



**Kenai City Council – Work Session –
Draft Land Management Plan**

March 7, 2022 – 5:00 P.M.

Kenai City Hall

210 Fidalgo Avenue, Kenai, AK 99611

Telephonic/Virtual Information Below

www.kenai.city

Agenda

- A. Call to Order
- B. Introduction (Mayor Gabriel)
- C. Public Comment (limited to 3 minute per individual; 20 minutes aggregate)
- D. City of Kenai Draft Land Management Plan (City Manager, Planning Director)
- E. Council Discussion
- F. Public Comment (limited to 3 minute per individual)
- G. Adjournment

Join Zoom Meeting

<https://us02web.zoom.us/j/88661418433>

Meeting ID: 886 6141 8433 **Password:** 962620

OR

Dial in by your Location: (253) 215-8782 or (301) 715-8592

Meeting ID: 886 6141 8433 **Password:** 962620

The agenda and supporting documents are posted on the City's website at www.kenai.city. Copies of resolutions and ordinances are available at the City Clerk's Office or outside the Council Chamber prior to the meeting. For additional information, please contact the City Clerk's Office at 907-283-8231.



KENAI

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MEMORANDUM

TO: Mayor Brian Gabriel and Kenai City Council
FROM: Paul Ostrander, City Manager
DATE: March 2, 2022
SUBJECT: **Council Work Session to Review and Consider Amendments to the Draft Land Management Plan**

In 2018, City Council approved a City-wide approach to land management through the development of the City's first Land Management Plan. Since that time, Administration has worked diligently to draft a Land Management Plan to inventory, evaluate, and develop recommendations related to City-owned lands. Most recently, the Planning and Zoning Commission, Airport Commission, Joint Parks & Recreation Commission and Beautification Committee, and Harbor Commission completed a series of meetings to review, discuss, and provide recommended amendments to the Draft Land Management Plan. Each of their resolutions, including recommended amendments, are provided in the packet.

This work session provides an opportunity for the Kenai City Council to review the Draft Land Management Plan and consider amendments for formal adoption via resolution. City staff will collect comments and draft amendments for formal consideration at a future regular Council meeting.

Please review the attached materials.

Attachments

Land Management Plan Comment Log

Parks & Recreation Commission and Beautification Committee Joint Resolution No. PRB21-01

Harbor Commission Resolution No. HC21-01

Airport Commission Resolution No. AC21-01

Planning and Zoning Commission Resolution No. 2021-39

Memorandum on Disposition of City Lands – Summary of KMC 22.05

Memorandum on Zoning and Definition of “Retain” and “Dispose” in Draft Land Management Plan

Memorandum on City of Kenai Land Management Plan Requested Information

Name	Comment	Map, Page, or Parcel Number	Kenai Resident (Yes or No)	Date	Action/Response
Henry Knackstedt	1) Page 31 - #03913202 – Add note in comments regarding re-dedication of ROW as noted on Page 27.	Page 31 - #03913202	Yes	10/1/2021	Comment will be incorporated into final document.
Henry Knackstedt	2) Page 36 - #043010348 – Retention Status Table should be “Retain -Mixed” not just retain since the triangular rea to the north may be suitable for sale per Comments on Page 37.	Page 36 - #043010348	Yes	10/1/2021	Comment will be incorporated into final document.
Henry Knackstedt	3) Page 70 – Second Paragraph - road rights-of-way need to be dedicated “in conformance with the most recent FAA-approved ALP”. Restructure sentence to reference ALP is needed.	Page 70 – Second Paragraph	Yes	10/1/2021	Comment will be incorporated into final document.
Henry Knackstedt	4) Page 71 - #04318044 – The southern portion of this parcel, southwest of long-term parking is leased by the CAP. There should be similar language as used for Parcel #04327036 on pages 75, and Page 79.	Page 71 - #04318044	Yes	10/1/2021	Comment will be incorporated into final document.
Henry Knackstedt	5) Page 75 – 04327036 – I think it is worth comment that high pressure gas pipelines cross the property along the section line that bisects the CAP lease.	Page 75 – 04327036	Yes	10/1/2021	Comment will be incorporated into final document.
Henry Knackstedt	6) 04318044 & 04327036 CAP Property. I think it should be a stated goal for the city to gain control of the CAP Property lease from the USACE and renegotiate a lease with the Alaska Civil Air Patrol.	04318044 & 04327036 CAP Property	Yes	10/1/2021	Comment will be incorporated into final document.
Henry Knackstedt	7) Page 103 - #04336033 – Check the lease expiration date of 2022 as we recently extended this lease with the FSS. It may be correct but do check.	Page 103 - #04336033	Yes	10/1/2021	FAA Flight Service Station lease expires 9/30/22.
Henry Knackstedt	8) Page 105 - #04336040 – Check the lease expiration date of 2021 as we recently extended this lease. It may be correct but do check.	Page 105 - #04336040	Yes	10/1/2021	Lease expired 6/30/21, a Special Use Permit was executed in its place. A lease application has been submitted by the Alaska Division of Forestry for a 5-year lease and is currently under review.
Henry Knackstedt	9) Page 108 and 111 - #04323031- As noted, this parcel is pending a purchase. Keep this flagged if completed prior to finalization of the document.	Page 108 and 111 - #04323031	Yes	10/1/2021	Comment noted.
Henry Knackstedt	10) Page 114 & 118 - #04324030 – This parcel I believe is under lease with SOAR and is no longer pending.	Page 114 & 118 - #04324030	Yes	10/1/2021	This parcel is under lease and will be updated.
Henry Knackstedt	11) Page 114 & 118 - #04324030 – This parcel has a lease extending past 2022 per recent council action.	Page 114 & 118 - #04324030	Yes	10/1/2021	This parcel is under a 45 year lease and will be updated.
Henry Knackstedt	12) Page 134 & 135 - #04705501 – As noted, this parcel is pending a purchase. Keep this flagged if completed prior to finalization of this document.	Page 134 & 135 - #04705501	Yes	10/1/2021	Comment noted.
Henry Knackstedt	13) Page 148 - #04501030 Paragraph 2 - There is a recommendation for the city to retain that portion of the property that contains access to Ryan’s Creek Trail. It appears this is Airport property, so if the city sells the parcel, that portion of the parcel retained for city use should be purchased from the Airport by the City. A note needs to be added here to make that clear.	Page 148 - #04501030 Paragraph 2	Yes	10/1/2021	Access to Ryan's Creek Trail could be accomplished through means other than City ownership, such as an easement, and per FAA guidance compensation to the airport may not be required in instances where airport lands are used for public recreation purposes.
Henry Knackstedt	14) Page 154 - #04501003 – last paragraph – Remove the word “required” and replace with the word “consideration”. Not knowing what the development could be, the wording should not be so definitive.	Page 154 - #04501003	Yes	10/1/2021	Formal motion should be considered by Council to incorporate this change.

Henry Knackstedt	15) Page 155 – #04501003 – same comment as above in #14 for the table.	Page 155 – #04501003	Yes	10/1/2021	Formal motion should be considered by Council to incorporate this change.
Henry Knackstedt	16) Page 184 - #04901022 – Last paragraph – the city did not dig test holes. The city hired a consultant who excavated test holes and provided a soils report. The paragraph should be rewritten to clarify the work done and to include the title and the location of the report for future use.	Page 184 - #04901022	Yes	10/1/2021	Comment will be incorporated into final document.
Henry Knackstedt	17) Page 188 & 189 – remove the word “caribou” in multiple locations and replace with the word “wildlife”. The areas do provide wildlife habitat and should not be so specific to a species.	Page 188 & 189	Yes	10/1/2021	Comment will be incorporated into final document.
Henry Knackstedt	18) Page 192 - #04911010 – The retention status indicates “requires subdivision” I don’t believe that the parcel requires subdivision though subdivision is a possibility. I would recommend saying “may need subdividing” or something similar.	Page 192 - #04911010	Yes	10/1/2021	Comment will be incorporated into final document.
Victoria Askin	Changing the zoning of a piece may be a concern for potential purchase. Would that be done before sale or after? Great Job! The plan is easy to follow + understand. Can't wait to see the online tool.	Map 10, Parcel No. 04316017, Page 48	Yes	10/11/2021	A rezoning application can be submitted either before or after a sale. A rezoning application before sale would require the City to approve the application as the property owner.
Glenese Pettey	What is the total acres in the City of Kenai? What percentage of land is in private holding?	General Question	Yes	10/11/2021	The City of Kenai encompasses approximately 18,207 acres with approximately 5,543 acres in private ownership.
Andrew Walsh	Is the City willing to allow a Right of Way vacation as part of this land management plan? If so, what is the process to acquire unused Right of Way?	PARCEL ID: 04916071	Yes	10/13/2021	Comment withdrawn.
Andrew Walsh	Please disregard my previous comment. I now see the parcel in question is KPBB owned, not City of Kenai owned	PARCEL ID: 04916071	Yes	10/13/2021	Comment withdrawn.
Dave Peck	people who may be 03901065-map 7, 04101013-map 15. There are using portions of these plots (dirt roads) for their snow machines to access land north of the airport. Some of these trails may be north of the city limits but I think consideration should be given to using some of these parcels, if applicable, for winter recreation access & summer recreation like hiking etc. Mostly as access to other larger wild areas. I see the snow machines using these areas all the time in the winter. 04501061 map 30, This plot is adjacent to the newly planned dog park & the lake. It seems it might make a nice area to expand the recreational opportunity adjacent to the dog park & lake. It could be used as a nice natural area/buffer between the juvenile correction center & the lake dog park area. **And finally, a general thought, re: properties surrounding the airport. I think it's important, whenever possible, to keep a forested buffer between the airport & residential areas. This helps muffle the sounds of aircraft & airport machinery from the homes. We'll still hear airport activity but forested areas do absorb a lot of sound, as well as create a visible buffer too.	03901065-map 7, 04101013-map 15, 04501061 map 30	Yes	12/5/2021	Formal motion should be considered by Council to incorporate this change.

Brandon Cramer	I would like to see Kenai retain this parcel for its current use as a park. At minimum please retain the section from the field of flowers East to Rogers Road. Being located at the entrance to the city, close to schools and a large residential area it is perfect for a park. Thanks	Parcel ID 04501003	Yes	12/6/2021	Formal motion should be considered by Council to incorporate this change.
Kristine Schmidt	I am opposed to disposal of the following two parcels: 1. 04501003 (commonly referred to as Lawton Acres) on Map 31. This lot was set aside by the Kenai City Council in the 1980s as a buffer area to protect the two subdivisions south of this parcel, as part of the development of the property across the Spur Highway, where Pizza Hut was located. This lot also provides a very scenic view of the beautiful boreal forest in Kenai, to balance out the generally ugly clearcut commercial development in the adjacent properties. The City Administration's proposal to dispose of this property and leave a little tiny strip along Lawton Drive is not sufficient protection from traffic noise for the two subdivisions. The land is also contaminated and is better left as is.	Map 31 - Parcel Number 04501003 (Lawton Acres)	Yes	1/19/2021	Formal motion should be considered by Council to incorporate this change.
Kristine Schmidt	2. 04705216 (reserved land along Walker Lane). I lived on Walker Lane in the 1980s and the commercial development of the adjacent property (where McDonald's and Three Bears are located) was very controversial at the time. The developer agreed to keep the buffer area along Walker Lane to separate his commercial development from the residential neighborhood east of Walker Lane. The 1978 plat of the developer's subdivision contains a reservation of this lot "for a buffer strip to screen this subdivision from the residential area east of First Avenue [now Walker Lane], and is not intended for development." Therefore, the Land Management Plan is not correct on page 158 in claiming that that the northern end of the lot could be subdivided off and developed, as the plat reservation says the opposite.	Map 32 - Parcel Number 04705216 (Reserved Land along Walker Lane)	Yes	1/19/2021	Formal motion should be considered by Council to incorporate this change.



**CITY OF KENAI
PARKS & RECREATION COMMISSION AND BEAUTIFICATION COMMITTEE
JOINT RESOLUTION NO. PRB21-01**

A RESOLUTION OF THE PARKS & RECREATION COMMISSION AND BEAUTIFICATION COMMITTEE OF THE CITY OF KENAI **RECOMMENDING** THE COUNCIL OF THE CITY OF KENAI ADOPT THE CITY OF KENAI LAND MANAGEMENT PLAN

WHEREAS, in 2018, City Council approved a City-wide approach to land management through the development of the City's first Land Management Plan; and,

WHEREAS, the City of Kenai Imagine Kenai 2030 Comprehensive Plan includes economic development and land use goals and objectives to develop a land inventory and land use strategies to implement a forward-looking approach to community growth and development; and,

WHEREAS, the City owns 369 subdivided parcels, including wetlands, tidelands, lands surrounding the Kenai Airport, and lands suitable for a variety of business, commercial, industrial, residential, recreational, and cultural purposes; and,

WHEREAS, the Parks and Recreation Commission and Beautification Committee of the City of Kenai considered public comments and recommended changes to the draft City of Kenai Land Management Plan based on those comments; and,

WHEREAS, City Staff held public meetings on October 11, 2021 and October 27, 2021 and scheduled public meetings for Commissions on November 4, 2021 November 8, 2021, and November 9, 2021 to receive public comments and discuss the City of Kenai Land Management Plan; and,

WHEREAS, City Staff created an electronic comment form available on the City website to receive public comments on the City of Kenai Land Management Plan; and,

WHEREAS, after reviewing the plan as presented on November 4, 2021, the Parks & Recreation Commission and Beautification Committee has recommended amendments for consideration by City Council.

NOW, THEREFORE, BE IT RECOMMENDED BY THE PARKS & RECREATION COMMISSION AND BEAUTIFICATION COMMITTEE OF THE CITY OF KENAI, ALASKA:

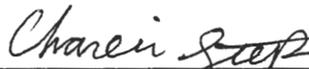
Section 1. The Draft of the City of Kenai Land Management Plan is hereby recommended for adoption with the following amendments:

1. The retention status of parcel number 04316017, which appears on Map 10 Kenai Spur Highway Government Lots, be changed from Dispose to Retain, for the purpose of a future campground.

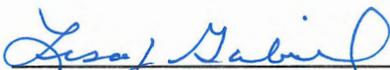
2. Change the title of the City of Kenai Land Management Plan to the City of Kenai Land Management Inventory and Recommendations.
3. The retention status of parcels 04312004 and 04312008, which appears on Map 13 North Spruce Street Government Lots, be changed from Mixed-Retain/Dispose to Retain, for the purpose of a future campground.
4. Recommend parcels 04327030, 04327031 and 04327032 on Map 17 Gusty Subdivision, Kenai Cemetery, remain as Dispose-Lease Only, but the management intent of those parcels is such that parking would be allowed to support the adjacent softball fields.

Section 2. That a copy of Resolution PRB21-01 be forwarded to the Kenai City Council.

PASSED BY THE PARKS & RECREATION COMMISSION AND BEAUTIFICATION COMMITTEE OF THE CITY OF KENAI, ALASKA, this 6th day of January, 2022.

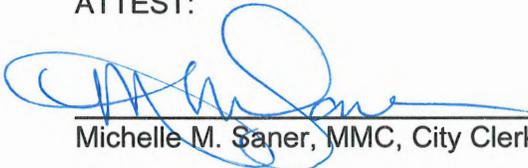


Charlie Stephens, CHAIRPERSON



Lisa Gabriel, CHAIRPERSON

ATTEST:



Michelle M. Saner, MMC, City Clerk



**CITY OF KENAI
HARBOR COMMISSION
RESOLUTION NO. HC21-01**

A RESOLUTION OF THE HARBOR COMMISSION OF THE CITY OF KENAI **RECOMMENDING** THE COUNCIL OF THE CITY OF KENAI ADOPT THE CITY OF KENAI LAND MANAGEMENT PLAN

WHEREAS, in 2018, City Council approved a City-wide approach to land management through the development of the City's first Land Management Plan; and,

WHEREAS, the City of Kenai Imagine Kenai 2030 Comprehensive Plan includes economic development and land use goals and objectives to develop a land inventory and land use strategies to implement a forward-looking approach to community growth and development; and,

WHEREAS, the City owns 369 subdivided parcels, including wetlands, tidelands, lands surrounding the Kenai Airport, and lands suitable for a variety of business, commercial, industrial, residential, recreational, and cultural purposes; and,

WHEREAS, the Harbor Commission of the City of Kenai and Planning Staff has received numerous comments and input regarding the draft City of Kenai Land Management Plan; and,

WHEREAS, City Staff held public meetings on October 11, 2021 and October 27, 2021 and scheduled public meetings for Commissions on November 4, 2021 November 8, 2021, and November 9, 2021 to receive public comments and discuss the City of Kenai Land Management Plan; and,

WHEREAS, City Staff created an electronic comment form available on the City website to receive public comments on the City of Kenai Land Management Plan; and,

WHEREAS, after reviewing the plan as presented on November 8, 2021, the Harbor Commission has recommended adoption.

NOW, THEREFORE, BE IT RECOMMENDED BY THE HARBOR COMMISSION OF THE CITY OF KENAI, ALASKA:

Section 1. The Draft of the City of Kenai Land Management Plan is hereby recommended for adoption.

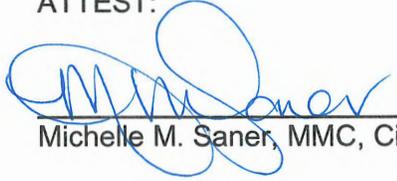
Section 2. That a copy of Resolution HC21-01 be forwarded to the Kenai City Council.

PASSED BY THE HARBOR COMMISSION OF THE CITY OF KENAI, ALASKA, this 11th day of January, 2022.



MIKE DUNN, CHAIRPERSON

ATTEST:



Michelle M. Saner, MMC, City Clerk



**CITY OF KENAI
AIRPORT COMMISSION
RESOLUTION NO. AC21-01**

A RESOLUTION OF THE AIRPORT COMMISSION OF THE CITY OF KENAI
RECOMMENDING THE COUNCIL OF THE CITY OF KENAI ADOPT THE CITY OF
KENAI LAND MANAGEMENT PLAN

WHEREAS, in 2018, City Council approved a City-wide approach to land management through the development of the City's first Land Management Plan; and,

WHEREAS, the City of Kenai Imagine Kenai 2030 Comprehensive Plan includes economic development and land use goals and objectives to develop a land inventory and land use strategies to implement a forward-looking approach to community growth and development; and,

WHEREAS, the City owns 369 subdivided parcels, including wetlands, tidelands, lands surrounding the Kenai Airport, and lands suitable for a variety of business, commercial, industrial, residential, recreational, and cultural purposes; and,

WHEREAS, the Airport Commission of the City of Kenai and Planning Staff has received numerous comments and input regarding the draft City of Kenai Land Management Plan; and,

WHEREAS, City Staff held public meetings on October 11, 2021 and October 27, 2021 and scheduled public meetings for Commissions on November 4, 2021 November 8, 2021, and November 9, 2021 to receive public comments and discuss the City of Kenai Land Management Plan; and,

WHEREAS, City Staff created an electronic comment form available on the City website to receive public comments on the City of Kenai Land Management Plan; and,

WHEREAS, after reviewing the plan as presented on November 9, 2021, the Airport Commission has recommended amendments for consideration by City Council.

NOW, THEREFORE, BE IT RECOMMENDED BY THE AIRPORT COMMISSION OF THE CITY OF KENAI, ALASKA:

Section 1. The Draft of the City of Kenai Land Management Plan is hereby recommended for adoption with the following amendments:

1. The retention status of parcel number 04101004, which appears on Map 16 Kenai Municipal Airport, be changed from Retain to Mixed—Retain/Dispose—Lease Only.
2. The retention status of parcel 04322023, which appears on Map 23 Cook Inlet Industrial Air Park Subdivision, be changed from Dispose to Dispose—Lease Only.

Section 2. That a copy of Resolution AC21-01 be forwarded to the Kenai City Council.

PASSED BY THE AIRPORT COMMISSION OF THE CITY OF KENAI, ALASKA, this 13th day of January, 2022.

Glenda Feeken

GLENDA FEEKEN, CHAIRPERSON

ATTEST:

Michelle M. Saner

Michelle M. Saner, MMC, City Clerk





**CITY OF KENAI
PLANNING AND ZONING COMMISSION
RESOLUTION NO. 2021-39**

A RESOLUTION OF THE PLANNING AND ZONING COMMISSION OF THE CITY OF KENAI **RECOMMENDING** THE COUNCIL OF THE CITY OF KENAI ADOPT THE CITY OF KENAI LAND MANAGEMENT PLAN

WHEREAS, in 2018, City Council approved a City-wide approach to land management through the development of the City's first Land Management Plan; and

WHEREAS, the City of Kenai Imagine Kenai 2030 Comprehensive Plan includes economic development and land use goals and objectives to develop a land inventory and land use strategies to implement a forward-looking approach to community growth and development; and,

WHEREAS, the City owns 369 subdivided parcels, including wetlands, tidelands, lands surrounding the Kenai Airport, and lands suitable for a variety of business, commercial, industrial, residential, recreational, and cultural purposes; and

WHEREAS, the Planning and Zoning Commission of the City of Kenai and Planning Staff has received numerous comments and input regarding the draft City of Kenai Land Management Plan; and,

WHEREAS, the Planning and Zoning Commission of the City of Kenai considered public comments and made changes to the draft City of Kenai Land Management Plan based on those comments; and,

WHEREAS, City Staff created an electronic comment form available on the City website to receive public comments on the City of Kenai Land Management Plan; and,

WHEREAS, after reviewing the plan as presented on November 10, 2021, the Planning & Zoning Commission has recommended amendments for consideration by City Council.

NOW, THEREFORE, BE IT RECOMMENDED BY THE PLANNING AND ZONING COMMISSION OF THE CITY OF KENAI, ALASKA:

Section 1. The Draft of the City of Kenai Land Management Plan is hereby recommended for adoption with the following amendments.

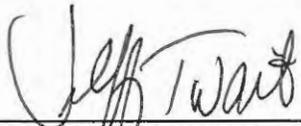
1. The retention status of parcel numbers 04701018 which appears on Map 14 South Spruce Street, be changed from Dispose to Retain, for use as RV/tents and dipnet parking.
2. The retention status of parcel numbers 04301041 and 04301039 which appears on Map 15 Float Plane Basin Subdivision and Vicinity, be changed

from Mixed-Retain/Dispose-Lease Only to Retain, for use as buffer/green space between the neighborhood and the airport.

3. Amend the narrative on page 66 regarding parcel 04301042 by adding the language: Parcel 04301042 should be subdivided to mirror parcel 04301040 to the north. The remainder of parcel 04301042 should be combined with parcel 04301041 which would remain with a retention status of retain.
4. The retention status of parcel number 04101004, which appears on Map 16 Kenai Municipal Airport, be changed from Retain to Mixed—Retain/Dispose—Lease Only.
5. The retention status of parcel 04322023, which appears on Map 23 Cook Inlet Industrial Air Park Subdivision, be changed from Dispose to Dispose—Lease Only.
6. Change the title of the City of Kenai Land Management Plan to the City of Kenai Land Management Inventory and Recommendations.
7. Recommend parcel 04317038 on Map 17 Gusty Subdivision, Kenai Cemetery, be changed from Retain to Mixed -Retain / Dispose-Lease Only and modify narrative on page 74 relative to this parcel to state: subdivide cemetery property from NE portion which would be usable for airport purposes.
8. Recommend parcel 04501003 on Map 31 Kenai Spur Highway Central Corridor, be changed from Dispose to Retain to provide a buffer for surrounding neighborhoods.

Section 2. That a copy of Resolution PZ2021-39 be forwarded to the Kenai City Council.

PASSED BY THE PLANNING AND ZONING COMMISSION OF THE CITY OF KENAI, ALASKA, this 26th day of January, 2022.



JEFF TWAIT, CHAIRPERSON

ATTEST:



Michelle M. Saner, MMC, City Clerk

MEMORANDUM

TO: Planning and Zoning Commission
FROM: Ryan Foster, Planning Director
DATE: October 22, 2021
SUBJECT: **Resolution PZ2021-39 – Recommending the Kenai City Council approve and adopt the City of Kenai Land Management Plan**

In 2018, City Council approved a City-wide approach to land management through the development of the City's first Land Management Plan. Since that time, Administration has worked diligently to draft a Land Management Plan to inventory, evaluate, and develop recommendations related to City-owned lands.

The City of Kenai Imagine Kenai 2030 Comprehensive Plan includes economic development and land use goals and objectives to develop a land inventory and land use strategies to implement a forward-looking approach to community growth and development. The goals of the Land Management Plan incorporate many of these objectives and include the following:

- Provide an inventory of City-owned lands with detailed information on each parcel.
- Identify properties required for a public purpose or to meet a future public need.
- Establish recommendations for individual parcels that are surplus to the needs of the City to assist in responsible development.
- Create a comprehensive reference document that establishes a format for developing land management policies and procedures.

One of the City's greatest assets is its land inventory. The City owns 369 subdivided parcels, including wetlands, tidelands, lands surrounding the Kenai Airport, and lands suitable for a variety of business, commercial, industrial, residential, recreational, and cultural purposes. The Land Management Plan is an important tool to spur economic growth and improve the quality of life for Kenai residents and is key to the long-term viability of the City.

On October 11, 2021 there was a joint work session with City Council and City Commission Members to kick-off the review, discussion, and comment on the draft City of Kenai Land Management Plan. In addition to additional meeting(s) with the Planning and Zoning Commission, staff have scheduled presentations with the Airport Commission, Parks and Recreation Commission, Beautification Committee, and Harbor Commission to solicit discussion and comments on the draft Land Management Plan.

Please review the attached materials.

Does the Commission recommend Council approve and adopt the City of Kenai Land Management Plan?

Attachments

October 11, 2021 Joint Work Session Presentation

Draft City of Kenai Land Management Plan





KENAI

City of Kenai | 210 Fidalgo Ave, Kenai, AK 99611-7794 | 907.283.7535 | www.kenai.city

MEMORANDUM

TO: Mayor Gabriel, Council Members and City Commissions
FROM: Paul Ostrander, City Manager
DATE: December 6, 2021
SUBJECT: **Disposition of City Lands – Summary of KMC 22.05**

Kenai Municipal Code Chapter 22.05, The Disposition of City Lands, was repealed and reenacted by Ordinance 3072-2019 on October 2, 2019. This memorandum will provide an overview of this provision of code. Excerpts from code are identified in *italics*.

KMC Chapter 22.05 applies to City owned real property other than lands within the airport reserve – described in KMC Chapter 21.10, and the leasing of tidelands for shore fisheries.

Authority

KMC Chapter 22.05 establishes the authority for the City's land disposals:

The City may sell, convey, exchange, transfer, donate, dedicate, direct, assign to use, or otherwise dispose of City-owned real property, including property acquired, held for, or previously devoted to a public purpose, only in accordance with this chapter, and, with respect to properties acquired through foreclosure for taxes, in compliance with those terms and provisions of AS 29 which apply to home-rule municipalities. Disposal or sale of lands shall be made only when, in the judgment of the City Council, such lands are not or are no longer required for a public purpose.

Intent

KMC Chapter 22.05 establishes the intent of the chapter and goes further to establish that it is not the intent of the chapter to allow for speculation on City-owned lands:

It is the intent of this chapter to provide land policies and practices that encourage responsible growth and development to support a thriving business, residential, recreational and cultural community.

It is not the intent of this chapter to allow for speculation on City-owned lands. All leases, sales, and other disposals of City-owned land must meet the intent of this chapter.

Lease and / or Sale of City Lands

KMC Chapter 22.05 has provisions for the lease and sale of City owned real property. An individual or entity that wishes to acquire real property from the City can pursue a lease, a sale, or a lease with an option to purchase from the City.

Lease

To lease City owned lands an applicant must first submit a lease application:

All applications for lease of lands must be submitted to the City Manager or designee on an application form provided by the City. Applications will be dated on receipt and must include payment of the nonrefundable application fee as set forth in the City's schedule of fees approved by the City Council.

If a subdivision is required to lease the land, the costs of that subdivision are generally at the expense of the applicant:

Applications which propose a subdivision shall require the applicant to be responsible for all costs associated with the subdivision, including but not limited to any new appraisal, engineering services, surveying and consulting costs unless, in the sole discretion of the City Council, it is determined that the subdivision serves other City purposes.

To determine the annual lease rate of the property an appraisal must have been completed in the last 12 months:

Applications for lands which have not been appraised within one (1) year of the requested starting date of the lease require the applicant to be responsible for all costs associated with appraisal. The cost of the appraisal shall be credited or refunded to the lessee once development is completed as required by the lease, extension or renewal.

The length of the lease term is based on the amount of investment the applicant proposes to make with a minimum investment of \$7,500 equaling a maximum term of 5 years, and an investment value of \$307,500 or more equaling a maximum term of 45 years:

The length of term for an initial lease shall be based on the amount of investment the applicant proposes to make in the construction of new permanent improvements on the premises as provided in the application. The City Council may offer a shorter lease term, if the City Council makes specific findings that a shorter lease term is in the best interest of the City.

The maximum term of a lease shall be determined according to the following term table and cannot exceed forty-five (45) years:

The public is notified of all lease applications received by the City to provide an opportunity for competing applications:

Notice of complete applications for new leases, renewals or extensions shall be published in a newspaper of general circulation within the City and posted on the property. The notice must contain the name of the applicant, a brief description of the land, whether the applicant requests a lease with an option to purchase, and the date upon which any competing applications must be submitted (thirty (30) days from the date of publication).



If a competing application is submitted, the City Manager will recommend the application anticipated to best serve the interest of the City to the applicable commissions and the City Council:

If another application for a new lease, extension or a renewal is received for the same property within thirty (30) days from the notice of application publication date by a different applicant, City staff shall process the application and forward the application, the City Manager's recommendation and applicable commission recommendations to the City Council for approval of the application anticipated to best serve the interest of the City. The City Council may approve one (1) of the applications, reject all the applications or direct the City Manager to award a lease of the property by sealed bid.

If there are no competing applications, the City Council will determine if the lease is in the best interests of the City after considering the recommendations of the Planning and Zoning Commission, any other applicable commissions, and the City Manager:

The recommendations of the City Manager, Planning and Zoning Commission, and any other applicable commissions shall be provided to the City Council. The City Council shall determine whether the lease is consistent with the intent of this chapter and in the best interest of the City. The decision whether or not to lease land rests in the sole discretion of the City Council.

Development Incentives

The City Council may approve lease incentives to encourage commercial development:

A credit may be applied toward rent for a maximum of five (5) years. The credit may only include the value of site preparation work on the leased premises to include clearing and grubbing, unclassified excavation, classified fill and back fill, crushed aggregate base course, and utility extensions.

For the credit to be applied, the approved scope of work must be completed.

Sale of Land

KMC Chapter 22.05 authorizes the sale of City owned lands through both a non-competitive and competitive process:

There are four methods to sell City owned lands through a non-competitive process:

- (i) Conveyance to encourage new enterprises where it is found that encouragement of a new commercial or industrial enterprise would be in the best interest of the City; one (1) or more parcels of City land may be sold upon such terms as to price, conditions of conveyance, and with such contingencies as may be set forth in the ordinance.*
- (ii) Property sale to adjacent owners for the conveyance of a parcel of City property at fair market value to the owner of adjacent land whenever, in the judgment of the City Council, the parcel of land is of such small size, shape, or location that it could not be put to practical use by any other party.*
- (iii) Grant or devotion of real property to the United States, the State of Alaska, a local political subdivision of the State of Alaska, or any agency of any of these governments or a nonprofit corporation, for a consideration agreed upon between the City and*



grantee without a public sale if the grant, devotion or lease is in the best interest of the City.

- (iv) Conveyance of land to resolve a land use conflict.*

There are four methods to sell City owned lands through a competitive process:

- (i) Public outcry auction to the highest responsible bidder.*
- (ii) Sealed bid to the highest responsible bidder.*
- (iii) Over-the-counter sale after a public outcry auction or sealed bid process on a first-come basis, provided minimum development requirements are met within two (2) years of sale and the land is sold for fair market value. An appraisal to determine fair market value must be completed within a one (1) year period prior to the date of sale.*
- (iv) Leased land in which the lease was subject to competition through the lease application review process and which contains an option to purchase once the minimum development requirements have been met for the fair market value of the land excluding permanent improvements made by the lessee. An appraisal to determine fair market value must be completed within a one (1) year period prior to the sale.*

The application process, subdivision process (if necessary) and appraisal process for the sale of land is similar to the process for the lease of land:

All requests to purchase City land must be submitted to the City Manager or designee on approved forms provided by the City. Applications will be dated on receipt and payment of the nonrefundable application fee and must include applicable deposit as set forth in the City's schedule of fees adopted by the City Council. The City Council may decide to sell lands consistent with the intent of this chapter after a recommendation from the City Manager and any appropriate City commission. The City Council may always recommend a lease as opposed to a sale when in the best interest of the City and consistent with the intent of this chapter.

Applications which propose a subdivision shall require the applicant to be responsible for all costs associated with the subdivision, including but not limited to engineering services, surveying and consulting costs, unless in the sole discretion of the City Council it is determined the subdivision serves other City purposes. Sales of parcels must be of appropriate size to meet the needs of the proposed development or use to meet the intent of this chapter. The sale of excess acreage not needed for the intended development or use does not meet the intent of this chapter.

The City will retain the services of an independent real estate appraiser certified under Alaska State statutes to determine the fair market value for a determination of the minimum price on the land to be paid for from the deposit made by the applicant unless such an appraisal has been obtained within one (1) year prior to the date of sale. The cost of the appraisal will be credited toward the purchaser at closing.



Lease with an option to purchase

KMC Chapter 22.05 will allow an applicant to request to acquire City land using a combination of lease and sale. A lease with an option to purchase would allow an applicant to lease the real property for a period of time, during which the development of the property could be completed and the applicant would benefit from lease development incentives, followed by the sale of the property when the incentives have been exhausted.

Kenai Municipal Code Chapter 21.10

KMC Chapter 21.10, Leasing and Acquisition of Airport Reserve Lands, with few exceptions, mirrors KMC Chapter 21.05, although KMC Chapter 21.10 does not allow the sale of land. Airport Reserve Lands are available for lease only.





KENAI

City of Kenai | 210 Fidalgo Ave, Kenai, AK 99611-7794 | 907.283.7535 | www.kenai.city

MEMORANDUM

TO: Mayor Gabriel, Council Members and City Commissions
FROM: Ryan Foster, Planning Director
DATE: December 6, 2021
SUBJECT: **Zoning and Definition of “Retain” and “Dispose” in the Draft Land Management Plan**

Zoning in the City of Kenai

The City of Kenai is a home rule city with its own City Charter and Municipal Code. Kenai Municipal Code Title 14 Planning and Zoning codifies the planning and development processes within the City by implementing the Comprehensive Plan (long range policy document), establishing zoning districts, and specifying development standards for zoning districts regarding land use, form, layout, and density.

To determine the land uses and development standards of a parcel, the City’s Zoning Map and Land Use Table must be referenced. Each parcel in the City has a zoning designation (there are 17 total zoning districts) across categories such as residential, commercial, industrial, etc. The City of Kenai Interactive Zoning Map App can be found here:

<https://kenai.maps.arcgis.com/home/index.html>

After determining the zoning district of a property, reference the KMC 14.22.010 Land Use Table, which contains a list of land uses and all of the corresponding zoning districts in the City. A land use is either designated as P= Principal Permitted Use, C= Conditional Use, S= Secondary Use, N= Not Permitted for each zoning district. This provides the necessary information to determine the development options for a property based on the zoning and the desired land use. The Land Use Table can be found here:

<https://kenai.municipal.codes/KMC/14.22>

Definitions of “Retain” and “Dispose” in the Draft Land Management Plan

The Draft Land Management Plan contains recommendations for each City owned property. For clarification, below are the definitions of “retain” and “dispose” and where they can currently be found in Kenai Municipal Code in the same context:

- “Retain” means a parcel is needed for a public purpose, such as for:
 - Existing public buildings and facilities.
 - Future public buildings and facilities.
 - Public purposes such as wetlands, beach protection, and stormwater retention.

- For Airport Fund lands, “retain” means the parcel is needed for a public purpose where the use is aviation-related or consistent with the FAA self-sustaining requirement and does not adversely affect the airport’s capacity, security, safety, or operations.
- In this context, the term retained is currently found in Kenai Municipal Code:
 - 22.05.110 Determination as to need for public purpose
- “Dispose” means the parcel has not been retained for a public purpose and will be considered available for lease, sale, or lease with the option to purchase. All disposals are at the discretion of the Kenai City Council and must meet the intent of Kenai Municipal Code:
 - 22.05.010 Authority and intent
 - (c) It is the intent of this chapter to provide land policies and practices that encourage responsible growth and development to support a thriving business, residential, recreational and cultural community.
 - (d) It is not the intent of this chapter to allow for speculation on City-owned lands. All leases, sales, and other disposals of City-owned land must meet the intent of this chapter.
- In order for a property to be sold, it must first be determined that it is not needed for a public purpose. Most disposals will require development on the parcel. In this context, the term disposal is currently found in Kenai Municipal Code:
 - KMC 22.05.015 Lands available for lease, sale, or disposal
 - KMC 22.05.095 Methods of sale or disposal





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MEMORANDUM

TO: Mayor Gabriel, Council Members and City Commissions
FROM: Paul Ostrander, City Manager
DATE: January 4, 2022
SUBJECT: **City of Kenai Land Management Plan Requested Information**

This memo provides additional information requested by the Planning and Zoning Commission at its December 22, 2021 Regular Meeting to clarify the intent of the City of Kenai Land Management Plan and the best way for Commissioners to make amendments, as well as provide an example of a motion to amend and sample Implementation Plan that Commissions may use as they review and consider recommending adoption of the Land Management Plan.

Intent of the Land Management Plan

The intent of the Land Management Plan is to catalog the inventory of City-owned lands, including identification of properties needed for a public purpose, and recommendations for lease or sale of individual parcels not needed for a public purpose. The Plan does *not* provide land policies or procedures or include an implementation plan. The City's land policies for lease and sale of City-owned land are provided in the Kenai Municipal Code, and the decision whether or not to lease or sell land rests in the sole discretion of the City Council. Any sale or lease of City-owned land would require further Council action. An implementation plan is a separate document outlining action items based on the adopted Land Management Plan. An implementation plan would require Council approval.

Motions to Amend

All commissioner-suggested amendments received in writing or requested during a scheduled meeting or work session will be compiled by the Planning Director and placed in the proper format for consideration at the meeting in which the commission resolution to adopt the Plan will be considered.

If an amendment has not been received in writing, or has not been requested during previous meetings or work sessions, motions to amend the draft Plan may also be made by commissioners at the meeting in which the commission resolution to adopt the Plan will be considered.

Amendments related to land ownership changes or clerical errors will not need to be made as motions to amend the Plan. Administration will prepare a memo with these updates and corrections when the Plan is finalized for consideration by City Council.

Example: Motion to Amend

The following is an example of a recommended amendment provided by a Commissioner that may be made as a motion to amend:

Map 8, Page 36, Parcel Numbers 04314103 and 04314104 should not be recommended for disposal. These parcels should be retained for a public purpose of future sports facilities.

The following amendment is respectfully requested:

Amend Section 1 so that it reads:

The draft of the City of Kenai Land Management Plan is hereby recommended for adoption with the following amendment:

1. The retention status of parcel numbers 04314103 and 04314104, which appear on Map 8 Kenai Spur Highway North Corridor be changed from Dispose to Retain.

Example: Role of Implementation Plan in Process

Attached is a table describing the role of the Kenai Municipal Code, Land Management Plan and a sample Implementation Plan in the management of City-owned lands.

Attachment



KENAI MUNICIPAL CODE

A Codification of the General Ordinances of the City of Kenai

Title 21 and Title 22 Govern City Airport Reserve Lands and City-Owned Lands

- Provides land lease and sale policies and practices that encourage responsible growth and development to support a thriving business, residential, recreational and cultural community.
- Provides process for competitive lease application, and both competitive and non-competitive sale of lands as well as rules governing subdivision, appraisal, annual lease rates and terms, public notice, and review by commissions

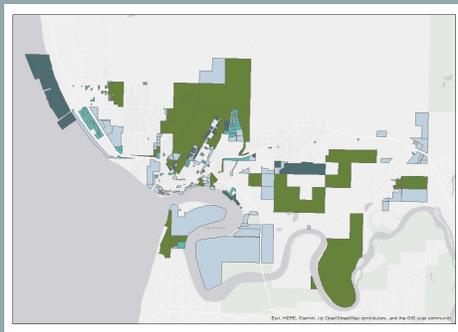


LAND MANAGEMENT PLAN

An inventory of City-owned lands and comprehensive reference document

Land Inventory and Retention Recommendations Adopted by a Resolution of the City Council

- Provides an inventory of City-owned lands with detailed information on each parcel
- Identifies properties recommended required or not needed for a public purpose
- Information available to the public



SAMPLE: IMPLEMENTATION PLAN

An outline of action items approved by Council based on the adopted Land Management Plan

For example:

Date	Actions	Staff Assigned
March 2022	Apply to Borough for removal of restrictive plat notes on City lands	Planning
March 2022	Request removal of patent restrictions from BLM	Planning
July 2023	Request FAA release of parcels not needed for a public purpose	Airport/ Planning

NOTE: the decision whether or not to lease or sell City-owned land rests in the sole discretion of the City Council