

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

**KENAI PENINSULA BOROUGH
ORDINANCE 2026-27**

**AN ORDINANCE AUTHORIZING THE KENAI PENINSULA BOROUGH
TO ENTER INTO A LONG-TERM LEASE AGREEMENT WITH THE
CITY OF SEWARD FOR OPERATION AND MANAGEMENT OF A
SURPLUS SCHOOL FACILITY IN SEWARD**

- WHEREAS,** the City of Seward (City) has expressed interest in a long-term lease of the Seward Middle School surplus school facility for use as a community center and other public related City needs; and
- WHEREAS,** no direct Kenai Peninsula Borough (KPB) needs have been identified requiring the use of the facility; and
- WHEREAS,** under the lease, the City will be responsible for the ongoing maintenance, utilities, risk of loss, and insurance costs related to the facility; and
- WHEREAS,** on _____the Seward City Council approved Resolution _____ authorizing the City to move forward with the proposed lease agreement with the KPB; and
- WHEREAS,** the KPB Planning Commission at its regularly-scheduled meeting held on _____, 2026 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. Pursuant to KPB 17.10.100(I), the Assembly finds that entering into a Lease Agreement with the City at less than fair market value on that leased premises more particularly described as follows is in the best interests of the Borough:

A PORTION TRACT A-1 JESSE LEE HOME SUBDIVISION LONG TERM CARE FACILITY REPLAT, PLAT NO. 2007-21, SEWARD RECORDING DISTRICT, THIRD JUDICIAL DISTRICT, STATE OF ALASKA, CONTAINING APPROXIMATELY 8 ACRES.

Parcel Number: 14502139

Site Name: Surplus Seward Middle School Facility

- SECTION 3.** That the Mayor is hereby authorized to negotiate and enter into a lease upon all or a portion of the property identified in Section 1, subject to all lease conditions required by this ordinance and the applicable provisions of KPB 17.10.
- SECTION 4.** That the annual rent shall be One Dollar (\$1.00) for the five year initial term, with two successive five year renewal terms upon written consent from the KPB.
- SECTION 5.** Additional consideration in lieu of rent is to be provided by the City through its obligation to pay all utilities, insurance, and all general interior and exterior maintenance costs related to the building. Maintenance and repair of boiler systems and the roof are specifically excluded.
- SECTION 6.** Pursuant to KPB 17.10.230, the Assembly authorizes an exception to the requirements of 17.10.080 “Classification and Reclassification of Borough Lands” and 17.10.110 “Notice of Disposition”, based upon the following facts:
1. Special circumstances or conditions exist.
 - a. The City has existing zoning regulations that justify an exception to classification.
 - b. The City will occupy the property to serve a public need.
 - c. The notice requirement is intended to make the public aware of an opportunity to purchase Borough property, which is unnecessary since the intent of the disposal is to lease the property solely to the City.
 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. The lease will continue a prior public use of Borough-owned land.
 - b. The City will provide management oversight and cost savings to the borough will providing valuable space to the community.
 3. That the granting of this exception will not be detrimental to the public welfare or injurious to other property in the area.
 - a. Previous school activities have demonstrated compatibility with the proposed City use.

- b. Public use of the facility benefits the health and safety of area residents.

SECTION 7. That the City shall have 90 days from the date of enactment of this ordinance to execute the lease agreement.

SECTION 8. That the Mayor is authorized to execute a lease agreement substantially in the form of the one accompanying this ordinance, and any documents necessary to effectuate this ordinance.

SECTION 9. That rent revenue from the lease shall be submitted to the KPB Finance Department and deposited into Land Management Account No. 250.00000.00000.36316.

SECTION 10. 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 11. 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: