

Introduced by: Mayor  
Date: August 21, 1979  
Hearing: September 18, 1979  
Vote: 99 "yes" 45 "No"  
Action: Enacted as amended

KENAI PENINSULA BOROUGH

ORDINANCE 79-53

PROVIDING FOR THE DISPOSAL OF CERTAIN PARCELS OF BOROUGH  
SELECTED LANDS BY LOTTERY SALE.

WHEREAS, the Borough has obtained title under the  
Borough Selection Act to lands suitable for conveyance  
to private parties; and

WHEREAS, this assembly provided by Ordinance 78-52  
for a method of land disposal; and

WHEREAS, the Mayor and Planning Commission have  
identified certain parcels of Borough selected land which  
are suitable for disposition by sale to the public; and

WHEREAS, the administration and Planning Commission  
have identified certain parcels of Borough selected lands  
which should be sold to adjoining property owners or to  
leaseholders so as to resolve existing controversies re-  
garding access and title; and

WHEREAS, the Planning Commission, after public hearing,  
has recommended that the assembly approve this land disposal  
plan;

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

Section 1. That Section 17.04.050 (C) of the Borough  
Code of ordinances, is amended to read:

(C) Land disposal shall be by sale at public auction  
or by lottery unless the assembly by ordinance authorizes the  
Mayor to negotiate a sale or lease or to otherwise dispose  
of the land.

Section 2. That the Borough lands set out in the "Listing of Public Sale Lands", dated September 12, 1979, and incorporated into this ordinance, are classified as sale lands to be sold in accordance with this ordinance at public sale.

Section 3. That the Mayor shall dispose of the public sale lands listed in Section 2 as follows:

- (1) The land sale shall be conducted at the earliest practicable time.
- (2) The Borough shall dispose of only those parcels to which it has patent or legal right to title.
- (3) The Borough will not be liable for the surveying and platting of any properties disposed of to the general public, or for the provision of access to the parcels.
- (4) That all sales will be made by real estate contract to those persons selected by lottery, at the fair market value of the parcel as determined by the Borough Assessor. The Borough shall make no representation as to the actual market value of the parcel at the time of sale. All parcels shall be valued on the basis of the estimated acreage of the parcel as shown by the Borough Assessor's records and multiplied by the appropriate "per-acre" valuation set by the assessor. If a registered land surveyor determines within nine (9) months from the date of sale that the parcel contains less than 90% of the acreage indicated by the Borough Assessor's records, then the purchase price shall be reduced proportionately.
- (5) That prior to conveyance of the parcel, the Borough will reserve rights and easements necessary to provide for public rights-of-way and access to adjacent and interior parcels of land as may be authorized by the assembly.

- (6) That the selected purchaser of any parcel must deposit with the Borough Finance Director a downpayment equal to 10% of the total purchase price of the parcel. The principal balance shall be paid in 10 equal annual installments on all balances up to \$25,000 inclusive, in 15 equal annual installments on balances of \$25,000 to \$40,000 inclusive, and in 20 equal annual installments on balances of \$40,000 or more. Simple interest at the annual rate of 9% will accrue upon the unpaid balance and shall be paid annually.
- (7) Payment on principal and upon accrued interest shall become due and payable on September 1 of each year, and shall become delinquent after October 1. There shall be a 5% reduction allowed in the sale price for each full year of Borough residence up to a maximum credit of 50%.
- (8) Upon final payment of all sums due under the purchase, a warranty deed will be conveyed by the Borough to the purchaser. No right shall vest in the purchaser until satisfactory completion of any contract for purchase. In the event of a default for non-payment or other reason, the interest of the purchaser shall be forfeited.
- (9) All parcels are sold "as-is" and the purchaser shall be responsible for visiting the parcel and for ascertaining the condition of the site.
- (10) The Planning Commission shall not permit the subdivision of any sale land upon which there exists an unpaid principal balance until suitable arrangements have been made to assure payment in full of the balance due to the Borough.

Section 4. That a lottery for the disposal of public sale lands shall be conducted in a manner substantially as provided in this ordinance:

- (1) Participants in a lottery must file an application with the Borough Finance Director, not less than 10 days prior to the date of the lottery. A \$10.00 non-refundable deposit must accompany each application.
- (2) The Finance Director shall publish two weekly notices, in a newspaper of general circulation, of the date of sale and of lottery registration requirements, not less than two weeks prior to the closing date for lottery registration.
- (3) In order to be eligible for the lottery, a person must have reached the age of at least 18 years and be a citizen of the United States. A person may file an application for purchase only on his or her own behalf. An applicant must be a 1 year resident of the Borough immediately prior to the sale. An applicant may not act as an agent for another party or for a corporation or other business association organized for profit. All applications must be made upon the form provided by the Borough Finance Director.
- (4) Every application for purchase of a sale unit of land shall be assigned a number and a separate drawing for each sale unit shall be made from those numbers. The Borough Finance Director shall conduct the sale and shall draw the number of the eligible purchaser and of two alternates. In the event that the first eligible applicant does not, or cannot, proceed with the sale, then the alternate purchasers shall be afforded the opportunity to purchase the property in the order that their applications are drawn.
- (5) The first eligible purchaser shall be required to deposit with the Finance Director the necessary down payment, and to sign the appropriate real estate contract and promissory

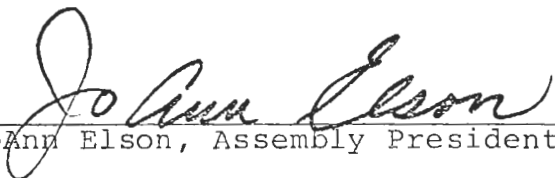
note within 3 business days of selection or his rights shall be forfeited. The alternate purchasers in turn shall be afforded a similar period to complete the transaction if the prior eligible applicants forfeit rights.

- (6) A person shall be entitled to purchase by lottery one unit of Borough selected lands.
- (7) The down payment to the Borough Finance Director shall be in cash or certified or cashier's check.

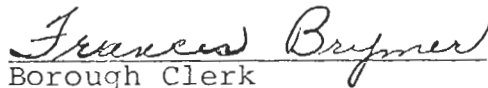
Section 6. The conditions recommended by the Planning Commission for the disposal of certain parcels of "sale lands", as set forth in the document "Planning Commission Recommendations", dated August 27, 1979, are incorporated into this ordinance. These conditions, together with such other conditions of sale as the Mayor may deem necessary to protect the interests of the Borough, shall be incorporated into the contract for sale and included in the deed for the affected parcel if necessary.

Section 7. That the Mayor is authorized to effectuate this ordinance, which takes effect immediately upon its enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH ON THIS 18th day of September, 1979.

  
JoAnn Elson, Assembly President

ATTEST:

  
Borough Clerk

