

Introduced by: Mayor
Date: 06/15/2021
Hearing: 07/06/2021
Action:
Vote:

**KENAI PENINSULA BOROUGH
ORDINANCE 2021-**

**AN ORDINANCE AUTHORIZING THE SALE OF CERTAIN
PARCELS OF BOROUGH LAND BY OUTCRY AUCTION FOLLOWED
BY AN OVER-THE-COUNTER LAND SALE**

WHEREAS, the Kenai Peninsula Borough (“borough”) has title to the land listed in Section 1 of this ordinance; and

WHEREAS, the land has been appropriately classified pursuant to KPB 17.10.080; and

WHEREAS, authorization of an outcry auction sale provides a competitive market process, followed by an over-the-counter sale intended to keep the properties on the market over a longer term; and

WHEREAS, appropriate market exposure is key to a successful over the counter land sale and an economical means for the borough to achieve such exposure is to offer a 1.5 percent finder’s fee, with a \$300 minimum, to qualified finders through the over the counter sale only; and

WHEREAS, due to the property referenced as Assessor Parcel Numbers 013-216-01 and 013-212-48 requiring a completed record of survey prior to the completion of a contemplated sale, any potential buyer and the seller (borough) should be allowed an extended due diligence period for review, approval and recording of the record of survey prior to finalizing any potential sale transaction; and

WHEREAS, due to the background of uncertainty in planning events in Covid-19 times, allowing for an alternate date is appropriate; and

WHEREAS, the Planning Commission at its regularly scheduled meeting of June 28, 2020, recommended _____;

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

SECTION 1. The parcels listed below are authorized for sale at a minimum of the fair market value as determined through consultation with the borough Assessing Department.

Assessor's Parcel No.	General Location	Legal Description	Acres	Reserve
013-216-01	Nikiski Wik Lake	Government Lot 4, Section 8, Township 7 North, Range 11 West, Seward Meridian, Alaska (Pending Record of Survey)	14	\$70,700.00
013-212-48	Nikiski Wik Lake	Government Lot 12, Section 5, Township 7 North, Range 11 West, Seward Meridian, Alaska. (Pending Record of Survey)	5.79	\$41,400.00
025-440-21	North Nikiski	Lot 180, Moose Point Subdivision, according to Plat No. KN84-65, on file in the Kenai recording district, Third Judicial District, State of Alaska	6.8	\$19,200.00
035-290-33	Hope	Lot 7 of Percy Hope Subdivision as shown on Plat No. 2010-8, Seward Recording District, State of Alaska	2.24	\$125,000.00
131-320-31	Soldotna	Lot 13, Journey's End Subdivision No. 4, according to the official plat thereof, fled under Plat Number 76-24, Kenai Recording District, Third Judicial District, State of Alaska	0.9	\$22,000.00
131-320-32	Soldotna	Lot 37, Journey's End Subdivision No. 4, according to the official plat thereof, fled under Plat Number 76-24, Kenai Recording District, Third Judicial District, State of Alaska	0.9	\$22,000.00
055-072-76	Soldotna	Tract D, Kalifornsky Center Subdivision, as shown on Plat No. 2020-18, Kenai Recording District, Third Judicial District, State of Alaska	50.96	\$500,000.00
135-053-34	Caribou Island	Lot 4A of Block 4, Caribou Island Subdivision KPB 2020 Replat, as shown on Plat No. 2020-9, Seward Recording District, State of Alaska	1.23	\$7,500.00
063-043-29	Sterling	The SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 3, Township 5 North, Range 9 West, situated in the Kenai Recording District, Seward Meridian, Alaska	40	\$220,800.00

119-071-05	Cooper Landing	Lot 16A of US Survey 3306 in Section 28, Township 5 North, Range 3 West, according to the Survey Plat accepted by the United States Department of the Interior, Bureau of Land Management on January 24, 1955, Seward Recording District, State of Alaska	0.98	\$80,000.00
119-070-08	Cooper Landing	Lot 19 of US Survey 3306 in Section 28, Township 5 North, Range 3 West, according to the Survey Plat accepted by the United States Department of the Interior, Bureau of Land Management on January 24, 1955, Seward Recording District, State of Alaska	1.69	\$95,000.00
119-070-09	Cooper Landing	Lot 20 of US Survey 3306 in Section 28, Township 5 North, Range 3 West, according to the Survey Plat accepted by the United States Department of the Interior, Bureau of Land Management on January 24, 1955, Seward Recording District, State of Alaska	1.54	\$95,000.00
119-070-07	Cooper Landing	Lot 18 of US Survey 3306 in Section 28, Township 5 North, Range 3 West, according to the Survey Plat accepted by the United States Department of the Interior, Bureau of Land Management on January 24, 1955, Seward Recording District, State of Alaska	1.83	\$95,000.00
119-070-06	Cooper Landing	Lot 17 of US Survey 3306 in Section 28, Township 5 North, Range 3 West, according to the Survey Plat accepted by the United States Department of the Interior, Bureau of Land Management on January 24, 1955, Seward Recording District, State of Alaska	1.7	\$95,000.00
179-080-03	Homer	Government Lot 7 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska	2.5	\$25,000.00
179-080-04	Homer	Government Lot 6 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska	2.5	\$25,000.00

179-080-10	Homer	Government Lot 11 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska	2.5	\$25,000.00
179-080-11	Homer	Government Lot 12 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska	2.5	\$25,000.00
179-080-12	Homer	Government Lot 13 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska	2.5	\$25,000.00
179-080-23	Homer	Government Lot 22 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska	2.5	\$25,000.00
179-080-24	Homer	Government Lot 23 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska	2.5	\$25,000.00
179-080-18	Homer	Government Lot 18 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska	2.5	\$25,000.00
179-080-17	Homer	Government Lot 19 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska.	2.5	\$25,000.00
179-080-16	Homer	Government Lot 20 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska	2.5	\$25,000.00
173-040-14	Homer	Government Lot 18, excepting therefrom Diamond Ridge Road, within Section 12, Township 6 South, Range 14 West, Seward Meridian, in the Homer Recording District, Third Judicial District, State of Alaska	2.05	\$15,000.00
211-280-12	Beluga	Tract C, Block 4 of Three Mile Creek Subdivision Amended, according to the official plat thereof, filed under Plat Number 72-7, Anchorage Recording District, Third Judicial District, State of Alaska	3.14	\$17,700.00

211-280-48	Beluga	Tract E, Block 8 of Three Mile Creek Subdivision Amended, according to the official plat thereof, filed under Plat Number 72-7, Anchorage Recording District, Third Judicial District, State of Alaska	3.3	\$18,200.00
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SECTION 2. The method of disposal shall be by outcry public auction pursuant to KPB 17.10.100(B) followed by an over-the-counter sale pursuant to KPB 17.10.100(H). The date of the outcry public auction sale shall be August 14, 2021. The auction shall be held at Soldotna High School or other such advertised location. The over-the-counter sale shall begin November 15, 2021 and end January 30, 2022.

SECTION 3. In the event the administration is unable to proceed with the live outcry auction on the designated date due to unforeseen events including federal, state and or borough imposed restrictions, the administration shall be authorized to reschedule the outcry auction and subsequent over-the-counter land sale 45 to 90 days later than the date designated in this ordinance. In the event the dates designated in Section 2 are cancelled and an alternative date is rescheduled, then such sale date and location shall be re-advertised for at least 30 days prior to the sale, consistent with the original advertisement.

SECTION 3. 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 borough-financed sales. All title insurance and closing fees are 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 the borough may elect to terminate the purchase agreement, in which case all monies on deposit will be refunded to the buyer. For borough-financed sales, buyers must execute a release authorizing the borough to obtain a credit report on the said buyers.

SECTION 4. That the parcel listed below is a tax foreclosed property retained for public purpose under KPB Ordinance 2004-15 as substandard lot (less than 40,000sf.). That in accordance with provisions of A.S. 29.45.460, the assembly finds that a public need no longer exists. Subject parcel has been enlarged by combining multiple small lots through survey plat No 2020-9 Kenai Recording District, curing the substandard size issue. As this parcel has been retained by the borough in excess of 19 years, marketable or clear title to subject parcel should now be available and properties can be marketed for sale.

Parcel ID	General Location	Legal Description	Last Owner of Record
135-053-34	Caribou Island	Lot 4A of Block 4, Caribou Island Subdivision KPB 2020 Replat, as shown on Plat No. 2020-9, Seward Recording District, State of Alaska	Pylant, Fritzi

SECTION 5. That parcels listed below are tax foreclosed properties retained for public purpose under KPB Ordinance 2012-23 as substandard lots (less than 40,000sf.). That in accordance with provisions of A.S. 29.45.460, the assembly finds that a public need no longer exists. Due to lots remaining substandard in size (.9 acres), though similar and consistent to adjacent properties, subject properties should be presented for sale with special attention to the lot size and potential for engineered septic treatment system. As this parcel has been retained by the borough in excess of 10 years, marketable or clear title to subject parcel should now be available and properties can be marketed for sale.

Parcel ID	General Location	Legal Description	Last Owner of Record
131-320-31	Soldotna	Lot 13, Journey's End Subdivision No. 4, according to the official plat thereof, fled under Plat Number 76-24, Kenai Recording District, Third Judicial District, State of Alaska.	Delbert Leroy Henry and Norma Louise Henry, husband and wife as to fee estate and Clifford Bryon Killary and David Louis Goggia as to an equitable estate
131-320-32	Soldotna	Lot 37, Journey's End Subdivision No. 4, according to the official plat thereof, fled under Plat Number 76-24, Kenai Recording District, Third Judicial District, State of Alaska.	Delbert Leroy Henry and Norma Louise Henry, husband and wife as to fee estate and Clifford Bryon Killary and David Louis Goggia as to an equitable estate

SECTION 6. The sale of Parcels listed below are subject to and contingent upon the completion of a record of survey. As a result the legal descriptions and acreage information for subject parcels may be updated prior to sale. All marketing materials used for subject parcels will contain the most current information available at the time of printing. Prior to finalizing any contemplated sale, the buyer shall have the opportunity to inspect the record of survey information.

Assessor's Parcel No.	General Location	Legal Description	Acres
013-216-01	Nikiski Wik Lake	Government Lot 4, Section 8, Township 7 North, Range 11 West, Seward Meridian, Alaska (Pending Record of Survey)	14
013-212-48	Nikiski Wik Lake	Government Lot 12, Section 5, Township 7 North, Range 11 West, Seward Meridian, Alaska. (Pending Record of Survey)	5.79

119-071-05	Cooper Landing	Lot 16A of US Survey 3306 in Section 28, Township 5 North, Range 3 West, according to the Survey Plat accepted by the United States Department of the Interior, Bureau of Land Management on January 24, 1955, Seward Recording District, State of Alaska.	0.98
119-070-08	Cooper Landing	Lot 19 of US Survey 3306 in Section 28, Township 5 North, Range 3 West, according to the Survey Plat accepted by the United States Department of the Interior, Bureau of Land Management on January 24, 1955, Seward Recording District, State of Alaska.	1.69
119-070-09	Cooper Landing	Lot 20 of US Survey 3306 in Section 28, Township 5 North, Range 3 West, according to the Survey Plat accepted by the United States Department of the Interior, Bureau of Land Management on January 24, 1955, Seward Recording District, State of Alaska.	1.54
119-070-07	Cooper Landing	Lot 18 of US Survey 3306 in Section 28, Township 5 North, Range 3 West, according to the Survey Plat accepted by the United States Department of the Interior, Bureau of Land Management on January 24, 1955, Seward Recording District, State of Alaska.	1.83
119-070-06	Cooper Landing	Lot 17 of US Survey 3306 in Section 28, Township 5 North, Range 3 West, according to the Survey Plat accepted by the United States Department of the Interior, Bureau of Land Management on January 24, 1955, Seward Recording District, State of Alaska.	1.7
179-080-03	Homer	Government Lot 7 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska.	2.5
179-080-04	Homer	Government Lot 6 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska.	2.5
179-080-10	Homer	Government Lot 11 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska.	2.5
179-080-11	Homer	Government Lot 12 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska.	2.5

179-080-12	Homer	Government Lot 13 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska.	2.5
179-080-23	Homer	Government Lot 22 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska.	2.5
179-080-24	Homer	Government Lot 23 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska.	2.5
179-080-18	Homer	Government Lot 18 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska.	2.5
179-080-17	Homer	Government Lot 19 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska.	2.5
179-080-16	Homer	Government Lot 20 in Section 14, Township 6 South, Range 13 West, situated in the Homer Recording District, Seward Meridian, Alaska.	2.5

SECTION 7. Upon successful sale at auction, 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 and the applicable terms and provisions of KPB 17.10.120 and KPB 17.10.130 shall apply, except that the borough shall retain the down payment, up to \$1,000, if the prospective buyer breaches a term of the sale.

SECTION 8. Auction records will contain first and second position bid amounts for each property. In the event the first position buyer is unable to perform, the property will be offered for sale to the second position bidder for the amount of the second position bid, provided that the second position bid amount is in excess of the established reserve. If the second position bidder is not interested or unable to perform, and the second position bid is in excess of the established reserve, the second position bid amount will become the stated sales price in the subsequent over the counter sale.

SECTION 9. For sales occurring in the over-the-counter, a 1.5 percent finder's fee will be paid by the borough to qualified finders with a \$300 minimum. At a minimum a qualified finder shall be a duly licensed real estate sales person authorized to perform such services under Alaska law. Successful bids less than \$20,000 will qualify for the \$300 minimum fee. This fee will be based on the bid amount of the successful bidder. Applications for finders will be received through the bid process.

The borough will not contract directly with individual finders. The finder's fee is applicable only to over-the-counter sales authorized by this ordinance.

SECTION 10. The mayor is authorized to sign any documents necessary to effectuate this ordinance.

SECTION 11. This ordinance shall become effective 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