

**KENAI HARBOR COMMISSION  
SPECIAL MEETING  
JANUARY 11, 2022 – 6:00 P.M.  
KENAI CITY HALL  
210 FIDALGO AVE., KENAI, AK 99611  
\*Telephonic/Virtual Information Below\*  
<http://www.kenai.city>**

1. **CALL TO ORDER**
  - a. Pledge of Allegiance
  - b. Roll Call
  - c. Agenda Approval
  
2. **UNSCHEDULED PUBLIC COMMENT** *(Public comment limited to three (3) minutes per speaker; thirty (30) minutes aggregated)*
  
3. **NEW BUSINESS**
  - a. **Discussion/Recommendation** – Resolution No. HC21-01 – Recommending the Council of the City of Kenai Approve and Adopt the City of Kenai Land Management Plan.  
*[Clerk's Note: At the November 8<sup>th</sup> Meeting, this Resolution was Postponed to this Meeting; a Motion to Enact is On the Floor.]*
  
4. **NEXT MEETING ATTENDANCE NOTIFICATION** – February 7, 2022
  
5. **COMMISSIONER COMMENTS AND QUESTIONS**
  
6. **ADDITIONAL PUBLIC COMMENT**
  
7. **ADJOURNMENT**

**Join Zoom Meeting**

<https://us02web.zoom.us/j/84742176945>

**Meeting ID:** 847 4217 6945    **Password:** 584107

OR

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

**Meeting ID:** 847 4217 6945    **Password:** 584107



**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 APPROVE AND 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, the Harbor Commission held a public meeting on November 8, 2021 and recommended that the Council of the City of Kenai approve the City of Kenai Land Management Plan.

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 approved and adopted as the City of Kenai Land Management Plan.

**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 8th day of November, 2021.

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MIKE DUNN, CHAIRPERSON

ATTEST:

\_\_\_\_\_  
JAMIE HEINZ, CITY CLERK

DRAFT

## MEMORANDUM

**TO:** Harbor Commission  
**FROM:** Ryan Foster, Planning Director  
**DATE:** October 28, 2021  
**SUBJECT:** **Resolution HC21-01 – Recommending the Kenai City Council approve and adopt the City of Kenai Land Management Plan**

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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. Additional meetings have been scheduled with the Planning and Zoning Commission, the Airport Commission, the Parks and Recreation Commission, the Beautification Committee, and the Harbor Commission to solicit discussion and comments on the draft Land Management Plan.

Please review the attached materials.

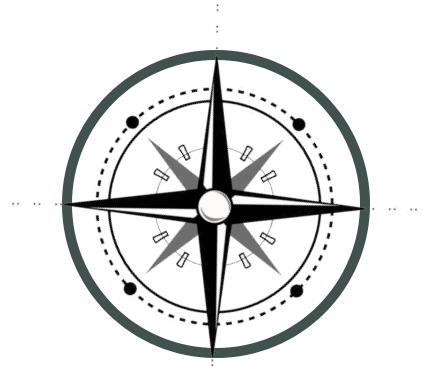
**Does the Commission recommend Council approve and adopt the City of Kenai Land Management Plan?**

Attachments

October 11, 2021 Joint Work Session Presentation

Link to the Draft City of Kenai Land Management Plan: <https://www.kenai.city/lands/page/land-management-plan>





# CITY OF KENAI LAND MANAGEMENT PLAN



# WHAT IS OUR "WHY"

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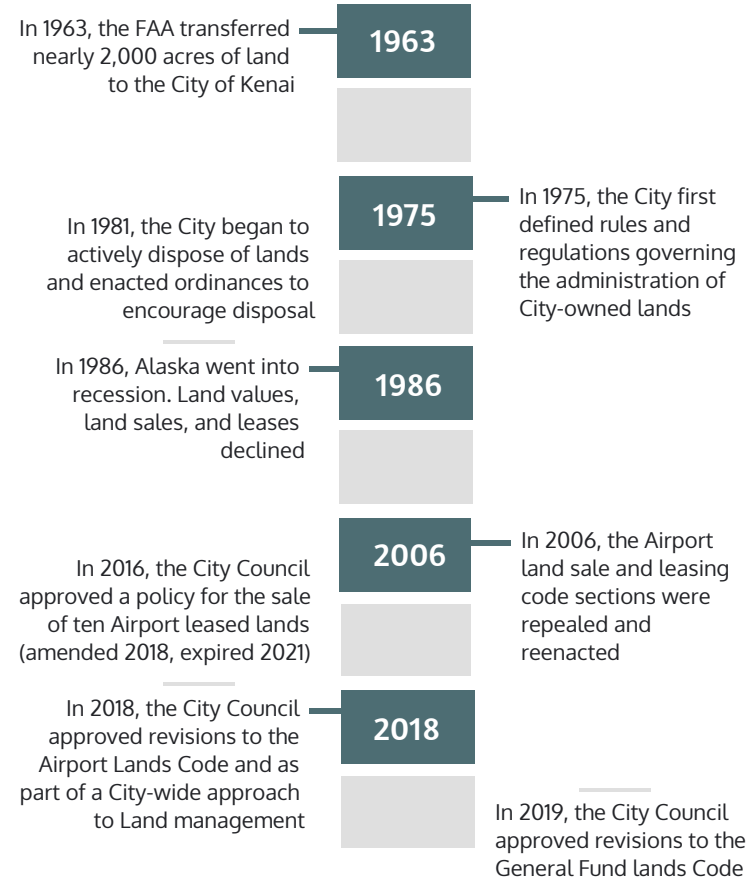
The purpose of the **Land Management Plan** is to evaluate and develop recommendations related to City-owned lands that **encourage responsible growth and development** to support a thriving business, residential, recreational and cultural community.



# Background



In 2018, the Kenai City Council approved land code revisions as part of a **City-wide approach** to land management through development of the City's first Land Management Plan.





# The City is unique in its ownership of a large and diverse amount of public land

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5,440 Acres of Land

369 Subdivided parcels

The equivalent of 4,114 Football Fields  
(with endzones)

Approximately 8.5 square  
miles, roughly the size of  
Soldotna.

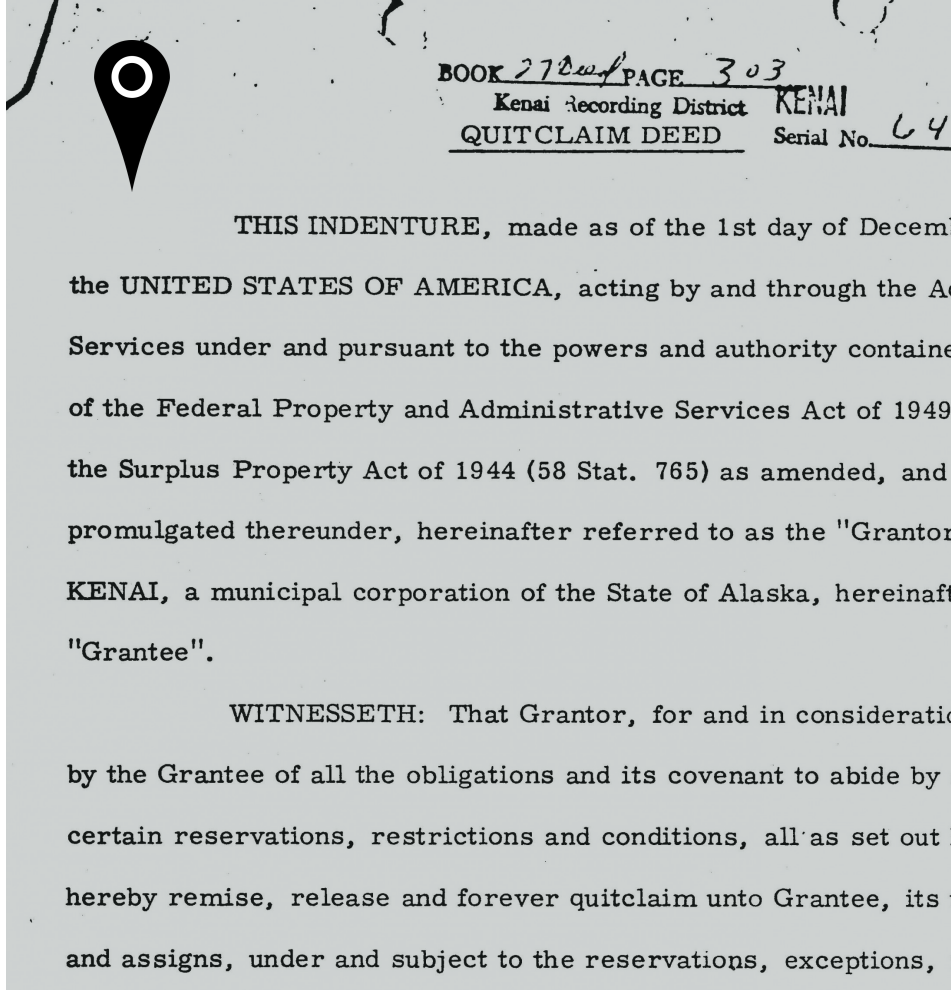


# A SIGNIFIGANT UNDERTAKING

A Land Management Plan provides an active approach to management that requires an inventory of land holdings and a comprehensive evaluation and analysis of each parcel.

In 2018, the City hired a **Temporary Lands Technician** to research each parcel of City-owned land and enter the information into a new Lands Database.

**Over 567 recorded documents were reviewed and scanned into the database as part of this project**



# New City Lands Inventory and Database



An examination of public records and mapping was performed for **each City-owned parcel** to review and record detailed information in the database, including:

- Property Description (e.g. physical characteristics, zoning, land use)
- Facilities (e.g. parks, trails, structures, utilities)
- Status (e.g. public use, under active lease, availability for lease or sale)
- Fund (e.g. Airport Fund or General Fund)
- How the land was obtained (e.g. State, FAA, Municipal Entitlement, tax foreclosure)
- Encumbrances (e.g. easements, restrictions)



# Land Management Plan Objectives

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- 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.



# IMPROVED RESPONSE TO PUBLIC

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The Land Management Plan can be used to actively manage City-owned lands in a wholistic way as well as provide better information to the public.

In the future, we hope to make the Plan available on the City's **interactive online mapping** tool, allowing the public to research City-owned lands from anywhere.



## BEFORE

### No Public Inventory of City-owned Lands

A member of the public must identify a parcel of interest

### No Individual Parcel Information on File

City staff must research to determine if a parcel has conveyance or legislative restrictions

### No Guidance or Planning Documents

Administration provides recommendation on case-by-case basis

VS.

## AFTER

### Public Listing of City-owned Lands

Available listing on City website and at City Hall

### Individual Parcel Information Available

A member of the public can immediately know if a parcel has been designated for lease or sale

### Land Management Plan

Provides guidance and direction to Administration on the management of City-owned lands



# Land Statistics

Approximately 1,613 acres or 129 parcels of City-owned lands are designated as **Airport Fund**



Parcels of City-owned Land are designated as "Airport Fund"

# 35%

AIRPORT FUND  
PARCELS CURRENTLY  
UNDER LEASE

The City will generate **\$512,255** from 46 leases of land designated as Airport Fund in **FY22**, not including apron, airline, or terminal leases

## Recommendations for **Airport Fund** Parcels Based on the Final Draft Land Management Plan:

- 19** PARCELS RECOMMENDED FOR RETENTION
- 47** PARCELS RECOMMENDED FOR LEASE OR SALE
- 49** PARCELS RECOMMENDED FOR LEASE-ONLY
- 14** PARCELS RECOMMENDED FOR MIXED: RETAIN/DISPOSE



# Land Statistics

Approximately 3,826 acres or 239 parcels of City-owned lands are designated as **General Fund**.



Parcels of City-owned Land designated as "General Fund"

## 8.75%

GENERAL FUND PARCELS CURRENTLY **UNDER LEASE**

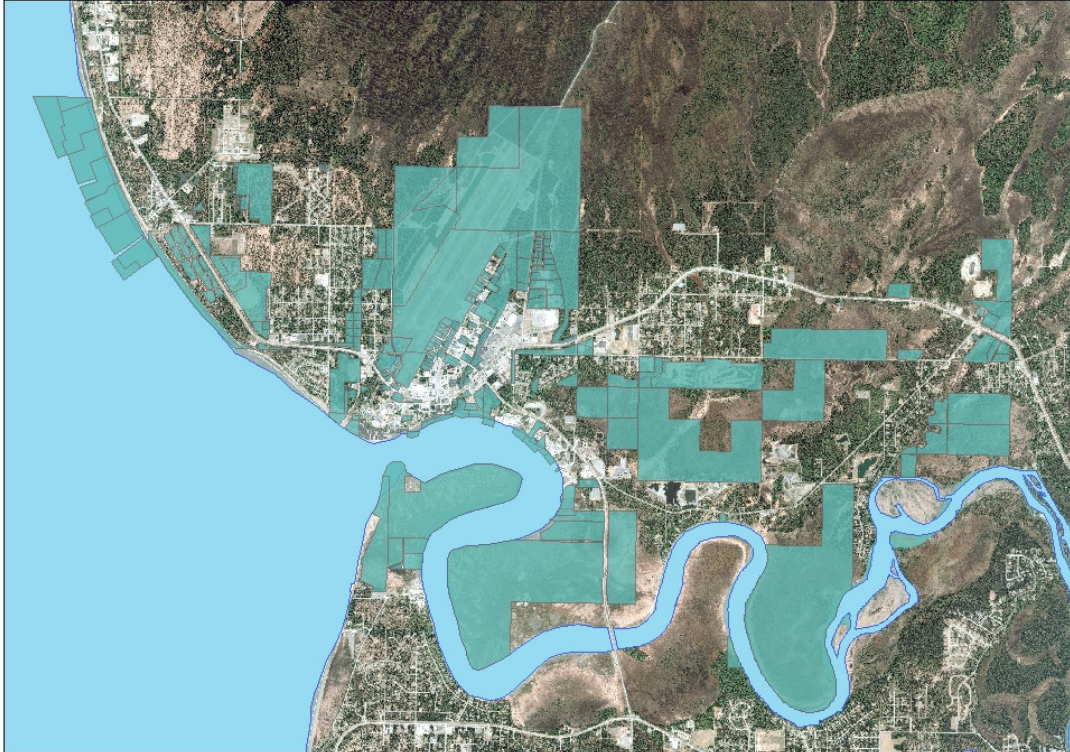
The City will generate **\$218,031** from 19 leases of land designated as General Fund in **FY22**, including tidelands, shorefishery, and no-cost leases

Recommendations for **General Fund** Parcels Based on the Final Draft Land Management Plan:

- 113** PARCELS RECOMMENDED FOR RETENTION
- 86** PARCELS RECOMMENDED FOR LEASE OR SALE
- 19** PARCELS RECOMMENDED FOR LEASE-ONLY
- 21** PARCELS RECOMMENDED FOR MIXED: RETAIN/DISPOSE



# Land Management Plan Retention Recommendations



Many City-owned lands should be retained for a public purpose and many are suitable for a variety of business, commercial, industrial, residential, recreational and cultural purposes.

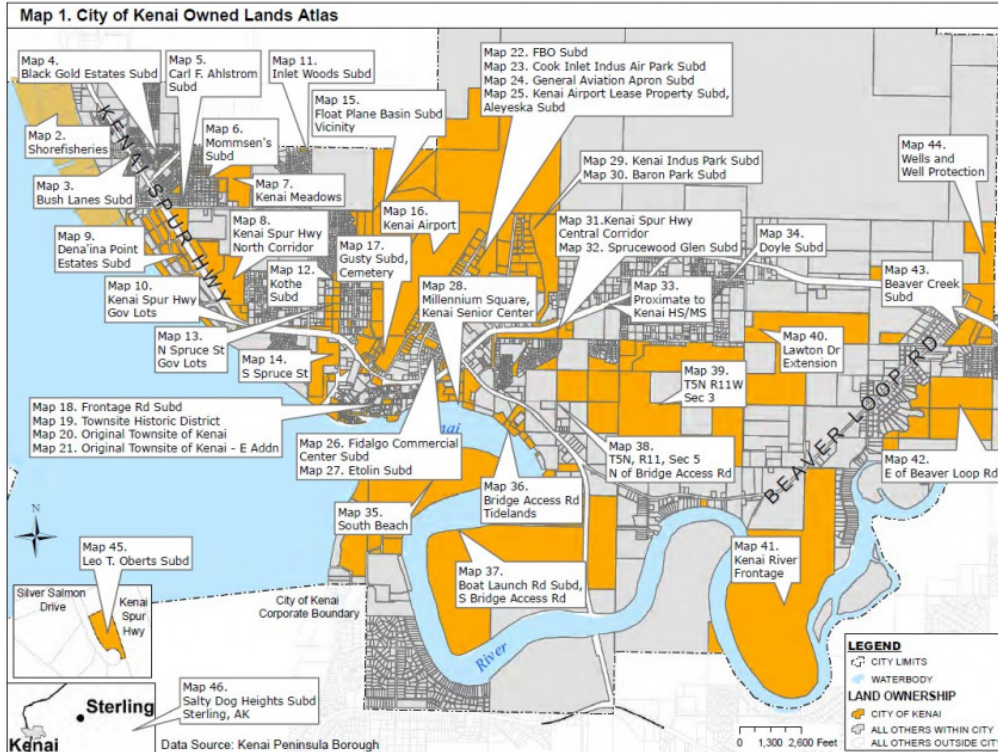
The Plan has **four recommendation categories:**

- Retain
- Dispose
- Dispose - Lease Only
- Mixed - Retain/Dispose





# How the Land Management Plan is Structured



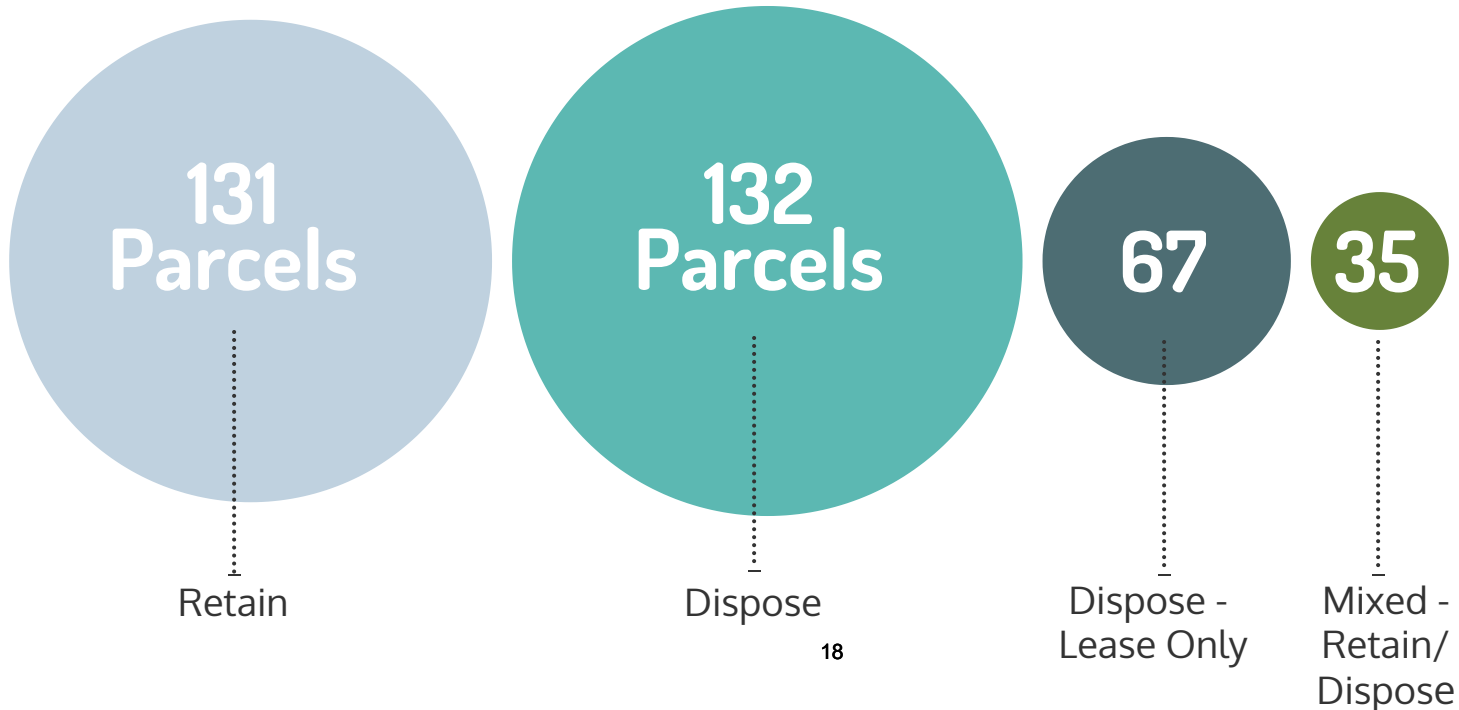
The plan breaks city-owned lands into **46 areas** with a map for each area

Each area includes an overview and tables with detailed information on recommendations for each parcel



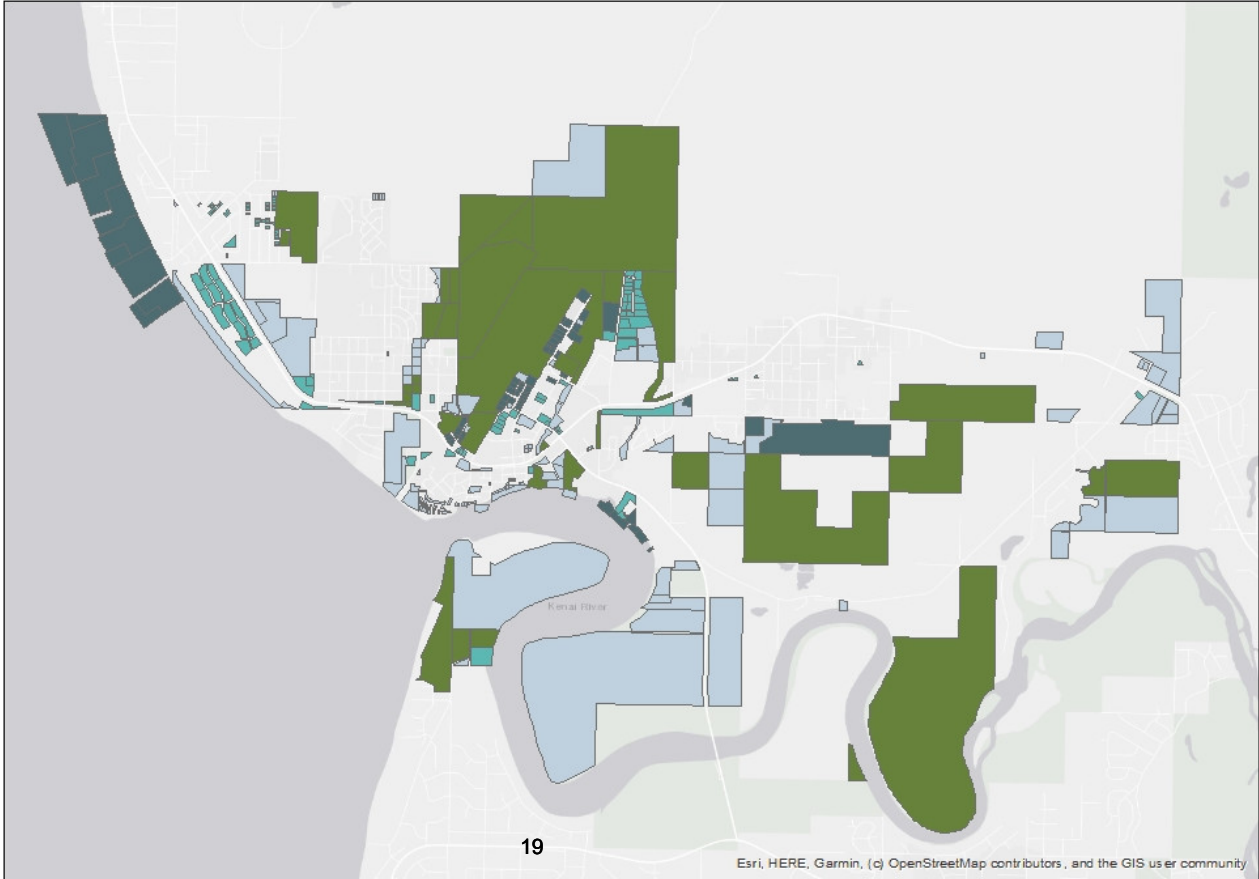
# Land Management Plan Recommendation Categories

The Land Management Plan contains a recommendation for each parcel using the following categories:







# Land Management Plan Recommendation Categories

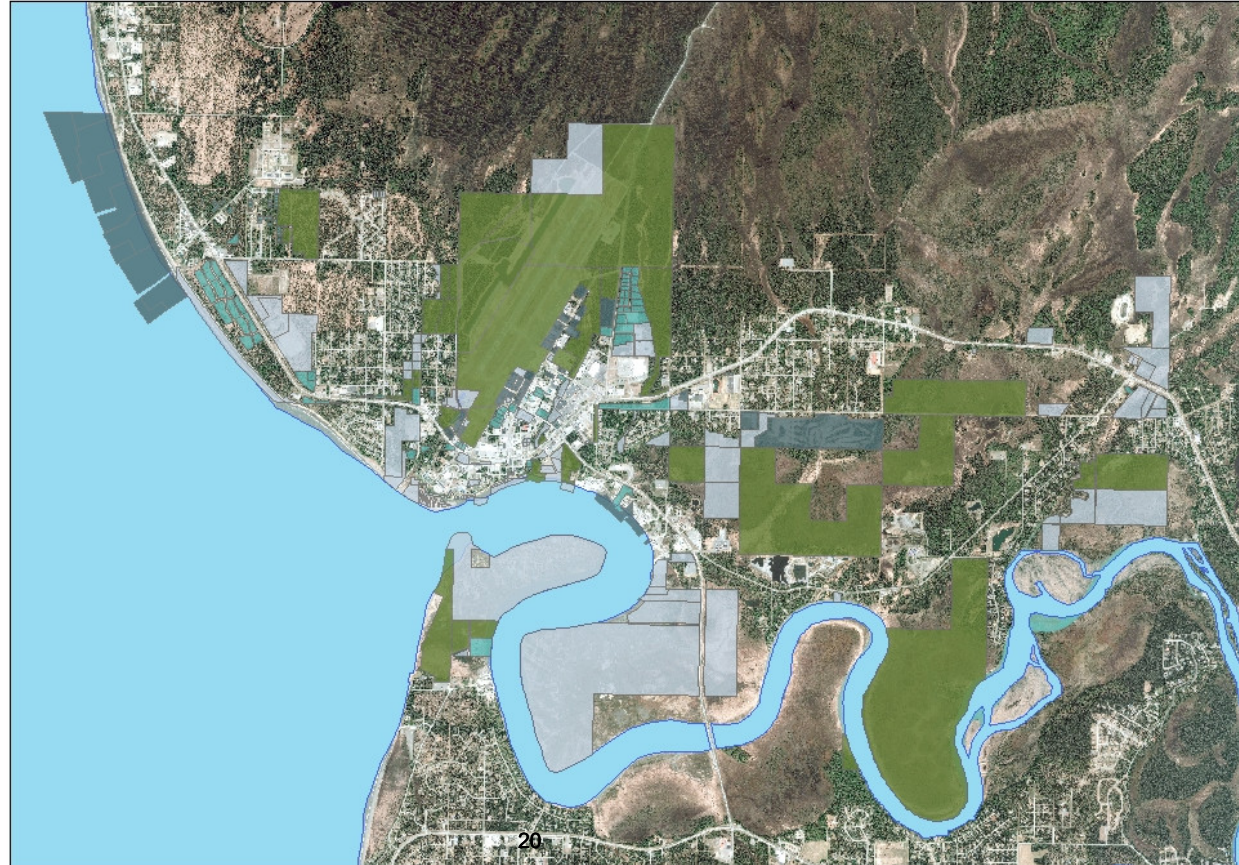
- Retain
- Dispose
- Dispose - Lease Only
- Mixed - Retain/ Dispose






# Land Management Plan Recommendation Categories

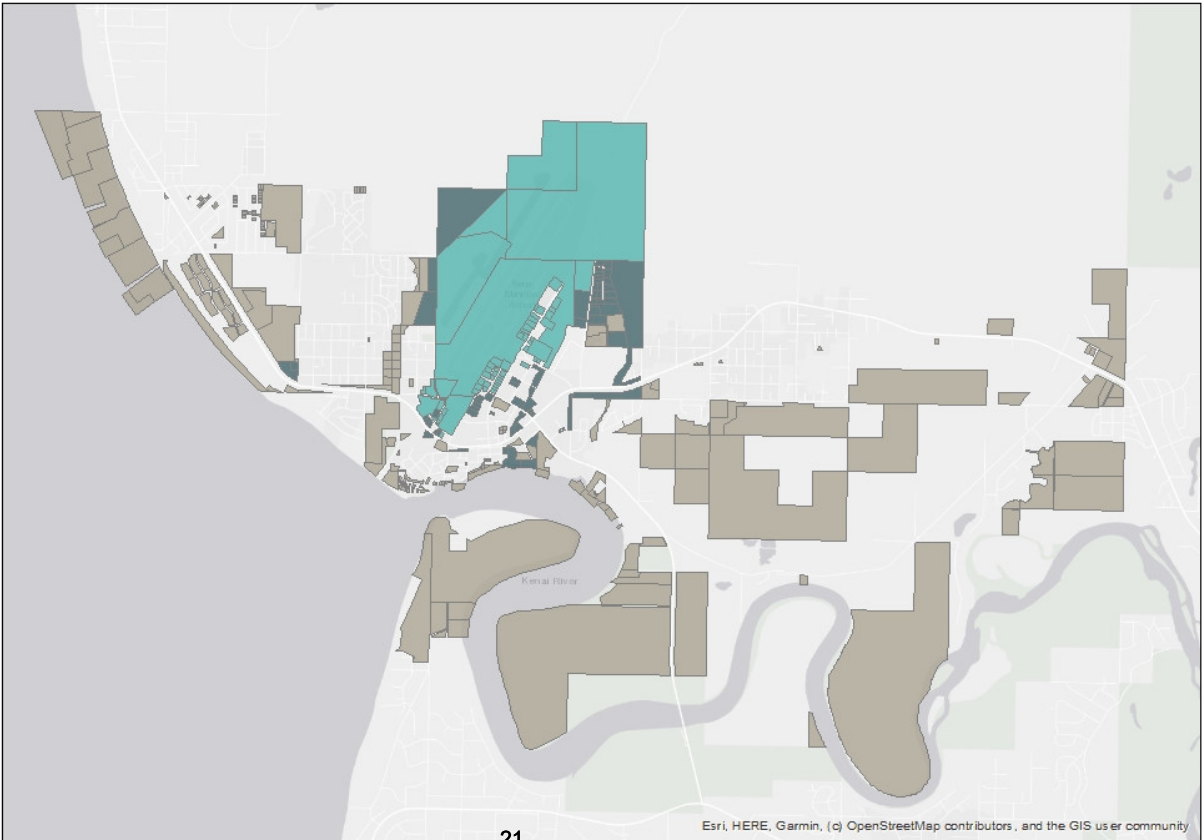


-  Retain
-  Dispose
-  Dispose - Lease Only
-  Mixed - Retain/ Dispose






# Land Management Plan Land Fund Categories

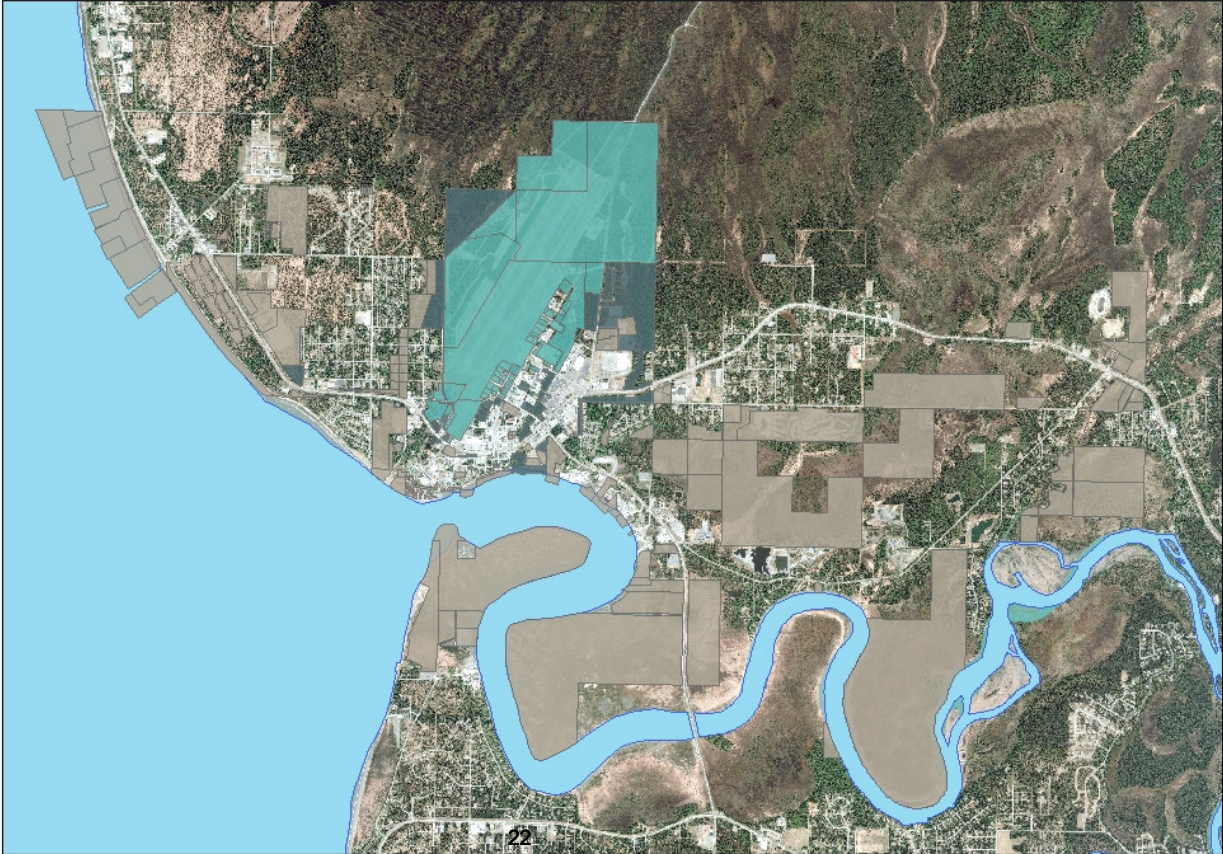
-  Airport Reserve Land
-  Airport Land Outside the Airport Reserve
-  General Fund Land



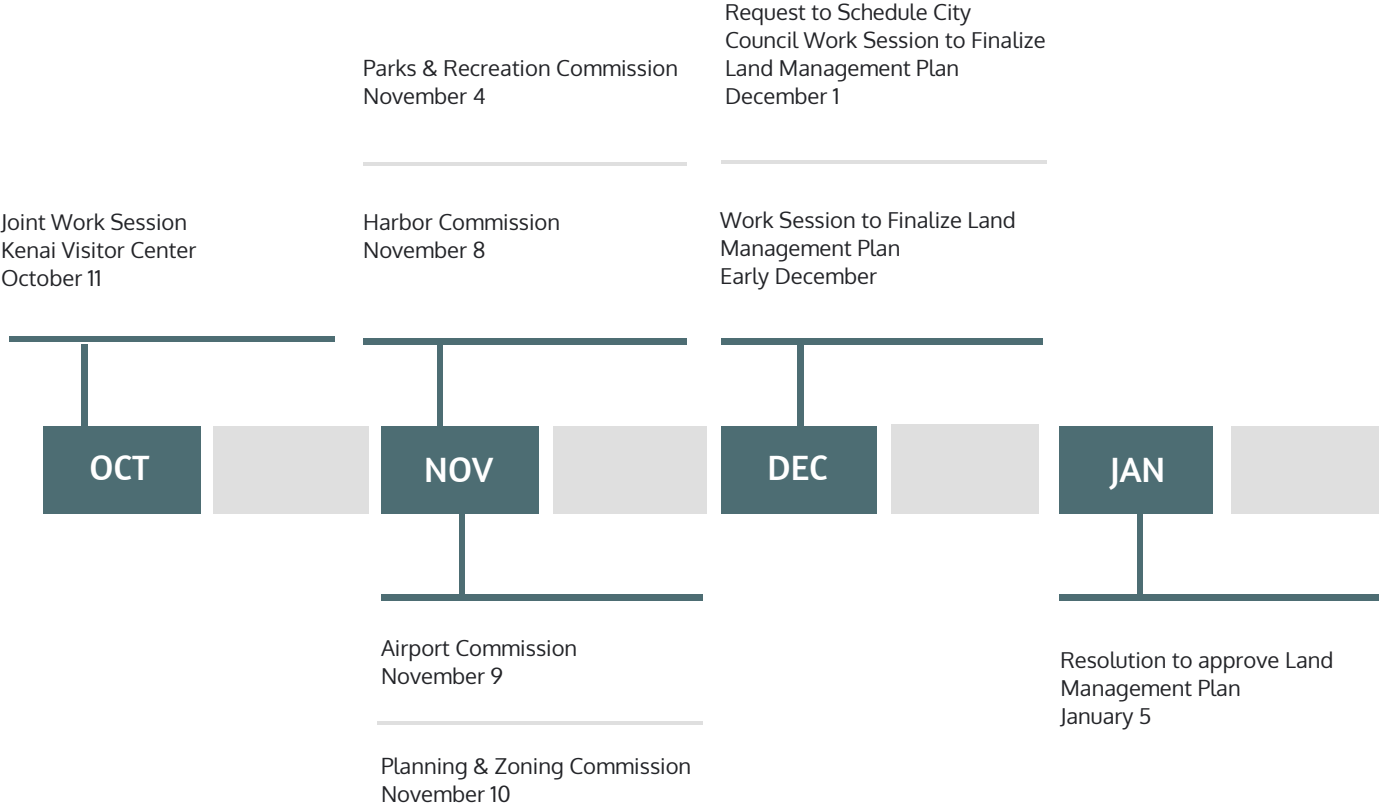
# Land Management Plan Land Fund Categories



-  Airport Reserve Land
-  Airport Land Outside the Airport Reserve
-  General Fund Land



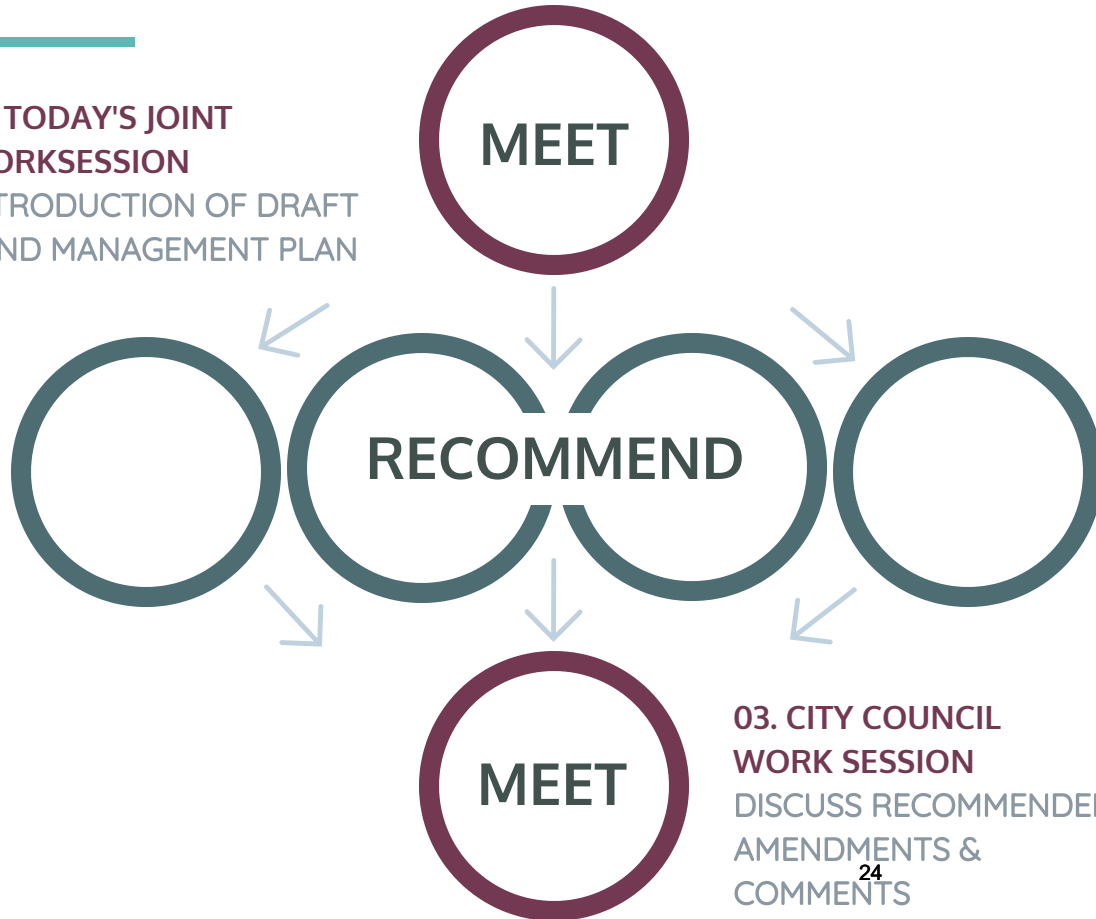
# Land Management Plan Draft Timeline



# Land Management Plan Process

## 01. TODAY'S JOINT WORKSESSION

INTRODUCTION OF DRAFT LAND MANAGEMENT PLAN



## 02. COMMISSION WORK SESSIONS / PUBLIC COMMENTS

RECOMMEND AMENDMENTS  
e.g. additional information such as personal knowledge of a parcel appropriate to include, factual inaccuracies, reasons to change a recommendation

## 03. CITY COUNCIL WORK SESSION

DISCUSS RECOMMENDED AMENDMENTS & COMMENTS





# Land Management Plan Process Continued



## AFTER COUNCIL WORK SESSION:

- Administration revises plan for approval
- Council determines if more work sessions are necessary
- Resolution approving plan scheduled by Council
- Hold public hearing on resolution

## AFTER APPROVAL:

- Update lands database to reflect approved plan
- GIS needs assessment
- Implementation plan



# Online Mapping Presentation



# Questions and Comments





# QR Code to City of Kenai Land Management Plan Webpage

<https://www.kenai.city/lands/page/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**

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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](http://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**

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### 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

