

Introduced by: Mayor
Date: 01/22/08
Hearing: 02/19/08
Action: Enacted as Amended
Vote: 7 Yes, 0 No, 2 Absent

**KENAI PENINSULA BOROUGH
ORDINANCE 2008-04**

**AN ORDINANCE AMENDING KPB 5.12.340(G) TO PROVIDE THAT EXCESS
PROCEEDS THAT ARE OBTAINED FROM TAX FORECLOSURE LAND SALES
SHALL BE DEPOSITED IN THE LAND TRUST FUND**

- WHEREAS,** real property is obtained by the Borough through tax foreclosure proceedings pursuant to AS 29.45.290 et seq. for delinquent payment of taxes and are either retained for public purposes or are sold; and
- WHEREAS,** the borough Finance Department retains from the proceeds of the sale of each parcel of tax foreclosed land that amount attributable to delinquent borough taxes accrued through the date of sale, together with all applicable penalties, interest, and costs, including the costs of sale; and
- WHEREAS,** all proceeds received by the borough from the sale of each parcel of tax foreclosed land which are in excess of the amounts of real property taxes, penalties, interest, and applicable costs accruing through the date of sale are held by the borough on behalf of the former record owner for six months from the date of sale; and
- WHEREAS,** as per KPB 5.12.340(G), any claim for the excess proceeds filed after six months from the date of sale of the property is forever barred and the amount of excess proceeds shall be transferred to the general fund of the borough; and
- WHEREAS,** the borough Land Trust Fund is funded through land revenues without taxpayer funding; and
- WHEREAS,** the function of the Land Trust Fund is to fund the management of borough lands and resources through the Land Management Division, including the management of tax foreclosed properties and the payment of taxes, applicable penalties, interest, and costs on all foreclosed properties held for general public purposes; and
- WHEREAS,** transferring excess proceeds from tax foreclosure land sales to the Land Trust Fund would help defray Land Management costs in managing tax foreclosed properties and other land trust obligations; and

WHEREAS, the Finance Department and Land Management are jointly reviewing the cost associated fees that attach to tax foreclosed properties, which is expected to lead to a fee increase for future tax foreclosed land sales, thereby providing for a more accurate cost recovery for the General Fund through the increase in cost associated fees; and

WHEREAS, the Planning Commission conducted a public hearing on February 11, 2008 and recommended enactment by unanimous consent;

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

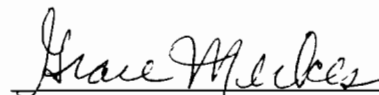
SECTION 1. That KPB 5.12.340 (G) is hereby amended as follows:

5.12.340. Other taxes and tax liens—Tax liens—Sale lands—Disposition of proceeds.

G. Upon presentation of a proper claim, the borough shall remit the excess proceeds to the former record owner. Any claim for the excess proceeds filed after 6 months from the date of sale of the property is forever barred and the amount of excess proceeds shall be transferred to the [GENERAL FUND] Land Trust Fund of the borough.


SECTION 2. This ordinance shall take effect immediately upon its enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 19TH DAY OF FEBRUARY, 2008.

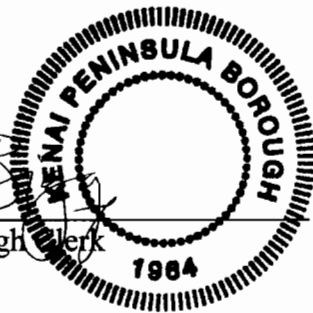


Grace Merkes, Assembly President

ATTEST:



Sherry Biggs, Borough Clerk



Yes: Fischer, Gilman, Knopp, Martin, Smith, Sprague, Merkes

No: None

Absent: Long, Superman