

Introduced by: Mayor
Date: 11/16/99
Hearing: 12/14/99
Action: Postponed until 01/18/00
Vote: 7 Yes, 0 No, 2 Absent
Action: Enacted as Amended
Vote: 9 Yes, 0 No

**KENAI PENINSULA BOROUGH
ORDINANCE 99-67**

**AN ORDINANCE AUTHORIZING PAYMENT FOR THE KENAI RIVER CENTER
PARCEL TO THE CITY OF SOLDOTNA AT HALF OF FAIR MARKET VALUE IF
SOLDOTNA DOES NOT TAKE TITLE TO THE SOLDOTNA DOT/PF
MAINTENANCE SITE, AND APPROPRIATING FUNDS FROM THE LAND
MANAGEMENT TRUST FUND FOR THE SAME**

- WHEREAS,** Ordinance 99-31 authorized the exchange of the Soldotna DOT/PF maintenance site for property owned by the city of Soldotna in order to construct the Kenai River Center; and
- WHEREAS,** there are still unresolved contamination issues affecting the DOT/PF site which may be remedied in three years' time; and
- WHEREAS,** the city will be better able to determine whether it is willing to take title to the DOT/PF property in three years; and
- WHEREAS,** if the city does not take title to the DOT/PF property, the borough will have received the KRC site without compensation to the city; and
- WHEREAS,** there is a present need for the borough to take title to the KRC site as the facility is under construction; and
- WHEREAS,** the borough mayor and city manager negotiated an agreement that the borough would pay half of present fair market value for the KRC site at 7.5% interest if Soldotna is unable to take title to the DOT/PF site within three years time; and
- WHEREAS,** in order to enter that agreement it is necessary for the borough assembly and Soldotna city council to authorize the payment for the KRC site at one-half fair market value; and
- WHEREAS,** it is necessary to appropriate the funds for the contingent purchase of the KRC site;

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

SECTION 1. That the Assembly appropriates \$92,500 from the Land Trust Fund Balance and interest which accrues pursuant to Section 2 of this ordinance to Kenai River Center Capital Project Account 409.21135.98007.49999 to provide compensation to the city of Soldotna for the purchase of the land underlying the Kenai River Center. The money will be returned to the Land Trust Fund if the DOT/PF property is conveyed to Soldotna. The Kenai River Center parcel is legally described as follows:

Lot 1, Soldotna Airport Kenai River Center subdivision, according to Plat 99-38 in the Kenai Recording District, Third Judicial District, State of Alaska

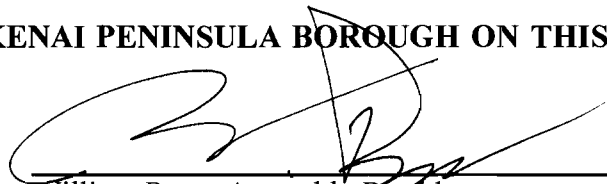
SECTION 2. Interest to be paid to the city of Soldotna on the \$92,500 will be at the borough's cash pool rate from the date of the conveyance of the KRC parcel to the KPB. The appropriation shall lapse five years from the date of conveyance of the KRC parcel to the KPB. If Soldotna has not exercised its option to accept the conveyance of the DOT/PF property within five years of the date of conveyance of the KRC parcel to the KPB, the KPB shall pay the \$92,500 and interest to the City of Soldotna.

SECTION 3. The funds subject of this ordinance shall not be available for any other purpose other than compensation to the city of Soldotna for the parcel underlying the Kenai River Center Facility.

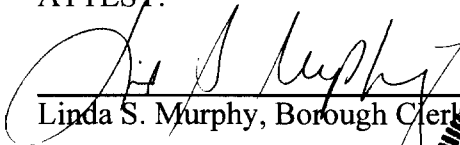
SECTION 4. The Mayor is authorized to negotiate and execute all documents necessary to effectuate this ordinance.

SECTION 5. This ordinance takes effect immediately upon enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH ON THIS 18TH DAY OF JANUARY, 2000.


William Popp, Assembly President

ATTEST:


Linda S. Murphy, Borough Clerk

