

CITY OF DILLINGHAM, ALASKA

RESOLUTION NO. 2015-35

**A RESOLUTION OF THE DILLINGHAM CITY COUNCIL AUTHORIZING FORECLOSURE PROCEEDINGS ON DELINQUENT PROPERTY TAXES FOR THE YEARS 2009 - 2014**

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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 has prepared a foreclosure list identifying properties for which the tax has not been paid in accordance with AS 29.45.330;

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 foreclosure list.
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.

PASSED and ADOPTED by the Dillingham City Council on June 4, 2015.

  
Alice Ruby, Mayor

ATTEST:

[SEAL]

  
Janice Williams, City Clerk

**City of Dillingham Information Memorandum**      Agenda of: June 4, 2015  
 Attachment to:  
**Ordinance No.** \_\_\_\_\_ / **Resolution No.** 2015-35

**Subject:**

Authorizing foreclosure proceedings on delinquent properties for the years 2009-2014

City Manager: Recommend Approval

Signature: Rose Doera

Route to	Department Head	Signature	Date
X	Finance Director	<i>Anita M Fuller</i>	<i>5/28/15</i>
	Public Works Director		
	Planning Director		
X	City Clerk	<i>J Williams</i>	<i>5/28/15</i>

**Fiscal Note:**     Yes     No

**Funds Available:**     Yes     No

**Other Attachments:**

- Foreclosure List covering calendar years 2009-2014

**Summary Statement:**

Standard Operating Procedure for Foreclosure Process:

- Prior to December 31 mail a Collections Notice to each delinquent property owner notifying taxes are delinquent and subject to other collection means available to the City.
- Present a resolution to the City Council directing the city to present a petition for judgment and a certified copy of the foreclosure list for the previous year's delinquent taxes in Superior Court.
- Within 10 days after filing lawsuit: City Clerk has newspaper begin publication for 4 consecutive weeks the notice of foreclosure and list (this is usually timed and communicated between City Clerk and newspaper and Clerk and attorney before filing suit due to strict time lines).
- Within 10 days after the first publication, send a Notice of Foreclosure Proceedings to the owner of record. 30 days after last date of publication: Attorney requests Court to issue Judgment of Foreclosure (requires affidavit and updated foreclosure list from City Clerk and original affidavit of publication of notice of foreclosures).
- Record Judgment with District Recorder: Attorney usually does this. Period begins on the date the court issues.
- Judge signs Judgment and Decree of Foreclosure: One-year redemption

**Summary Statement continued:**

Annually the City Council shall direct that the City present a petition for judgment and a certified copy of the foreclosure list for the previous year's delinquent taxes in the Superior Court for judgment. Moving through the foreclosure steps can be a very lengthy process. During that time, property owners are encouraged to work with the City to make payment arrangements through a repayment plan if they are financially unable to pay off the debt in a lump sum. The repayment plan allows the owner to pay off their account over a reasonable period of time.

FAQs regarding the foreclosure proceedings:

Q. 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?

A. No.

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. The City could file a lawsuit to collect a debt owed for real property taxes in any amount. However, in all but small claims cases it would cost the City far more to do so than it does to foreclose. 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.

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 two years.) A 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.

Foreclosure List  
Updated 6/05/2015

Name	Legal Description	2009	2010	2011	2012	2013	2014	Penalty	Interest	Interest	Total
Alumn Fab/Evalt	Ahklun View Estates N. L2						2,678.22	252.28	82.65	82.65	3,013.15
Ball, Gerald	USS 4980 L 16						1,167.40	116.74	29.49	29.49	1,313.63
Bingman Sr, James	Fairview L 23B						215.80	21.58	5.45	5.45	242.83
Bingman Sr, James	Fairview L 2B						2,637.70	263.77	66.60	66.60	2,968.07
Bingman Sr, James	Fairview L2C						218.01	21.84	5.51	5.51	245.36
Bingman Sr, James	Fairview L 12D						3,359.20	335.92	84.82	84.82	3,779.94
Bingman Sr, James	Fairview L23A						5,367.70	536.77	135.54	135.54	6,040.01
Bingman Sr, James	Fairview L23C						145.60	14.56	3.68	3.68	163.84
Bingman Sr, James	Fairview 23E						97.50	9.75	2.46	2.46	109.71
Bingman Sr, James	Fairview L23F						97.50	9.75	2.46	2.46	109.71
Bingman Sr, James	Fairview L23G						97.50	9.75	2.46	2.46	109.71
Bingman Sr, James	Fairview L 24A						526.50	52.65	13.30	13.30	592.45
Bingman Sr, James	Fairview L 24B						3,495.70	349.57	88.27	88.27	3,933.54
Bingman Sr, James	Fairview L 24C						608.40	60.84	15.36	15.36	684.60
Bingman Sr, James	Fairview L 24E						218.40	21.84	5.51	5.51	2,445.75
Bingman Sr, James	USS 3643 P1 L2						2,841.80	284.18	71.76	71.76	3,197.74
Crow, Ena	Braswell Ltr G						902.70	74.91	36.51	36.51	1,014.12
Gauthier, Karen	Gauthier I Lot 1						277.55	27.76	7.01	7.01	312.32
Gauthier, Karen	Gauthier I Lot 2						481.65	48.17	12.16	12.16	541.98
Gray, Frank	Plane View L2						890.50	89.05	22.48	22.48	1,002.03
Kase, Ray	Sampson Estates II L 20						1,610.70	161.07	40.66	40.66	1,812.43
King, Scott	Highbush L4						1,562.60	156.26	147.26	39.45	1,758.31
Libby, John & Cynthia	USS 2732 B2 L6						63.70	6.37	1.60	1.60	71.67
Libby, John & Cynthia	USS 2732 B7 L1						145.60	14.56	3.68	3.68	163.84
Libby, John & Cynthia	USS 2732 B7 L2						1,935.70	193.57	48.48	48.88	2,178.15
Libby, John & Cynthia	USS 2732 B7 L6						81.90	8.19	2.07	2.07	92.16
Libby, John & Cynthia	USS 2932 B7 L7						1,751.10	175.11	44.22	44.22	1,970.43
Libby, John & Cynthia	USS 2732 B2 L5						85.80	8.58	2.17	2.17	96.55
Maines, William & Patricia	Wood River L8						3,321.50	332.15	83.87	83.87	3,737.52
Moran, Trustee Helen	USS 2732 B2 L11						63.70	6.37	1.60	1.60	71.67
Moran, Trustee Helen	USS 2732 B3 L6						115.70	11.57	2.92	2.92	130.19
Moran, Trustee Helen	USS 2732 B6 L3						76.70	7.67	1.94	1.94	86.31
Moran, Trustee Helen	USS 2732 B6 L4						89.70	8.97	2.27	2.27	100.94
Moran, Trustee Helen	USS 2732 B6 L5						61.10	6.11	1.55	1.55	68.76
Moran, Trustee Helen	USS 2732 B6 L1A						22.10	2.21	0.55	0.55	24.86
Moran, Trustee Helen	USS 2732 B6 L2A						87.10	8.71	2.20	2.20	98.01
Moran, Trustee Helen	USS 2732 B25 L8						187.20	18.72	4.73	4.73	210.65
Moran, Trustee Helen	USS 2732 B2 L1						191.10	19.11	4.83	4.83	215.04

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Name	Legal Description	2009	2010	2011	2012	2013	2014	Penalty	Interest	Interest	Total
Moran, Trustee Helen	USS 2732 B2 L10						63.70	6.37	1.60	1.60	71.67
Nielsen, Robert	Snag Point B1 L4					714.50	1,019.20	166.75	110.42	114.23	2,014.68
Pirillo, Elizabeth	Fireweed L1						1,084.00	108.40	27.37	27.37	1,219.77
Sampson, Eileen	Snag Point B2 L23				121.98	993.20	998.40	199.16	113.11	113.11	2,425.85
Savo, Jack A Sr.	USS 2732 B11 L3						1,547.00	154.70	39.06	39.06	1,740.76
Sergie, Annie	Snag Point B11 L22						237.15	-	-	-	237.15
Paradise Alaska Investments, LLC	USS 2732 B19 L8						604.73	46.96	16.61	16.61	668.30
Sorensen, Lawrence	Cedar L4						164.28	16.43	4.15	4.15	184.86
Straley, Andrew	Nerka VII B6 L3						262.60	26.26	61.10	6.63	295.49
Straub, Kris	USS 2732 B3 L4						110.50	11.05	2.79	2.79	124.34
Sylvester, Richard	Tundra View Estates L1					880.38	1,946.10	349.44	103.08	4.08	3,180.00
Tilden, Anuska	Cedar L5					2,657.15	2,947.10	549.25	333.60	334.73	6,488.23
Willow Tree	USS 3040 L2						1,825.20		46.09	46.09	1,871.29
Wren, Clara	Tucker Point L3					309.40	315.90	62.53	35.36	35.36	723.19
Wren, Clara	USS 2732 B7 L8					623.05	4,202.90	482.60	161.26	161.26	5,469.81
Wren, Clara	USS 2732 B7 L9					107.25	218.40	32.57	15.01	15.01	373.23
Wren, John	Shannon L 2						618.80	61.88	15.63	15.63	696.31
Wren, John	Tucker Point L2						583.70	58.37	14.74	14.74	656.81
Wren, John	Shannon L1						189.80	18.98	4.79	4.79	213.57
Yeager, Robert	Snag Point B2 L12						910.92	91.09	23.00	23.00	1,025.01