

**CITY OF DILLINGHAM, ALASKA**

**RESOLUTION NO. 2014-30**

**A RESOLUTION OF THE DILLINGHAM CITY COUNCIL AUTHORIZING FORECLOSURE PROCEEDINGS ON DELINQUENT PROPERTIES FOR THE YEARS 2008-2013, AND REPEALING RESOLUTION NO. 2013-17 AND RESOLUTION NO. 2014-14**

WHEREAS, AS 29.45.320-330 allows the City of Dillingham to collect unpaid real property taxes through in rem foreclosure proceedings against all real property for which the property tax has not been paid in full; and

WHEREAS, the City's Finance Department prepared a foreclosure list for the years 2007-2012, adopted by Council Resolution No. 2013-17, and a foreclosure list for the years 2008-2013, adopted by Council Resolution No. 2014-14, identifying properties for which the tax had not been paid in accordance with AS 29.45.330; and

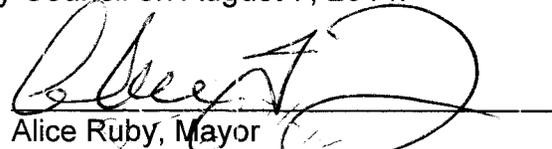
WHEREAS, the City had not started the formal foreclosure proceedings with the Court system since those resolutions had been adopted, but had been working with the City's Attorney to finish two prior foreclosure periods, 2005-2010 and 2006-2011; and

WHEREAS, the City has prepared an updated foreclosure list combining 2007-2012 and 2008-2013, which will be submitted to the City's Attorney upon approval by the Council;

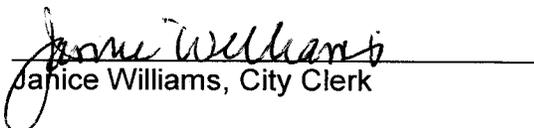
NOW, THEREFORE, BE IT RESOLVED by the Dillingham City Council that:

1. The City Attorney is hereby authorized to file a foreclosure action against all property identified in the updated foreclosure list (2008-2013) of which a copy is attached and dated July 31, 2014.
2. The City Clerk is hereby directed to certify and publish the foreclosure list and provide notice of the commencement of the foreclosure action in accordance with AS 29.45.330 and DMC Chapter 4.15.
3. Resolution No. 2013-17 and Resolution No. 2014-14 are repealed in their entirety.

PASSED and ADOPTED by the Dillingham City Council on August 7, 2014.

  
Alice Ruby, Mayor

ATTEST:

  
Janice Williams, City Clerk

[SEAL]

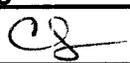
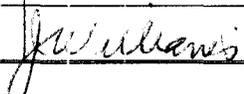
City of Dillingham Information Memorandum      Agenda of: August 7, 2014  
 Attachment to:  
 Ordinance No. \_\_\_\_\_ / Resolution No. 2014-30

**Subject:**

AN ORDINANCE OF THE DILLINGHAM CITY COUNCIL AUTHORIZING THE DISPOSAL OF MUNICIPAL PROPERTY, IDENTIFIED IN THE ORDINANCE AS PARCEL A, FOR USE AS A PUBLIC DRIVEWAY AND ACCESS EASEMENT

City Manager: Recommend Approval

Signature: Carol Shade, Acting

| Route to | Department Head       | Signature   | Date    |
|----------|-----------------------|---|---------|
| X        | Finance Director      |    | 8/1/14  |
|          | Public Works Director |   |         |
|          | Planning Director     |   |         |
|          |                       |   |         |
| X        | City Clerk            |  | 7/31/14 |

Fiscal Note:  Yes  No      Funds Available:  Yes  No

**Other Attachments:**

- Updated Foreclosure List covering calendars years 2008-2013; information available as of August 1, 2014

**Summary Statement:**

This resolution repeals Res. No. 2013-17 and Res. No. 2014-14 approving foreclosure proceedings for unpaid property tax for 2007-2012, and 2008-2013, and approves an updated list that covers both periods. The City had yet to begin the formal foreclosure proceedings on those years, but had been working with the City's Attorney to finalize two prior filings, 2005-2010, and 2006-2011. This presented an opportunity to update the two lists from 2007-2013, to include property owners who had defaulted on repayment plans since the resolutions were adopted. (No taxes were owed for 2007.)

Below are some issues that have come up in the past?

- If the property owner defaults on their repayment plan, can the City add the name to an existing foreclosure list that is already going through the court process?

No.

**Summary Statement continued:**

Q. Once the City adds someone's name to the foreclosure list and it makes its way through the two year foreclosure process, can the City ask the court to eliminate the name if the owner pays the balance in full or enters into a repayment plan? (This assumes they have not been in default on a repayment plan within the last years. The concern is this will show up on their credit record or some financial record if they are applying for a bank loan, for example.

A. The City cannot eliminate the name entirely – i.e., there will be a record that the foreclosure process occurred—but every property that is paid off gets issued a certificate of redemption which is filed in the same place as the foreclosure action, so there is always a record indicating that the person paid off their taxes. This is standard and happens in every instance regardless of whether the debt is paid off through a payment plan or lump sum at any time during the foreclosure process or even after the process is complete in those cases where the former owner retains the right to pay off the old debt and does so. I do not know the exact credit implications, but a person's name doesn't appear on the foreclosure list unless they did not pay their taxes on time, so it is not inappropriate for their credit history to reflect that. The foreclosure list says they fell behind, and the certificate of redemption says they paid it off, so the record is pretty clear as to what happened in these cases.

Q. What other option is available to the City besides foreclosing on a property? If someone has a \$100 debt on their real property account and it is comprised of penalty and interest only, can the City use small claims court instead?

A. That is allowed under AS 29.45.300 and DMC 4.20.200. You can always sue a person to collect the debt owed for their real property taxes, in any amount. In all but small claims cases it would cost the City far more to do so than it does to foreclose, as described in the previous answer. If the matter could be handled through small claims then the City could do it relatively cheaply. That would be the only time it makes sense to pursue the matter outside of the foreclosure list process.

## 2008-2013 Foreclosure List

Updated 07/31/2014

| Acct Name                  | Legal Description        | 2008     | 2009     | 2010     | 2011     | 2012     | 2013     | Penalties | Interest | Grand Total |
|----------------------------|--------------------------|----------|----------|----------|----------|----------|----------|-----------|----------|-------------|
| Bingman, James Sr          | Fairview B L23B          |          |          |          |          | 35.10    | 210.60   | 24.57     | 12.25    | 282.52      |
| Bingman, James Sr          | Fairview 2B              |          |          |          |          | 2,414.10 | 2,633.80 | 504.79    | 360.42   | 5,913.11    |
| Bingman, James Sr          | Fairview 2C              |          |          |          |          | 214.50   | 214.50   | 42.90     | 31.23    | 503.13      |
| Bingman, James Sr          | Fairview B L12D          |          |          |          |          | 3,079.70 | 3,351.40 | 643.11    | 459.50   | 7,533.71    |
| Bingman, James Sr          | Fairview B L23A          |          |          |          |          | 4,940.00 | 5,350.80 | 1,029.08  | 735.99   | 12,055.87   |
| Bingman, James Sr          | Fairview B L23C          |          |          |          |          | 143.00   | 143.00   | 28.60     | 20.84    | 335.44      |
| Bingman, James Sr          | Fairview B L23E          |          |          |          |          | 96.20    | 96.20    | 19.24     | 14.02    | 225.66      |
| Bingman, James Sr          | Fairview B L23F          |          |          |          |          | 96.20    | 96.20    | 19.24     | 14.02    | 225.66      |
| Bingman, James Sr          | Fairview B L23G          |          |          |          |          | 96.20    | 96.20    | 19.24     | 14.02    | 225.66      |
| Bingman, James Sr          | Fairview B L24A          |          |          |          |          | 522.60   | 522.60   | 104.52    | 76.10    | 1,225.82    |
| Bingman, James Sr          | Fairview B L24B          |          |          |          |          | 2,756.00 | 3,491.80 | 624.78    | 431.23   | 7,303.81    |
| Bingman, James Sr          | Fairview B L24C          |          |          |          |          | 604.50   | 604.50   | 120.90    | 88.00    | 1,417.90    |
| Bingman, James Sr          | Fairview B L24E          |          |          |          |          | 214.50   | 214.50   | 42.90     | 31.23    | 503.13      |
| Bingman, James Sr          | USS 3643 BP1 L2          |          |          |          |          | 2,817.10 | 2,817.10 | 563.42    | 410.21   | 6,607.83    |
| Bingman, Lester & Jill     | USS 5688 B500A L3B       |          |          |          |          |          | 1,123.50 | 79.80     | 68.41    | 1,271.71    |
| Brannon, Clara             | Ahklun View Est B2 L4    |          | 868.68   | 326.99   | -        | 95.20    | -        | 323.08    | 448.44   | 2,062.39    |
| Braswell, Leo & Vivian     | Braswell Hill L 2        |          |          |          | 16.06    | 70.43    | -        | 399.74    | 223.34   | 709.57      |
| Gauthier, James            | Gauthier II B L6         |          |          |          |          |          | 237.90   | 23.79     | 9.69     | 271.38      |
| Gauthier, Karen            | Gauthier I B L1          |          |          |          |          | 552.50   | 552.50   | 110.50    | 80.44    | 1,295.94    |
| Gauthier, Karen            | Gauthier I B L2          |          |          |          |          |          | 480.35   | 48.04     | 19.55    | 547.94      |
| Ingham, Sherry             | Pearson B L9             |          |          |          |          | 1,008.71 | 1,617.20 | 215.47    | 183.52   | 3,024.90    |
| Ishnook, Anuska            | Sockeye B L2             |          |          |          | 1,186.40 | 1,355.90 | 1,462.50 | 281.84    | 361.78   | 4,648.42    |
| Jackson, Hope              | Snag Point B1 L6         |          |          |          |          | 977.60   | 1,051.70 | 202.93    | 145.36   | 2,377.59    |
| Johanson, Ingvar & Sandra  | Neqleq B3 L9             |          |          |          |          |          | 651.47   | 68.64     | 27.07    | 747.18      |
| Kase, Ray                  | Sampson Estates II B L20 |          |          |          |          |          | 1,605.50 | 160.55    | 65.36    | 1,831.41    |
| Kroener, Debra             | USS 3148 P3              |          |          |          |          |          | 1,193.87 | 34.57     | 130.58   | 1,359.02    |
| King, Scott                | Highbush B L4            |          |          |          |          |          | 1,553.50 | 155.35    | 63.23    | 1,772.08    |
| Libby, John & Cynthia      | USS 2732 B2 L5           | -        | 84.50    | 84.50    | 84.50    | 84.50    | 84.50    | 50.70     | 130.98   | 604.18      |
| Libby, John & Cynthia      | USS 2732 B2 L6           | -        | 62.40    | 62.40    | 62.40    | 62.40    | 62.40    | 31.20     | 108.41   | 451.61      |
| Libby, John & Cynthia      | USS 2732 B7 L1           | -        | 143.00   | 143.00   | 143.00   | 143.00   | 143.00   | 71.50     | 158.84   | 945.34      |
| Libby, John & Cynthia      | USS 2732 B7 L2           | 1,421.90 | 1,784.90 | 1,784.90 | 1,784.90 | 1,784.90 | 1,929.20 | 1,085.37  | 1,752.65 | 13,328.72   |
| Libby, John & Cynthia      | USS 2732 B7 L6           | -        | 80.60    | 80.60    | 80.60    | 80.60    | 80.60    | 48.36     | 130.43   | 581.79      |
| Libby, John & Cynthia      | USS 2732 B7 L7           | 2,291.90 | 2,291.90 | 2,291.90 | 2,291.90 | 2,291.90 | 1,738.10 | 1,320.47  | 2,232.60 | 16,750.67   |
| Maines, William & Patricia | Wood River B L8          |          |          |          |          | 3,044.60 | 3,315.00 | 635.96    | 475.50   | 7,471.06    |

## 2008-2013 Foreclosure List

Updated 07/31/2014

| Acct Name                  | Legal Description      | 2008            | 2009            | 2010            | 2011             | 2012             | 2013             | Penalties        | Interest         | Grand Total       |
|----------------------------|------------------------|-----------------|-----------------|-----------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| Moran, Trustee of Helen E. | USS 2732 B2 L11        |                 | 24.35           | 62.40           | 62.40            | 62.40            | 62.40            | 31.20            | 50.53            | 355.68            |
| Moran, Trustee of Helen E. | USS 2732 B3 L6         |                 | 47.88           | 113.10          | 113.10           | 113.10           | 113.10           | 56.55            | 56.83            | 613.66            |
| Moran, Trustee of Helen E. | USS 2732 B6 L3         |                 | 31.92           | 75.40           | 75.40            | 75.40            | 75.40            | 37.70            | 52.20            | 423.42            |
| Moran, Trustee of Helen E. | USS 2732 B6 L4         |                 | 39.48           | 88.40           | 88.40            | 88.40            | 88.40            | 44.20            | 53.88            | 491.16            |
| Moran, Trustee of Helen E. | USS 2732 B6 L5         |                 | 27.19           | 59.80           | 59.80            | 59.80            | 59.80            | 29.90            | 50.39            | 346.68            |
| Moran, Trustee of Helen E. | USS 2732 B6 L1A        |                 | 11.23           | 22.10           | 22.10            | 22.10            | 22.10            | 8.84             | 45.75            | 154.22            |
| Moran, Trustee of Helen E. | USS 2732 B6 L2A        |                 | 36.88           | 85.80           | 85.80            | 85.80            | 85.80            | 42.90            | 53.50            | 476.48            |
| Moran, Trustee of Helen E. | USS 2732 B25 L8        |                 | 74.60           | 183.30          | 183.30           | 183.30           | 183.30           | 91.65            | 65.28            | 964.73            |
| Moran, Trustee of Helen E. | USS 2732 B2 L1         |                 | 78.50           | 187.20          | 187.20           | 187.20           | 187.20           | 93.60            | 65.82            | 986.72            |
| Moran, Trustee of Helen E. | USS 2732 B2 L10        |                 | 24.35           | 62.40           | 62.40            | 62.40            | 62.40            | 31.20            | 50.53            | 355.68            |
| Nielsen, Robert            | Snag Point B1 L4       |                 |                 |                 |                  |                  | 1,015.30         | 186.47           | 41.33            | 1,243.10          |
| Pearson, Maxine            | Pearson L4             |                 |                 | 1,476.81        | 3,478.80         | 3,478.80         |                  | 543.40           | 417.47           | 9,395.28          |
| Pearson, Maxine            | Pearson L1             |                 |                 |                 | 18.70            | 518.70           |                  | 103.74           | 16.50            | 657.64            |
| Straley, Andrew            | Nerka VII B6 L3        |                 |                 |                 |                  | 75.38            | 257.40           | 51.48            | 37.38            | 421.64            |
| Straub, Kris               | USS 2732 B3 L4         |                 |                 |                 |                  |                  | 107.90           | 10.79            | 4.39             | 123.08            |
| Sylvester, Richard         | Tundra View Estates L1 |                 |                 |                 |                  | 1,071.50         | 1,757.30         | 237.98           | 224.99           | 3,291.77          |
| Toman, Jeremy              | Embree B L5A           |                 |                 |                 |                  |                  | 665.81           | 4.00             | 88.81            | 758.62            |
| Wren, John                 | Shannon, L1            |                 | 60.26           | 185.90          | 185.90           | 185.90           | 185.90           | 92.95            | 87.71            | 984.52            |
| Wren, John                 | Shannon, L2            |                 |                 | 613.60          | 613.60           | 613.60           | 613.60           | 306.80           | 415.27           | 3,176.47          |
| Wren, John                 | Tucker Point L2        |                 |                 | 572.00          | 572.00           | 572.00           | 572.00           | 228.80           | 203.64           | 2,720.44          |
| York, Jessica              | USS 2732 B19 L10A      |                 |                 | 939.25          | 807.72           | 939.25           | 2,031.90         | 471.82           | 449.84           | 5,639.78          |
| Yeager, Robert             | Snag Point B2 L12      |                 |                 |                 |                  |                  | 855.54           | 78.60            | 41.24            | 975.38            |
|                            | <b>Totals</b>          | <b>3,713.80</b> | <b>5,772.62</b> | <b>9,501.75</b> | <b>12,266.38</b> | <b>37,976.97</b> | <b>47,728.54</b> | <b>11,919.72</b> | <b>12,088.52</b> | <b>140,968.30</b> |

**Total Taxes due 116,960.06**  
**Total Penalties Due 11,919.72**  
**Total Interest Due 12,088.52**  
**Total ALL 140,968.30**

## Affidavit:

I certify that I am the City Clerk for the City of Dillingham, and that the foregoing foreclosure list is true and correct to the best of my knowledge and belief.

Janice Williams  
Janice Williams, City Clerk for the City of Dillingham

7/31/14  
Date