITION SELDOVIA TOWNSITE ALASKA, ACCORDING TO PLAT NO. 66-28, ON FILE IN THE SELDOVIA RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 19209106) AND LOT T35, ALASKA TIDELANDS SURVEY NO. 219, TIDELAND ADDITION TO SELDOVIA ALASKA, ACCORDING TO PLAT NO. 64-13, ON FILE IN THE SELDOVIA RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 19209108)	City of Seldovia	\$75,000

PARCEL NO.	ACRES	LEGAL DESCRIPTION	GENERAL LOCATION	RESERVE AMOUNT
19326114	8.77	LOT TWO (2), BLOCK SIX (6), MARINERS WALK SUBDIVISION CORRECTED PLAT, ACCORDING TO PLAT NO. 86-75, HOMER RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 19326114)	Bear Cove (Kachemak Bay)	\$35,000

SECTION 3. That the parcels listed below were obtained by KPB through prior tax foreclosure actions and retained for a public purpose. In accordance with provisions of AS 29.45.460, the Assembly finds that a public need no longer exists for these parcels. The parcels listed below have been retained by KPB in excess of ten (10) years.

PARCEL NO.	ACRES	LEGAL DESCRIPTION	GENERAL LOCATION	PRIOR OWNER
02533008	5.24	LOT TWO HUNDRED THIRTY-THREE (233), GRAY CLIFF SUBDIVISION, ACCORDING TO PLAT NO. 82-80, ON FILE IN THE KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 02533008)	Gray Cliff	\$20,000
19209106 AND 19209108	0.28	LOT 2-C, BLOCK 39, EAST ADDITION SELDOVIA TOWNSITE ALASKA, ACCORDING TO PLAT NO. 66-28, ON FILE IN THE SELDOVIA RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 19209106) AND LOT T35, ALASKA TIDELANDS SURVEY NO. 219, TIDELAND ADDITION TO SELDOVIA ALASKA, ACCORDING TO PLAT NO. 64-13, ON FILE IN THE SELDOVIA RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 19209108)	City of Seldovia	\$75,000

SECTION 4. That the Assembly makes an exception to KPB 17.10.090 requiring classification prior to disposal. This exception is based on the following findings of fact pursuant to KPB 17.10.230:

1. That special circumstances or conditions exist.
 - a. The parcels to be disposed of are deemed surplus to borough needs, thereby eliminating the need for a borough management plan for those lands.
 - b. KPB 17.10.130(D) requires that land shall be conveyed without deed restrictions.

- c. Local option zoning is available when the borough is marketing subdivision land with a development plan for future land use.
2. That the exception is necessary for the preservation and enjoyment of a substantial property right and is the most practical manner of complying with the intent of this chapter.
 - a. Classification of surplus land to be disposed of would place land use restrictions on land that the borough will not have management responsibility over once conveyed.
 - b. The preservation of a substantial property right is not applicable to this case; the considerations under this ordinance as to the management of the land are substantially similar to classification thereby being a practical manner of complying with the intent of classification.
3. That the granting of the exception will not be detrimental to the public or injurious to other property in the area.
 - a. Classifying land uses for surplus land to be disposed of does not serve a useful purpose in guiding future borough management decisions.

SECTION 5. That the parcels listed below are hereby designated as eligible to participate in the Land Affordability Program (LAP) enacted by Ordinance 2025-09.

PARCEL NO.	ACRES	LEGAL DESCRIPTION	GENERAL LOCATION	LAP ELIGIBLE
04938045	0.24	LOT FIFTEEN (15), BLOCK THREE (3), DEEPWOOD PARK SUBDIVISION AMENDED, ACCORDING TO PLAT NO. 84-158, ON FILE IN THE KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 04938045)	City of Kenai	\$25,000
04938046	0.28	LOT SIXTEEN (16), BLOCK THREE (3), DEEPWOOD PARK SUBDIVISION AMENDED, ACCORDING TO PLAT NO. 84-158, ON FILE IN THE KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 04938046)	City of Kenai	\$26,000
05503503	1.35	LOT THREE (3), BLOCK ONE (1), WIDGEON WOODS PHASE TWO SUBDIVISION, ACCORDING TO PLAT NO. 2012-32, ON FILE IN THE KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 05503503)	Kalifornsky	\$52,000

PARCEL NO.	ACRES	LEGAL DESCRIPTION	GENERAL LOCATION	LAP ELIGIBLE
06301164	9.12	TRACT A, OWL PERCH SUBDIVISION, ACCORDING TO PLAT NO. 2024-92, ON FILE IN THE KENAI RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 06301164)	Sterling	\$119,000
12516010	0.81	LOT SEVEN (7) OF ALASKA STATE LAND SURVEY NO. 86-176, ACCORDING TO THE PLAT FILED IN THE SEWARD RECORDING DISTRICT ON APRIL 27, 1988, AS PLAT NO. 88-2, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 12516010)	Crown Point	\$70,000
16905102	0.51	LOT TWO (2), COMMON GROUND SUBDIVISION, ACCORDING TO PLAT NO. 2024-15, ON FILE IN THE HOMER RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 16905102)	Anchor Point	\$30,000
16913228	13.64	THE SW¼ SE¼ SE¼ AND THAT PORTION OF THE W½ SE¼ SE¼ LYING SOUTH OF THE STERLING HIGHWAY, SECTION 13, TOWNSHIP 5 SOUTH, RANGE 15 WEST, SEWARD MERIDIAN, HOMER RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA. (KPB PIN 16913228)	Anchor Point	\$44,000

SECTION 6. That the method of disposal will be by live public outcry/simulcast online auction pursuant to KPB 17.10.100(B) followed by an online-only auction. The date of the live auction will be October 10, 2026. The auction will be held at the KPB Assembly Chamber or other such advertised location. A secondary online-only auction will be conducted for those parcels not sold as part of the live auction. The secondary online-only auction is to run a minimum of two weeks beginning not later than November 2, 2026.

SECTION 7. That the Mayor is hereby authorized to remove any or all of the proposed land sale offerings for any reason, including real estate market conditions, at any time prior to the date of the live auction and/or the secondary online-only auction. The Mayor may cancel the sale of any property at any time without recourse if it is in the best interests of the borough upon a determination that fraud or collusion undermined the integrity of the sale.

SECTION 8. That in the event the administration is unable to proceed with the live auction on the designated date, the administration will reschedule the live auction and subsequent secondary online-only auction not later than 90 days from the date designated in this ordinance. In the event the dates designated in Section 6 are cancelled and an alternative date is rescheduled, then such sale date and location will be re-advertised for at least 30 days prior to the sale, consistent with the original advertisement.

- SECTION 9.** That all parcels will be conveyed by quitclaim deed. Title insurance in the form of a lenders policy of title insurance must be obtained for all KPB-financed sales. All title insurance and closing fees are at the buyer's expense. Title insurance must show the condition of title and no unsatisfied judgments or liens against the buyer at the time of closing, the latter of which shall also be verified by the buyer prior to closing. In the event a title report showing an acceptable condition of title cannot be obtained by seller, then either the buyer or KPB may elect to terminate the purchase agreement, in which case all monies on deposit will be refunded to the buyer. For KPB financed sales, buyers must execute a release authorizing KPB to obtain a credit report on the said buyers.
- SECTION 10.** That KPB will reserve all right, title and interest in and to all unreserved subsurface mineral rights, if any, together with the right to the future extraction of those rights.
- SECTION 11.** That upon successful sale at auction, the buyer/bidder will enter into an agreement to acquire subject parcel. A down payment of 10 percent of the sale price, or \$1,500.00, whichever is greater, shall be deposited with KPB or its designee and the applicable terms and provisions of KPB 17.10.120 and KPB 17.10.130 shall apply, except that KPB shall retain the down payment, up to \$1,000, if the prospective buyer breaches a term of the sale.
- SECTION 12.** That auction records will contain first and second position bid amounts for each property. In the event the first position bidder is unable to perform, the property will be offered for sale to the second position bidder for the amount of the bid, provided that the bid amount is in excess of the established reserve. A first-place bidder who fails to perform on the purchase is prohibited from bidding on any KPB land sale for a period of three years from the date of the auction.
- SECTION 13.** That the Assembly authorizes the use of seller financing as a payment option for purchasers for all lands authorized for sale under this ordinance. Terms of the seller financing shall be as required in KPB 17.10.120.
- SECTION 14.** That the Mayor is authorized to sign any documents necessary to effectuate this ordinance.
- SECTION 15.** If any provision of this ordinance or its application to any person or circumstance is held invalid, the remainder of the ordinance or the application of the provision to other persons or circumstances will not be affected.
- SECTION 16.** That this ordinance shall be effective immediately.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY
OF *, 2026.**

Ryan Tunseth, Assembly President

ATTEST:

Michele Turner, MMC, Borough Clerk

Yes:

No:

Absent: