

APPROVED

*J.M. Sullivan 3/20/03*  
LAND SALE PROGRAM POLICY

I. GENERAL

The Municipal Entitlement Land (MEL) was transferred to the Borough to foster the long-term growth of the community. In selecting the MEL, much of the Borough's Municipal Entitlement Land was chosen for its high potential for residential settlement. Privately owned land in outlying areas is a limited commodity, thus the transfer of Borough owned land would help the development of outlying areas.

II. PURPOSE

The purpose of the Borough land sales program is to create additional private land ownership and generate revenue for the Land Enterprise Fund (LEF) and the General Fund by expanding the tax base.

III. RESPONSIBILITY

- A. The Land Management Director shall ensure that his department staff follows the procedure set forth in this policy.
- B. Land Management shall maintain this policy.

IV. POLICY

Borough land sales are accomplished through the implementation of the following policies:

- A. Perform a rigorous cost/benefit analysis of every land sale project that arises from the land nominations program.
- B. Price land at fair market value as determined by an independent appraiser.
- C. Continue the over-the-counter sale containing parcels offered in past sales.
- D. Offer a range of parcel types (e.g. residential, recreational, agricultural, commercial) to meet the local demand.
- E. Continue to offer in-house financing which allows first-time buyers and owner/builders to participate in the program. The interest rate for land auction sales shall be calculated as it is for over-the-counter sales as shown in Borough ordinance Title 25.15.080.B.1.
- F. Continue to look for ways to reduce the cost of land sales, increase the amount of land transferred into private ownership and likewise increase the amount of net revenue to the Borough.
- G. Recognize that the primary market niche for the Borough consists of first time buyers, young or new couples and families, and individuals who want to invest their own sweat equity. However, this does not preclude sales to commercial developers or for any other purpose.

- H. Continue to look for creative marketing and new market areas. Use of the Internet for marketing and sale purposes is to be encouraged.
- I. Continue the use of the development incentive program, providing a price discount when a certain level of development has occurred on the sold parcel.
- J. Recognize that the diverse concerns of the public often requires extended public input and Borough control of the development process, as opposed to the sale of large parcels to private developers in which the Borough has limited control over the final outcome.
- K. Recognizing the value of local knowledge while developing parcels for sale or retention.
- L. Pursue cooperative developments with the private sector as well as other governmental agencies such as DNR, University of Alaska Fairbanks (UAF) and State of Alaska Mental Health Trust through the Borough's Request for Proposal process or other creative approach.
- M. Recognize as a formal nomination any proposal received from a private party to purchase and develop Borough-owned land, unless it meets the criteria for direct sale.
- N. Provide for sale of parcels when they meet criteria for direct sale. Sell uneconomic remnants of MEL or other acquired land to individuals when the parcel lacks public access or has no public use.
- O. Sell parcels platted, but withheld from auction due to access or other issues only at a future auction after it is determined that these issues have been resolved.

V. PROCEDURE

- A. None.

VI. SUPPLEMENTAL INFORMATION

- A. References –
  - 1. FNSB C.O. 25.15.010 - .140 Land Sale.
- B. Definitions – None.
- C. Attachments – None.
- D. Revision History

Supersedes Policy No.	Effective Dates
None.	None.