## CITY OF UNALASKA UNALASKA, ALASKA

#### ORDINANCE 2022-21

AN ORDINANCE OF THE UNALASKA CITY COUNCIL RETAINING CERTAIN TAX FORECLOSED PROPERTY FOR A PUBLIC PURPOSE

WHEREAS, in the *Matter of the 2013 through 2018 Delinquent Real Property Taxes Owed to the City of Unalaska, Alaska, Case* no. 3UN-19-00020 CI, the court issued its Judgment and Decree of Foreclosure of Real Property Tax Liens on June 19, 2019, foreclosing on parcel 04-09-172, and that property has not been redeemed; and

WHEREAS, the redemption period having expired, the Court entered its Order Granting Motion for Clerk's Deed on October 14, 2020 and issued a Clerk's Deed on December 14, 2020, conveying all rights, title and interest of the former owner to the City of Unalaska, in parcel 04-09-172, described as Tract C, Carl's Subdivision, according to the official plat thereof, filed under Plat Number 91-15, Records of the Aleutian Island Recording District, Third Judicial District, State of Alaska; and

WHEREAS, this is a parcel of vacant land, approximately 2,655 square feet in size, and being a long narrow strip of land between the Iliuliuk Creek and West Broadway Avenue, adjacent to the road and has no feasible economic use other than possible future road expansion; and

WHEREAS, UCO § 6.36.220 provides that the City Council shall determine by ordinance whether tax foreclosed property shall be retained by the City for a public purpose.

NOW, THEREFORE, BE IT ENACTED BY THE UNALASKA CITY COUNCIL, as follows:

Section 1: Classification. This is a non-Code Ordinance.

**Section 2: Property Retained for a Public Purpose.** The following real property is retained for a public purpose by the City of Unalaska, Alaska:

Parcel	Former Owner of Record	Property Description
04-09-172	Carl's Commercial	Tract C Carl's Subdivision
		Addition #1, Plat 91-15

Section 3: Effective Date. This ordinance shall be effective upon adoption.

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on November 22, 2022.

ATTEST:	Vincent M. Tutiakoff, Sr. Mayor	
Marjie Veeder, CMC City Clerk		

# MEMORANDUM TO COUNCIL

To: Mayor and City Council Members

From: Marjie Veeder, City Clerk
Through: Chris Hladick, City Manager

Date: November 10, 2022

Re: Ordinance 2022-21: Retaining Certain Tax Foreclosed Property for a Public

Purpose

**SUMMARY:** In the city's most recent property tax foreclosure action, one property was not redeemed and after expiration of the redemption period parcel 04-09-172 was deeded to the City of Unalaska by the court. The city may retain tax foreclosed property for a public purpose or sell the property. Due to the size, shape, and location of the property, it serves no feasible economic use. Therefore, retention of the property is recommended, along with dedication to a public purpose.

**PREVIOUS COUNCIL ACTION:** Resolution 2019-10, adopted on March 12, 2019, authorized the foreclosure action.

**BACKGROUND**: UCO § 6.32.220 provides that city council shall determine, by ordinance, whether tax foreclosed property deeded to the city shall be retained by the city for a public purpose or sold (by public auction).

If council does not adopt an ordinance that determines to either retain the foreclosed property for a public purpose or sell the property, UCO § 6.36.230 applies. Section 6.36.230 gives the former record owner, or the owner's assigns, 10 years to repurchase the property by payment of delinquent taxes, penalty, interest, costs of foreclosure as well as property taxes that would have accrued had the property remained in private ownership and any costs of ownership incurred by the city. However, that 10-year right of repurchase is terminated by adoption of an ordinance, as described in § 6.36.230, determining that the foreclosed property should be sold or retained for a public purpose.

At the time of the foreclosure proceeding, the City Clerk notified the daughter of the former owner of parcel 04-09-172 because the former owner and his wife (Carl and Laresa Moses) had both passed away and notices sent to their last known address were returned as undeliverable. The daughter of the former owner indicated the family would "walk away" from the property.

<u>DISCUSSION</u>: Parcel 04-09-172 is vacant, contains approximately 2,655 square feet and is a long narrow strip of land between the Iliuliuk Creek and West Broadway Avenue, adjacent to the road. The parcel has no foreseeable economic use other than possible future road expansion. See attached graphic. The City may as well retain the property for a public purpose.

<u>ALTERNATIVES</u>: Council may attempt to sell the property; or may choose not to proceed with dedication to a public purpose, leaving the property subject to repurchase by the former owner for another eight years (ten years after the property was deeded to the city on October 14, 2020).

## **FINANCIAL IMPLICATIONS**: None.

**LEGAL**: The City Clerk worked with City Attorney Charles Cacciola in preparation of Ordinance 2022-21.

**STAFF RECOMMENDATION:** Staff recommends adoption of Ordinance 2022-21, retaining the parcel in question for a public purpose.

### PROPOSED MOTION:

First Reading 11/10/2022: I move to introduce Ordinance 2022-21 and schedule it for public hearing and second reading on November 22, 2022.

Second Reading 11/22/2022: This item is included on the consent agenda and will be included in the motion to adopt the consent agenda. If this item is moved to the regular agenda for discussion, the proposed motion is "I move to adopt Ordinance 2022-21".

**CITY MANAGER COMMENTS:** I concur with the Staff Recommendation.

**ATTACHMENTS**: Graphic showing parcel 04-09-172

Parcel 04-09-172 is the darker blue strip in the center, running along the creek between the creek and Broadway

