

**KENAI CITY COUNCIL WORK SESSION
LAND SALE AND LEASING POLICIES AND PROCEDURES
JUNE 11, 2019 – 6:00 P.M.
KENAI CITY COUNCIL CHAMBERS
210 FIDALGO AVE., KENAI, AK 99611
MAYOR GABRIEL, PRESIDING**

NOTES

Council present: Mayor Gabriel, J. Glendening, H. Knackstedt, G. Pettey, B. Molloy
Others present: City Manager P. Ostrander, Finance Director T. Eubank, Assistant to City
Manager C. Cunningham, City Planner E. Appleby, Assistant to the City
Attorney C. Herr

A. Call to Order

Mayor Gabriel called the work session to order at 6:00 p.m.

B. Introduction – Mayor Gabriel

Mayor Gabriel introduced Council and staff members present.

C. Public Comment (limited to 3 minutes per speaker; 30 minutes' aggregate)

There was no one from the public wishing to be heard.

D. Presentation of Land Sale and Leasing Policies and Procedures by City Manager Paul Ostrander and Assistant to City Manager Christine Cunningham

City Manager, Paul Ostrander, provided a history of the land sale and leasing policies and procedures projects on the Airport Reserve land and the General Fund land; explained the committee's purpose was to provide land policies and practices that encourage responsible growth and development to support a thriving business, residential, recreational, and cultural community. He added that he believed the policies would improve the finances of the City, create opportunities for people and businesses that wanted to relocate to Kenai, and would improve the quality of life for all the residents of the City. Ostrander also provided an update on the status of the Land Management Plan.

Assistant to the City Manager, Christine Cunningham, noted the City owned over 5,000 acres of property, acquired from several agencies for various reasons, many parcels having specific restrictions, and provided an overview of the City's land leasing and selling programs from 1975 to present. She added that there has been a renewed interest in leasing and purchasing City property since the adoption of the policies and procedures specific to the Airport Reserve property due to the development incentives. Cunningham also provided an overview of the status of leased properties.

Cunningham discussed objectives the working group defined to help achieve the goal of developing policies and procedures for the lease and sale of General Fund land and provided an overview of the City-wide Land Management Plan. She then discussed recommended

Kenai Municipal Code revisions to make the process applicant-friendly, uniform conditions for determining initial length lease term, creating predetermined conditions for lease extension and renewal, creating protections from excessive rent increases, providing favorable provisions for the disposition of improvements, providing for development incentives, providing a methodology for sale of leasehold properties, providing a methodology for sale of vacant properties, and updating the Special Use Permit process.

Clarification was provided on lease rate adjustments and property tax provisions.

It was suggested properties that are beneficial for the protection of fish and bird habitat be retained and zoned conservation and properties that might be beneficial to be retained for a public purpose be identified. It was also suggested buffer type properties to buffer residential areas from business or industrial areas be identified and preserved.

Clarification was provided that staff had been taking an exhaustive look at each parcel and the City would retain that information to help make decisions on each parcel into the future. Clarification was also provided that responsible growth and development took into consideration the conservation aspects previously discussed.

There was discussion regarding the competitive process for the initial lease application to ensure the highest and best use and value to the City was realized. There was also discussion regarding transparency in the competitive process.

Clarification was provided on the options of land sales and over the counter sales.

E. Additional Public Comment (limited to 3 minutes per speaker; 30 minutes' aggregate)

There was no one wishing to be heard.

F. Council Discussion

Clarification was provided there would an ability to scroll and orient in the mapping software and drill deeper on information on City owned property and that limited information would be available on privately owned property.

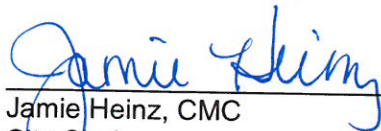
Appreciation was expressed for the work that went into the project and it was noted the end result would be beneficial for the community.

It was noted the competitive process would be good for both parties.

G. Adjournment

The work session adjourned at 7:15 p.m.

Notes were prepared by:



Jamie Heinz, CMC
City Clerk

