

ORDINANCE CERTIFICATION

I certify that upon final enactment of Ordinance No. 81-23 of the Kenai Peninsula borough, this certification of the actions taken by me conforms with the rules and regulations governing ordinances.

1. Publication: Publication has been made by causing a summary of this ordinance to be inserted one time in a newspaper of general circulation in the borough. One copy of this ordinance as set for hearing, together with Notice of Hearing has been mailed to the city clerks of each first class city in the borough and to each postoffice in the borough with a request for posting on the City Hall and Post Office bulletin boards for 10 days immediately following receipt.
2. After adoption of this ordinance, one copy will be mailed to the city clerk of each first class city in the borough.

This ordinance was ENACTED by the assembly of the Kenai Peninsula Borough on the 21 day of APRIL, 1981 and will become effective immediately.

Francesa Reyna
Borough Clerk

Date: April 23, 1981

Introduced by: Land Disposal
Committee
Date: March 3, 1981
Hearing: April 21, 1981
Vote: 15 YES: 1 NO
Action: ENACTED

KENAI PENINSULA BOROUGH

ORDINANCE 81-23
(SUBSTITUTE)

PROVIDING FOR THE DISPOSITION BY LOTTERY OF CERTAIN BOROUGH
SELECTED LANDS TO THE GENERAL PUBLIC.

WHEREAS, the Borough has obtained title to certain
lands pursuant to the municipal selection process and has
adopted a comprehensive land disposal ordinance; and

WHEREAS, the Assembly and Administration, in conjunc-
tion with the Borough Planning Commission, has identified
approximately 275 acres of land already patented to the
Borough, together with necessary rights of way and desirable
terms and condition of sale; and

WHEREAS, the Assembly desires to expedite the disposal
of this land to the general public; and

WHEREAS, the Assembly's Committee on Land Disposal has
held hearings in Soldotna, Kenai, Homer, and Seward to hear
the interested persons; and

WHEREAS, the Committee has recommended other changes in
the proposed legislation based on the public testimonies, the
recommendations of the Borough Planning Commission, and the
Committee's further deliberations;

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

Section 1. That the lands listed in Attachment A
(Kenai Peninsula Borough Land Sale #2, March, 1981) of this
resolution are classified as "Sale Lands". The land so
classified shall be disposed of at a lottery sale to be
conducted on the 6th day of June, 1981. The terms
and conditions of sale, together with reservations of access,
shall be incorporated into the appropriate sale documents.

Section 2. That the sale lands identified in Attach-
ment A to this ordinance shall be sold by lottery in substantial
compliance with the following general terms and conditions
of sale:

A. Any person 19 years of age or older, currently a resident of the state of Alaska, may file an application to participate in the lottery, and no person is eligible for disposal of borough land unless 19 years of age or older. A person may file an application for purchase on his or her behalf, or on behalf of any other member of the immediate family. All applications must be made upon the form provided by the Borough Finance Director, and shall be filed at locations designated by the Finance Director, as approved by the Assembly. A person may file only one application for each parcel, but there shall be no limitation upon the number of different parcels for which a person may file an application. A person shall be entitled to purchase only one parcel of Borough-selected land in this lottery sale.

B. All sales will be made by immediate cash payment in full, or by real estate contract with those persons selected by lottery. The sale shall be at 80% of assessed value of the parcel for 1981 as determined by the Borough Assessor and published prior to the time when applications may be made. The Borough shall make no representations as to actual market value of the parcel at the time of sale and all parcels shall be valued on the basis of the estimated acreage of the parcel as shown by the Borough Assessor's records.

C. The selected purchaser of any parcel must deposit with the Borough Finance Director a down payment equal to at least 15% of the total purchase price of the parcel. A 10% discount will be applied to a cash payment in full at the time of purchase. The principal balance shall be paid in 10 equal annual installments on all balances up to \$30,000, and in 20 equal annual installments on balances of \$30,000 or more. Simple interest at the annual rate of 10% will accrue on the unpaid balance and shall be paid annually with the principal payment.

D. Payment of principal and accrued interest shall become due and payable on September 1 of each year and shall become delinquent after October 1 of each year. There shall not be a prepayment penalty for accelerated payment of the principal balance.

E. In the event that the successful applicant in the lottery is a resident of the Kenai Peninsula Borough who has resided in the Borough for at least 12 months prior to the lottery sale, then he or she shall be allowed a credit against the purchase price of 5% for each full year or continuous residency, to a maximum credit of 10 years or 50% of the sale price of the land.

F. Upon final payment of all sums due under the purchase, a warranty deed, subject to rights and reservations of record, shall be conveyed by the Borough to the purchaser. No rights 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.

G. All parcels are sold "as is" and the purchaser shall be responsible for visiting the parcel and for ascertaining the condition of the site and the extent of any easements, encroachments, alterations, or infringements upon the parcel by other persons. The Borough will not be liable for the surveying and platting of any properties disposed of, or for the identification and provision of access to the parcels, it being expressly understood that these are responsibilities of the prospective and actual purchasers. The Borough shall have the right to preserve monuments, historical sites, graveyards, cemeteries and other public interest memorabilia and to adjust the sale price and the legal description of the parcel.

H. The Borough will make a reasonable effort to disclose all types of information available to the Borough to assist interested persons in determining soil conditions, wetlands, flood plains, easements and other encroachments, and in the event that certain other rights to the parcel have been previously granted by the Borough or the State of Alaska, or any previous owner, then the sale of the parcel shall be made subject to them. The purchaser shall be charged with putting himself on notice of the possibility that pre-existing rights may exist and that further inquiry is required.

I. The Planning Commission shall not permit the subdivision of any sale land upon which there exists an unpaid principal balance.

The harvesting of timber, or the extraction of sand or gravel for commercial purposes, will not be permitted until the Borough transfers title to the purchaser upon payment in full for the parcel.

Section 3. The lottery for the sale of the lands shall be conducted substantially in the manner set forth below:

A. Participants in the lottery must file their applications with the Borough Finance Director not less than 10 days prior to the date of the lottery. A \$10.00 non-refundable deposit shall accompany each application.

B. The Finance Director shall publish 2 weekly notices in a newspaper of general circulation, of the date of the lottery, and of registration requirements. The second notice to be published not less than 2 weeks prior to the closing date for lottery registration. Notices shall be posted in the Post Offices and City Halls in the Borough, and the Finance Director is directed to exert efforts to publicize the sale in all communities of the Borough.

C. The Borough Finance Director shall provide for an independent audit of all applications and of the actual conduct of the lottery, and shall publish a list of all of the applicants according to parcel, and shall publish a list of the purchasers, parcel by parcel, and the purchase price.

D. Every application for purchase of a parcel shall be assigned a number and a separate drawing for each parcel shall be made from those numbers. The Borough Finance Director shall conduct the sale and shall draw the number of the eligible purchaser and two alternates. In the event that the first eligible purchaser 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.

E. 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 30 business days of selection, or his or her 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. The down payment to the Borough Finance Director must be in cash or by certified or cashier's check.

F. The necessary legal documents shall be prepared by the Borough and the contract and promissory note shall be executed within 30 business days of selection as purchaser. The Borough will cause the proper documents to be recorded in the appropriate recording district of the recorder's office at no cost to the purchaser. The real estate contract shall be made out in the name of the applicant as filed and no substitutions, alterations, or changes will be permitted. The purchaser has the right to sell or assign his interest in the real estate contract.

Section 4. That the Mayor is authorized to effectuate this ordinance, which takes effect immediately upon its enactment. It is the intention of the Assembly to conduct the sale as scheduled, but the Mayor is authorized to reschedule the sale if he deems it to be in the best interests of the Borough or if circumstances demand.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH
ON THIS 21 DAY OF APRIL, 1981.

Paul A. Fischer
Paul Fischer, Assembly President

ATTEST:

Frances Bryner
Borough Clerk

Kenai Peninsula Borough
Ordinance 81-23 (Substitute)
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