

Introduced by:	Mayor
Date:	04/18/17
Hearing:	05/02/17
Action:	Enacted as Amended
Vote:	9 Yes, 0 No, 0 Absent

**KENAI PENINSULA BOROUGH  
ORDINANCE 2017-07**

**AN ORDINANCE AUTHORIZING THE CONVEYANCE OF REAL PROPERTY  
KNOWN AS THE OLD HOPE SCHOOL TO HOPE, INC. AT LESS THAN FAIR  
MARKET VALUE**

- WHEREAS,** the Kenai Peninsula Borough owns a 0.91-acre parcel of land in Hope, Alaska that is the site of the old Hope school and is currently operated as the Hope Community Library by the Hope Community Library Association, Inc. under a lease and has also served for a time, in part, as community clinic space; and
- WHEREAS,** the property is included in the National Register of Historic Places and the historic character of the property is actively being preserved through a network of community volunteers; and
- WHEREAS,** Hope, Inc. is a local non-profit civic organization that acts as a community council and owns the Hope Cemetery, the Hope Social Hall, public restrooms, and engages in other community interest activities; and
- WHEREAS,** Hope, Inc. has submitted an application for the negotiated sale of the property containing the old Hope school; and
- WHEREAS,** a transfer of ownership of the property would be made subject to the existing lease held by the Hope Community Library Association; and
- WHEREAS,** the Hope Community Library Association has been consulted on the proposal and indicated their support for transferring ownership of the property to Hope, Inc. as a recognized community partner; and
- WHEREAS,** it is in the interest of Hope, Inc. and the Hope Community Library Association to continue to house the library in the old Hope school under a lease agreement; and
- WHEREAS,** the Kenai Peninsula Borough Planning Commission, at its regular meeting of April 24, 2017, recommended approval by unanimous consent;

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

**SECTION 1.** That the assembly finds that conveying the following described real property pursuant to KPB 17.10.100(I) and 17.10.120(D) at less than fair market value to Hope, Inc. for historic preservation and community library purposes is in the best interest of the borough:

Lot One (1), Block Eleven (11) of Hope Townsite Lots 1, 2, & 3, Block 11 Subdivision Plat No. 94-15, Seward Recording District, Third Judicial District, State of Alaska, (Assessor Parcel No. 035-064-07)

This finding is based on the following facts:

- A. A restriction to the property's title will ensure that the property is used for public purposes including historical preservation and a community building for such uses as a community library.
- B. Hope, Inc. is organized for and has a demonstrated its ability to own and maintain property for the benefit of the community at large.
- C. The preservation of the property and the operation of the community library can be effectively administered at the local community organization level and further that such local stewardship can be benefitted through the transfer of ownership to an active community organization.
- D. Community contributions and grants obtained through community networks have reportedly invested nearly \$100,000 into the renovation and maintenance of the property, no borough funds have been used to support the property since new Hope school opened in 1988.
- E. The facility is surplus to borough needs for any other borough operation.
- F. The parcel and building are actively accessed and used by the public. The borough will not have liability for maintenance, property damage, or personal injury if it conveys ownership.

**SECTION 2.** The Assembly additionally makes an exception to KPB 17.10.110 (notice of disposition). This exception is based on the following findings of facts pursuant to KPB 17.10.230:

- 1. Special circumstances or conditions exist.
  - A. The purpose of the KPB 17.10.110 advertising requirement is to notify the public of an opportunity to purchase or lease KPB land,

and advertising this negotiated sale to Hope Inc. will not serve a useful purpose.

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. This exception to the notice requirement is not necessary to preserve a substantial property right, and the assembly hereby authorizes exception to that finding requirement. For this negotiated sale, the notice requirement is impractical, and compliance is not in the best interests of the borough due to the delay and unnecessary expense it would cause.
3. That the granting of the exception will not be detrimental to the public welfare or injurious to other property in the area.
  - A. The continued stewardship of the property as a historic property and community building is compatible with surrounding use and is in character with the area.
  - B. The proposed disposition is advertised by publication of the ordinance in newspapers of general circulation and on the borough's Web page. Notice of the proposed disposition is also published by the planning commission agenda in newspapers of general circulation, and a public hearing is held at the planning commission level. Additional notice is not necessary to comply with the intent of KPB 17.10 or to protect the public welfare.

**SECTION 3.** Based on the foregoing, the mayor is hereby authorized, pursuant to KPB 17.10.100 (I) to sell and convey, through quitclaim deed, the land described in Section 1 above to Hope, Inc. for \$1.00 (One Dollar) subject to the terms and conditions of this ordinance. The authorization is for sale solely to Hope, Inc. and it may not assign any rights to negotiate or enter an agreement for purchase to any other person or entity.

The purchaser shall be responsible for acquiring title insurance and shall pay all fees associated with this sale including recording fees, closing costs, escrow setup fees, annual escrow fees, collection fees, surveying and platting fees to the extent applicable, and other associated fees for this sale. All other applicable terms and conditions of KPB Chapter 17.10 shall apply to this sale unless inconsistent with this ordinance.

**SECTION 4.** The conveyance document shall contain an "Open to the Public Historic Property and Community Building" restriction. This restriction shall limit the use of the land to those uses consistent with the stewardship of a historic property and the

administration of community uses and associated public purposes. Such restriction shall specify that the facilities will be accessible to the general public, which may be subject to reasonable administrative procedures made known publicly.

**SECTION 5.** That the Assembly additionally makes an exception to KPB 17.10.090 requiring classification prior to disposal. This exception is based on the following findings of facts pursuant to KPB 17.10.230:

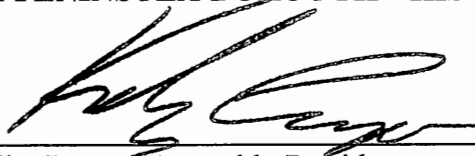
1. Special circumstances or conditions exist.
  - A. KPB 17.10.080(A) states, classification of property is for review, plan implementation and management purposes. The classification system designates the most appropriate uses for land and thereby guides borough management of such lands and implementation actions to provide for the identified uses. Classification immediately prior to disposal for an existing use (e.g. historic building 1938 to present, community library since 1989) does not accomplish these purposes.
  - B. The land use will remain unchanged.
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. This exception to classification requirement is not necessary to preserve a substantial property right, and the assembly hereby authorizes exception to that finding requirement. For this negotiated sale to Hope, Inc. for historic preservation and community library purposes, the existing and future land use is being considered through this ordinance's public process.
3. That the granting of the exception will not be detrimental to the public welfare or injurious to other property in the area.
  - A. The transfer of ownership to Hope, Inc. promotes local control of a central community asset, and an appropriate deed restriction protects members of the public by ensuring their enjoyment of the public uses provided by the land being conveyed.

**SECTION 6.** The mayor is authorized to sign any documents necessary to effectuate this ordinance.

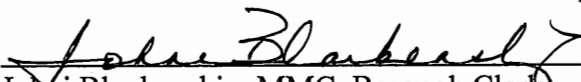
**SECTION 7.** Hope, Inc. shall have until 180 days after enactment of this ordinance to accept this offer by execution of a purchase agreement.

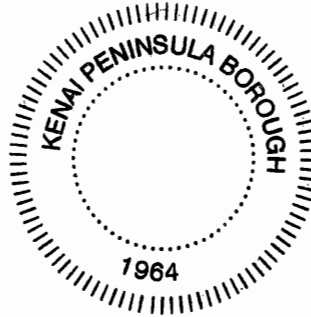
**SECTION 8.** That this ordinance shall take effect immediately upon its enactment.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 2ND DAY OF MAY, 2017.**

  
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Kelly Cooper, Assembly President

ATTEST:

  
\_\_\_\_\_  
Johni Blankenship, MMC, Borough Clerk



Yes: Bagley, Carpenter, Dunne, Fischer, Hibbert, Ogle, Schaefer, Welles, Cooper

No: None

Absent: None