

Introduced by: Mayor
at Request of Planning
Commission
Date: November 20, 1979 Moratorium
Hearing:
Vote:
Action:

KENAI PENINSULA BOROUGH

ORDINANCE 79-72

PROVIDING FOR DISPOSAL OF CERTAIN PARCELS OF BOROUGH-SELECTED REAL PROPERTY BY NEGOTIATED SALE.

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

WHEREAS, the Assembly has previously indicated its desire to sell certain parcels of Borough-selected real property to private individuals; and

WHEREAS, the Planning Commission, after public hearing, has identified certain parcels of Borough-selected real property which are considered to be unusable as distinct parcels due to the unique characteristics of the parcels; and

WHEREAS, the Planning Commission, after public hearing, has recommended that these parcels be disposed by negotiated sale to the owners of the abutting properties at the fair market value as determined by the Borough Assessor and subject to certain other conditions recommended by the Planning Commission;

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

Section 1. That those parcels of Borough-selected real property set forth in the "Listing of Negotiated Sale Lands" dated October 30, 1979 and incorporated into this ordinance by reference, be classified as sale lands which the Mayor is authorized to dispose of by negotiated sale.

Section 2. That the Mayor is authorized to dispose of these negotiated sale lands upon the following terms:

- A. The Borough shall not be liable for the surveying and platting of any properties, except as noted for sale unit 1, or for the provision of access to the properties.
- B. That all sales will be made by real estate contract to the abutting property owner as determined by the Borough Planning Commission and as set forth in the "Listing of Negotiated Sale Lands" as incorporated into this ordinance and upon those specific conditions for each parcel recommended by the Borough Planning Commission and set forth in the incorporated "Listing of Negotiated Sale Lands".
- C. That the Borough shall make no representations 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 upon which the sales price was based, excluding losses which occur after the date of sale, then the purchase price shall be reduced proportionately.
- D. That prior to conveyance of the parcel, the Borough will reserve all rights and easements necessary to provide for public rights-of-way and access to adjacent and interior parcels of land.
- E. That the purchaser of each parcel must deposit with the Borough Finance Director a down payment equal to 10% of the total purchase price of the parcel within two (2) weeks after notification by certified mail of the Borough's offer to sell pursuant to this ordinance.

The principal balance shall be paid in ten equal annual installments on all balances up to \$25,000 inclusive, in fifteen (15) equal annual installments on balances of \$25,000 to \$40,000 inclusive and in twenty (20) equal annual installments on balances of \$40,000 or greater. Simple interest at the annual rate of 9% will accrue on the unpaid balance and shall be paid annually.

- F. Payment on principal and on accrued interest shall become due and payable on September 1 of each year and shall become delinquent on October 1. There shall be a 5% reduction allowed in the sale price for each full year of continuous domicile within the Borough up to a maximum credit of 50%.
- G. Upon final payment of all sums due under the purchase contract, a warranty deed will be conveyed from the Borough to the purchaser, subject to any valid existing rights of third parties. No right shall vest in the purchaser until satisfactory completion of any contract for purchase. In the event of a default for nonpayment or other reason, the interest of the purchaser shall be forfeited.
- H. Parcels are sold "as is" and the purchaser shall be responsible for visiting the parcel and for ascertaining the condition of the site.
- I. The Planning Commission shall not permit the subdivision or resale of any parcel set forth in this ordinance upon which there exists an unpaid principal balance until suitable arrangements have been made to assure payment in full on the balance due to the Borough.

Section 3. 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 _____ DAY OF _____, 1979.

ATTEST:

Borough Clerk

Assembly President

