


SUBJECT: INFORMING THE ASSEMBLY OF THE CHANGE IN PROCESS FOR BOROUGH OWNED LAND SALES TO INCLUDE ONLINE SALES.

AGENDA OF: March 19, 2024

ASSEMBLY ACTION:

Presented to the Assembly 03/19/24 - *emw*

AGENDA ACTION REQUESTED: For information only.

Route To	Signatures
Originator	<div>3 / 1 / 2 0 2 4</div> <div>X J i l l I r s i k</div> <div>S i g n e d b y : J i l l I r s i k</div>
Acting Community Development Director	<div>3 / 4 / 2 0 2 4</div> <div>X G e o r g e W H a y s</div> <div>S i g n e d b y : G e o r g e H a y s</div>
Finance Director	<div>3 / 6 / 2 0 2 4</div> <div>X C h e y e n n e H e i n d e l</div> <div>S i g n e d b y : C h e y e n n e H e i n d e l</div>
Borough Attorney	<div>3 / 6 / 2 0 2 4</div> <div>X N i c h o l a s S p i r o p o u l o s</div> <div>S i g n e d b y : N i c h o l a s S p i r o p o u l o s</div>
Borough Manager	<div>3 / 6 / 2 0 2 4</div> <div>X M i c h a e l B r o w n</div> <div>S i g n e d b y : M i k e B r o w n</div>
Borough Clerk	<div> R e c o v e r a b l e S i g n a t u r e</div> <div>X L o n n i e M c K e c h n i e</div> <div>S i g n e d b y : L o n n i e M c K e c h n i e</div>

ATTACHMENT (S) :

SUMMARY STATEMENT: All past borough-owned land sales conducted by the Land and Resource Management Division have been in-person only. The Assembly directed staff to include an online option for future land sales. The next tax and LID foreclosure sale will be held as a combined in-person and online competitive sale, which will be hosted by a yet to be selected online auction provider.

This combined process will allow the public to bid on parcels online during a date range up to the sale date. On the "sale day", in-person bidders can participate in the live auction and people can bid online at the same time. This will allow people without a

computer or internet access to still be able to participate in the competitive sale.

Land Management will be soliciting auction companies for proposals to conduct the auction. The auction services can be paid for by either using what is know as a *buyer's premium*, which is a charge added to the winning bid amount, or by paying a flat rate. If using the buyer's premium, the winning bidder will be required to pay both the winning bid amount and the buyer's premium, which could be up to 10% of the winning bid amount. The auction vendor will retain the buyer's premium as payment for their services. If a flat rate is used to pay for the auction services, the cost of the sale will be divided amongst the tax foreclosure sale properties and per Alaska Statute 29.45.470(a)(3), that amount will be added to the minimum bid amount as a cost of holding a sale.