



KENAI PENINSULA BOROUGH

PLANNING DEPARTMENT

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**JOHN J. WILLIAMS
BOROUGH MAYOR**

MEMORANDUM

TO: Grace Merkes, Assembly President
Kenai Peninsula Borough Assembly Members

THRU: John J. Williams, Borough Mayor *TJ/JW*

FROM: *MB* Max J. Best, Planning Director

DATE: June 25, 2008

SUBJECT: Ordinance 2008-14; An Ordinance Authorizing the Sale of Certain Parcels of Borough Land by Sealed Bid

The Planning Commission reviewed the subject Ordinance during their regularly scheduled June 23, 2008 meeting. A motion to recommend enactment of Ordinance 2008-14, authorizing the sale of certain parcels of Borough Land by sealed bid passed by unanimous consent.

Draft, unapproved minutes of the subject portion of the meeting are attached.

BRYSON YES	CARLUCCIO YES	COLLINS YES	FOSTER ABSENT	GROSS ABSENT	ISHAM YES	JOHNSON YES
LOCKWOOD YES	MARTIN YES	MURPHY YES	PETERSEN YES	TAURIAINEN ABSENT		9 YES 3 NO

AGENDA ITEM F. PUBLIC HEARINGS

3. Ordinance 2008-14, authorizing the Sale of Certain Parcels of Borough Land by Sealed Bid.

Memorandum reviewed by Marcus Mueller

PC Meeting: 6/23/08

Land Management has identified seven parcels of land that are deemed surplus to the borough's needs for land holdings and which could be prepared for marketing for a competitive market value land sale by sealed bid. Maps showing the location of each parcel were included in the packet.

Minimum bids will be proposed prior to hearing with the assistance of the Assessing Department.

The bid opening is proposed for October 24, 2008. A sale brochure will be prepared which will delineate the parcels and explain the sealed bid procedures. Notice of the Land Sale will be published in accordance with KPB 17.10.110, and the brochure will be made available on the Borough's Land Management website.

The ordinance would authorize the Mayor to conduct a sealed bid land sale of seven parcels of borough land. A resolution to classify these parcels will be introduced concurrent with the scheduled public hearing for this ordinance. Your consideration of this ordinance is appreciated.

END OF MEMORANDUM

Chairman Bryson opened the meeting for public comment. Seeing and hearing no one wishing to speak, Chairman Bryson closed the public comment period and opened discussion among the Commission.

MOTION: Commissioner Lockwood moved, seconded by Commissioner Isham to recommend enactment of Ordinance 2008-14, authorizing the sale of certain parcels of Borough Land by sealed bid.

Commissioner Johnson asked staff what the difference was between a sealed bid and an outcry auction. Mr. Mueller replied that staff has done both sealed bid auctions and outcry auctions, which have fair methodologies of conducting the auctions. They have found that sealed bid procedures work very well which allows for an open bid time. He stated the bid sale would be advertised in July, which gives staff ample time to market. The interested bidders could bid anytime preceding the October 24 deadline. The bidders wouldn't have to be in town or available for a certain time which gives an element of convenience. Mr. Mueller felt the sealed bid auction provides a fair and equitable way for people to place bids. He also felt it was a very good way of achieving a good market value because the folks that decide to bid have to ask what the property is worth to them. It takes some of the emotion out of it and provides for a very fair way of achieving fair market value.

VOTE: The motion passed by unanimous consent.

BRYSON YES	CARLUCCIO YES	COLLINS YES	FOSTER ABSENT	GROSS ABSENT	ISHAM YES	JOHNSON YES
LOCKWOOD YES	MARTIN YES	MURPHY YES	PETERSEN YES	TAURIAINEN ABSENT		9 YES 3 ABSENT

AGENDA ITEM F. PUBLIC HEARINGS

4. Resolution 2008-____, A Resolution Authorizing the Acquisition of a 0.24-Acre Parcel of Land from Mr. William Hoxie, in Anchor Point

The Borough and Mr. William Hoxie have been in discussion regarding a potential acquisition/sale of this property. The Anchor Point Fire Department has voiced an interest in using the subject land as a fill site, and the KPB Roads Department has voiced an interest in the subject land for roadway purposes. Mr. William Hoxie