AN ORDINANCE AMENDING ANCHORAGE MUNICIPAL CODE TITLES 6, 14 AND 15 TO IMPOSE ADDITIONAL FEES AND PENALTIES FOR LONG-TERM VACANT PROPERTIES AND PERSISTENT NUISANCE PROPERTIES, CREATING A DEDICATED NUISANCE PROPERTY ABATEMENT FUND, AND ESTABLISHING A FORECLOSURE REGISTRY.

WHEREAS, long-term vacant properties and persistent nuisance properties are a blight on neighborhoods across the municipality, attracting vagrancy and criminal behavior, presenting elevated fire risks, posing threats to public health and safety, and adversely impacting adjacent and nearby properties; and

WHEREAS, on July 26, 2016, the Assembly adopted AO No. 2016-81(S), creating a vacant building and abandoned real property registry, and corresponding duties to sign, secure, and maintain such properties; and

WHEREAS, a working group including representatives of the Department of Law, Code Enforcement, Real Estate, and the Department of Finance has worked throughout 2018 to identify and abate persistently problematic properties, and to identify additional code changes which would assist in addressing long-term vacant properties and persistent nuisance properties; and

WHEREAS, the municipality currently lacks a fine or fee structure which provides additional disincentives for long-term or persistently problematic properties, an effective means of identifying, communicating with, and holding accountable banks and financial institutions during the foreclosure process, and dedicated funds to support nuisance property abatement; and

WHEREAS, cities across the country addressing parallel issues make use of escalating fines and fees for long-term vacant properties and persistent nuisance properties, and require banks foreclosing on properties to submit to a local registration process; now, therefore,

THE ANCHORAGE ASSEMBLY ORDAINS:

Section 1. Anchorage Municipal Code chapter 6.140 is hereby adopted to create a dedicated nuisance property abatement fund, as follows:

CHAPTER 6.140 NUISANCE PROPERTY ABATEMENT FUND

6.140.010 Establishment; purpose.

There is a nuisance property abatement fund. Monies in the nuisance
property abatement fund are dedicated to addressing, mitigating, and abating
nuisances on private property within the municipality in accordance with this
chapter.

6.140.020 Financing of nuisance abatement work.

A. Any department or division of the municipality may apply for use of
money from the nuisance property abatement fund for completion of
nuisance property abatement work. An application for use of money
from the nuisance property abatement fund shall be made to the
Executive Director of the Office of Economic and Community
Development, his designee, or an alternate designee specified by the
Mayor. A copy of each application received shall be forwarded to the
Municipal Manager.

B. Nuisance property abatement work that may qualify for supplemental
funding under this section may include, but need not be limited to, the
following expenditures:

1. Labor, materials, equipment, training, and professional services
   required to abate targeted nuisance properties.

2. Labor, materials, equipment, training, and professional services
   required to sign, secure, and maintain vacant properties.

C. The municipality may contract with any qualified entity for nuisance
property abatement projects authorized under this section.

6.140.030 Revenues.

The following revenues received by the municipality shall be accounted for
separately from all other revenues and appropriated to the nuisance property
abatement fund, provided that revenue from other sources also may be
appropriated to the nuisance property abatement fund:

A. Annual fees paid by owners of vacant buildings, and former owners of
abandoned real property, pursuant to AMC 15.20.105.

B. Net proceeds of any foreclosure proceedings which are instituted as
a result of violations of Titles 15, 21, or 23 of the Anchorage Municipal
Code.

C. Funds recovered via tax foreclosure or other means of collection
as reimbursement for prior expenditures on the abatement of
violations of Titles 15, 21, or 23 of the Anchorage Municipal Code.

D. Investment earnings on monies in the nuisance property abatement
Donations to the nuisance property abatement fund from members of the public.

Revenues that are so appropriated are subject to the dedication in section 6.140.010.

Annual report.

The Executive Director of the Office of Economic and Community Development, his designee, or an alternate designee specified by the Mayor, shall annually review and report on the operation of the nuisance property abatement fund. The annual report shall include a report on all nuisance property abatement work financed by the nuisance property abatement fund and shall be submitted to the assembly for review.

Section 2. Anchorage Municipal Code section 14.60.030 is hereby amended as follows (the remainder of the section is not affected and therefore is not set out):

14.60.030 Fine Schedule

<table>
<thead>
<tr>
<th>Code Section</th>
<th>Offense</th>
<th>Penalty/Fine</th>
</tr>
</thead>
<tbody>
<tr>
<td>15.05.170</td>
<td>Failure to File with Foreclosure Registry</td>
<td>$50.00 per day</td>
</tr>
<tr>
<td>15.10.020</td>
<td>Violation of Federal Standards</td>
<td>First offense in a calendar year: $5[3]00.00 per violation and all</td>
</tr>
<tr>
<td>Section</td>
<td>Description</td>
<td>First offense in a calendar year: $5[3]00.00 per violation and all administrative costs.</td>
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<tr>
<td>15.10.050A</td>
<td>Occupancy of dwelling unit(s) not clean, fit for human occupancy or compliant with the standards of the State of Alaska or the municipality</td>
<td>Second offense in a calendar year: $1.0[6]00.00 per violation and all administrative costs.</td>
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<tr>
<td></td>
<td></td>
<td>Third and subsequent offenses in a calendar year: $2.0[1,5]00.00 per violation and all administrative costs.</td>
</tr>
<tr>
<td>15.10.050B</td>
<td>Failure to maintain a shared or public area in a clean and sanitary condition</td>
<td>First offense in a calendar year: $50[25]00.00 per violation and all administrative costs.</td>
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<td></td>
<td></td>
<td>Second offense in a calendar year: $1.0[5]00.00 per violation and all administrative costs.</td>
</tr>
<tr>
<td>Section</td>
<td>Description</td>
<td>Violation Details</td>
</tr>
<tr>
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<tr>
<td>15.10.050C.</td>
<td>Failure to provide and maintain appropriate receptacles and conveniences for the removal of ashes, garbage, rubbish, and other waste</td>
<td>First offense in a calendar year: $50[25]0.00 per violation and all administrative costs. Second offense in a calendar year: $1,0[5]00.00 per violation and all administrative costs. Third and subsequent offenses in a calendar year: $2[1],000.00 per violation and all administrative costs.</td>
</tr>
<tr>
<td>15.10.050D., E.</td>
<td>Accumulating, placing or storing in a manner that may harbor, attract or feed rodents</td>
<td>First offense in a calendar year: $50[25]0.00 per violation and all administrative costs. Second offense in a calendar year: $1,0[5]00.00 per violation and all administrative costs. Third and subsequent offenses in a calendar year: $2[1],000.00 per violation and all administrative costs.</td>
</tr>
<tr>
<td>Section</td>
<td>Description</td>
<td>Penalty</td>
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<tr>
<td>-----------</td>
<td>-----------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------------</td>
</tr>
<tr>
<td>15.10.050F.</td>
<td>Failure to maintain habitable rooms at the required temperature standards</td>
<td>First offense in a calendar year: $50[25]0.00 per violation and all administrative costs.</td>
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<td></td>
<td></td>
<td>Second offense in a calendar year: $1,0[5]00.00 per violation and all administrative costs.</td>
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<td></td>
<td></td>
<td>Third and subsequent offenses in a calendar year: $2[1],000.00 per violation and all administrative costs.</td>
</tr>
<tr>
<td>15.10.050I.</td>
<td>Failure to provide for extermination or insects or rodents</td>
<td>First offense in a calendar year: $5[3]00.00 per violation and all administrative costs.</td>
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<td></td>
<td>Second offense in a calendar year: $1[6]00.00 per violation and all administrative costs.</td>
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<td>Third and subsequent offenses in a calendar year: $2[1,5]00.00 per violation and all administrative costs.</td>
</tr>
<tr>
<td>15.10.060A.</td>
<td>Failure to maintain a dwelling unit in a clean and sanitary condition</td>
<td>First offense in a calendar year: $5[1]00.00 per violation and all administrative costs.</td>
</tr>
</tbody>
</table>
| 15.10.060B. | Failure to store and dispose of rubbish in a clean, sanitary and safe manner | First offense in a calendar year: $5[3]00.00 per violation and all administrative costs.  
Second offense in a calendar year: $1,0[6]00.00 per violation and all administrative costs.  
Third and subsequent offenses in a calendar year: $2,0[1,5]00.00 per violation and all administrative costs. |
| 15.10.060C. | Failure to store and dispose of all garbage, refuse and any other organic waste which might provide food for insects or rodents in a clean sanitary, safe manner | First offense in a calendar year: $5[3]00.00 per violation and all administrative costs.  
Second offense in a calendar year: $1,0[6]00.00 per violation |
| **15.10.060D., E.** | **Accumulating, placing or storing in a manner that may harbor, attract or feed rodents** | and all administrative costs.  
Third and subsequent offenses in a calendar year: $2[1,000.00 per violation and all administrative costs. |
| --- | --- | --- |
| **15.10.080** | **Occupying as owner, occupant or let to another for occupancy any dwelling or dwelling unit, for the purposes of living, sleeping, cooking or eating therein, that does not comply with title 15 requirements** | First offense in a calendar year: $50[25]0.00 per violation and all administrative costs.  
Second offense in a calendar year: $1[0,000.00 per violation and all administrative costs.  
Third and subsequent offenses in a calendar year: $2[1,000.00 per violation and all administrative costs. |
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<tbody>
<tr>
<td><strong>15.10.120</strong></td>
<td>Failure to meet general requirements relating to the safe and sanitary maintenance parts of dwellings and dwelling units</td>
<td>offenses in a calendar year: $2,000.00 per violation and all administrative costs.</td>
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<td></td>
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<td>First offense in a calendar year: $500.00 per violation and all administrative costs.</td>
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<tr>
<td></td>
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<td>Second offense in a calendar year: $1,000.00 per violation and all administrative costs.</td>
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<tr>
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<td>Third and subsequent offenses in a calendar year: $2,000.00 per violation and all administrative costs.</td>
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<tbody>
<tr>
<td><strong>15.10.140</strong></td>
<td>Failure to meet standards for roominghouses, rooming units, dormitories, dormitory rooms</td>
<td>First offense in a calendar year: $500.00 per violation and all administrative costs.</td>
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<td></td>
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<td>Second offense in a calendar year: $1,000.00 per violation and all administrative costs.</td>
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<tr>
<td></td>
<td></td>
<td>Third and subsequent offenses in a calendar year: $2,000.00 per violation and all administrative costs.</td>
</tr>
<tr>
<td>15.20.105A.</td>
<td>Failure to Register</td>
<td>25[10].00/day</td>
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<tr>
<td>15.20.105B.</td>
<td>Failure to Sign</td>
<td>First offense in a calendar year: $200.00 per violation and all administrative costs.</td>
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<td>Second offense in a calendar year: $500.00 per violation and all administrative costs.</td>
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<td></td>
<td></td>
<td>Third and subsequent offenses in a calendar year: $1,000 per violation and all administrative costs.</td>
</tr>
<tr>
<td>15.20.105C.</td>
<td>Failure to Secure</td>
<td>First offense in a calendar year: $200.00 per violation and all administrative costs.</td>
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<td>Second offense in a calendar year: $500.00 per violation and all administrative costs.</td>
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<tr>
<td></td>
<td></td>
<td>Third and subsequent offenses in a calendar year: $1,000 per violation and all administrative costs.</td>
</tr>
<tr>
<td>15.20.105D.</td>
<td>Failure to Maintain</td>
<td>First offense in a calendar year: $200.00 per violation and all administrative costs.</td>
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<td></td>
<td>Second offense in a calendar year: $500.00 per violation and all administrative costs.</td>
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<td></td>
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<td>Third and subsequent offenses in</td>
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</tbody>
</table>
Section 3. Anchorage Municipal Code section 15.05.120 is hereby amended as follows (the remainder of the section is not affected and therefore is not set out):

15.05.120 Enforcement

A. In addition to any other remedy or penalty provided by this title, any person who violates any provision of this title or any rule, regulation,
permit, variance or order issued pursuant to this title shall be subject to a civil penalty as set forth in section 14.60.030, or, if no penalty is included in section 14.60.030, a civil penalty of not less than $50.00 and not more than $2[1],000.00 for each offense, or injunctive relief to restrain the person from continuing the violation or threat of violation, or both injunctive relief and a civil penalty.

B. Any person who violates any provision of this title or any rule, regulation or permit issued pursuant to this title shall be subject to a fine of not less than $50.00 and not more than $5[3]00.00 for each offense, except that the fine for a violation of sections 15.20.020B.6.a and B.12.c shall be set at $300.00 for the first offense and not less than $300.00 and not more than $600.00 for second and subsequent offenses.

Section 4. Anchorage Municipal Code section 15.05.170 is hereby adopted to create a municipal foreclosure registry, as follows:

15.50.170. Foreclosure registry

A. Duty to Notify. A mortgage or deed of trust lender and its servicing company or assignee (each, a “lender”) filing a complaint in an action to foreclose, or recording a notice of default, with respect to a mortgage or deed of trust on any property within the municipality shall, within thirty[ten] days of the date of filing or recording, notify the Real Estate Department in writing that an action to foreclose on a mortgage or deed of trust has been filed against the subject property.

1. The Notice shall contain:

a. Property owner name,
b. Complete legal description of subject property, including street address, and
c. Full name and contact information, including direct telephone number and e-mail address, for the representative of the lender who shall be responsible for the care, maintenance, security, and upkeep of the property and for receiving and responding to complaints of property maintenance and code violations during the pendency of the foreclosure proceedings; and
2. In the event the lender is located outside of Alaska, the notice shall also contain:

a. Full name and contact information, including direct telephone number and e-mail address, of a representative in Alaska who shall be responsible for the care, maintenance, security, and upkeep of the property and for receiving and responding to complaints of property maintenance and code violations during the pendency of the foreclosure proceedings; and

b. Full name and contact information of an individual located within Alaska who is authorized to accept service on behalf of the lender.

3. The fee for filing such a notice shall be two hundred dollars ($200.00) per property, payable to the Real Estate Department.

B. Duty to Maintain During Foreclosure Process. Upon registration with the municipality as required in subsection 15.05.170A, a lender shall be considered an “owner” of the subject property for the purposes of obligations, enforcement actions, and penalties provided under this title, until foreclosure proceedings conclude and title vests in the lender or a third party.

Section 5. The Assembly hereby waives application of AMC 3.99.020 to increase fees and fines enacted by this ordinance.

Section 6. Anchorage Municipal Code section 15.20.105 is hereby amended as follows (the remainder of the section is not affected and therefore is not set out):

15.20.105 Vacant buildings and abandoned real property; registration; duties to sign, secure, and maintain.

A. Duty to register. The owner of a vacant building or former owner of an abandoned real property not registered pursuant to this section must file a complete registration statement within 30 days of the building becoming vacant or abandoned.

* * *   * * *   * * *

2. Annual fees. The owner of a vacant building, and the former owner of an abandoned real property, shall pay an annual registration fee, which shall be deposited into the municipality’s Nuisance Property Abatement Fund.[.] Annual registration fees shall be as follows:
a. $100.00 for the first year,

b. $5\[2\]00.00 for the second year,

c. $10[3]00.00 for the third year, and

d. [$5000.00][\$0.10 per building total gross floor area with a minimum of $10[3]00.00] for the fourth and each subsequent year the property remains registered.

*** *** *** ***

C. *Duty to secure.* Vacant and abandoned buildings shall be secured so as to prevent ingress or egress, except by persons authorized by an owner, as follows:

1. All doors, windows, and other openings shall be closed, weather-tight, and secured against entry by animals and trespassers by means of plywood or commercial grade steel [PAINTED IN A WORKMANLIKE FASHION WITH AN EXTERIOR GRADE PAINT THAT MATCHES THE COLOR OF THE EXTERIOR OF THE STRUCTURE].

*** *** *** ***

(AX No. 2016-81(S), § 3, 8-25-16)

**Section 6.** This ordinance shall be effective immediately upon passage and approval by the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this 12th day of February, 2019.

Chair

ATTEST:

Municipal Clerk
From: MAYOR

Subject: AO NO. 2019-9(S): AN ORDINANCE AMENDING ANCHORAGE MUNICIPAL CODE TITLES 6, 14 AND 15 TO IMPOSE ADDITIONAL FEES AND PENALTIES FOR LONG-TERM VACANT PROPERTIES AND PERSISTENT NUISANCE PROPERTIES, CREATING A DEDICATED NUISANCE PROPERTY ABATEMENT FUND, AND ESTABLISHING A FORECLOSURE REGISTRY.

After discussion of the original version of this ordinance with the Assembly in worksession, the administration proposes the attached S-version for consideration.

The S-version contains the following minor changes:

1. Clarification that only the net proceeds of foreclosure proceedings are deposited in the nuisance property abatement fund, rather than all proceeds;

2. Clarification that the funds directed to the nuisance property abatement fund will include funds recovered via tax foreclosure or other means of collection specifically as reimbursement for prior expenditures on nuisance abatement (for example, if the Municipality forecloses on a property through the tax foreclosure process and, in the course of the foreclosure and resale process, recoups $10,000 as reimbursement for prior expenditures on eradicating a nuisance on the property, the $10,000 would go into the fund); and

3. Addition of a $200.00 fee for inclusion on the foreclosure registry, to offset administrative costs incurred by the Real Estate Department in managing the registry, and a $50.00 per day fine for failure to register.

The foreclosure registry does not currently exist, and the number of properties which are anticipated to be registered is not currently known. As such, the net positive financial impact of the fees and fines imposed by these changes cannot be accurately predicted at this time.

THE ADMINISTRATION RECOMMENDS APPROVAL.

Prepared by: Department of Law
Approved by: Rebecca A. Windt Pearson, Municipal Attorney
Concur: Christopher M. Schutte, Director
Concur: Office of Economic and Community Development
Concur: Lance Wilber, Director
Concur: Office of Management and Budget
Concur: Alexander Slivka, CFO
Concur: William D. Falsey, Municipal Manager
Respectfully submitted: Ethan A. Berkowitz, Mayor