

Introduced by:	Mayor
Date:	8/3/2021
Hearing:	8/17/2021
Action:	

**KENAI PENINSULA BOROUGH
ORDINANCE 2021-**

AN ORDINANCE AUTHORIZING AN AMENDMENT TO A MASTER LAND LEASE DEVELOPMENT AGREEMENT WITH ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES IN SUPPORT OF THE STERLING HIGHWAY MP 45-60 CONSTRUCTION PROJECT NEAR COOPER LANDING TO INCLUDE A STAGING AREA AT TRACT C QUARTZ CREEK SUBDIVISION AND APPRAISAL PROVISIONS

WHEREAS, the State of Alaska Department of Transportation and Public Facilities (“DOT&PF”) is actively working on the Sterling Highway MP 45-60 construction project near Cooper Landing; and

WHEREAS, Ordinance 2021-14 authorized the lease of multiple staging and disposal sites on borough lands to DOT&PF under a Master Land Lease Development Agreement (“Master Lease”); and

WHEREAS, Ordinance 2021-13 authorized the lease of Tract C Quartz Creek Subdivision to one of DOT&PF’s contractors, Kiewit Infrastructure West Company, for staging in support of the state project; and

WHEREAS, DOT&PF has requested that the lease of Tract C be issued directly to DOT&PF and that state procurement methods for valuation be included as an overall provision of the Master Lease; and

WHEREAS, the Master Lease can be amended to include Tract C and to provide for methods of valuation consistent with state procurement standards; and

WHEREAS, state procurement standards for land valuation would protect the borough’s interests in fair compensation for the use of borough land; and

WHEREAS, the Kenai Peninsula Borough Planning Commission at its regularly scheduled meeting of August 9, 2021 recommended _____;

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

SECTION 1. That the assembly finds that leasing to DOT&PF the parcel of land described as Tract C Quartz Creek Subdivision pursuant to KPB 17.10.100(I) is in the best

interest of the borough to support the highway project which will significantly improve road access to and from the western half of the borough and provide revenue to the borough..

SECTION 2. That the provisions of KPB 17.10.080-.090 and KPB 17.10.110-.240 governing classification, disposition, and leasing of borough lands and related natural resources shall not apply to this lease to DOT&PF in cooperation with the Sterling Highway MP 45-60 project.

SECTION 3. Based on the foregoing, the mayor is hereby authorized pursuant to KPB 17.10.100(I) to amend the Master Lease to include Tract C Quartz Creek Subdivision for project staging and to amend the lease rental provisions to include appraisal methods for establishing or adjusting rent for all sites included in the Master Lease, substantially in the form of the amendment document accompanying this ordinance. The authorization is only for a lease of the property to the DOT&PF, and it may not assign any rights to negotiate or enter an agreement for lease to any other person or entity.

SECTION 4. The mayor is authorized to execute a lease amendment substantially similar in form to the Master Lease Amendment No. 1 form approved by the assembly.

SECTION 5. DOT&PF shall have 120 days from the time of enactment of this ordinance to execute the lease document.

SECTION 6. That revenue from the subject lease shall be deposited in the Land Trust Fund.

SECTION 7. That the authorization to lease Tract C provided by Ordinance 2021-13 is superseded by this ordinance.

SECTION 8. That this ordinance shall take effect immediately upon its enactment.

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

Brent Hibbert, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk