



KENAI PENINSULA BOROUGH

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**JOHN J. WILLIAMS
BOROUGH MAYOR**

MEMORANDUM

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

THRU: John J. Williams, Kenai Peninsula Borough Mayor
Max Best, Planning Director
Marcus Mueller, Land Management Officer

FROM: John Miller, Land & Resource Coordinator

DATE: October 2, 2008

SUBJECT: Ordinance 2008-32 Authorizing the Negotiated Sale at Other Than Fair Market Value of Certain Real Property Having Been Leased By Snowshoe Gun Club Containing 186 Acres More or Less to the Snowshoe Gun Club

The Snowshoe Gun Club (SGC), an IRS recognized 501 (c)(7) public purpose non-profit corporation, has operated a public shooting range on 186 acres of leased property across from Beaver Loop Road (see attached map) since 1971; first as a sublease through the City of Kenai (1971-1984), and then from KP (1985-2005). Since 2006, the SGC operates under a KP land use permit. To date, the SGC has made \$24,600 in lease payments to KP. The SGC has submitted an application to process a negotiated sale. The KP assessing department determined the fee simple fair market value of the property to be \$126,600 on June 26, 2008.

The attached Ordinance would authorize the Mayor to convey 186 acres to the Snowshoe Gun Club, as its interest in Govt Lot 1 and NE1/4NW/14 Section 30 and Tract B ASLS 2005-7 according to Plat No. 2007-1 Kenai Recording District, and Govt Lot 4 and SE1/4SW1/4 Section 30 all within T6N, R10W, S.M., for \$70,000, which is other than the fair market value of the property, pursuant to KP 17.10.100 (I) and 17.10.120 (D).

The proposed sale price is the result of negotiations between KP and Snowshoe Gun Club. This value takes into consideration the public benefits of SGC's continued operations, the affect of the proposed deed restrictions, restricting the use to a shooting range available to the public, and the lease payments already received by the borough. This value is intended to approximate fair market value.