



MULTNOMAH COUNTY AGENDA PLACEMENT REQUEST

(Revised: 6/9/2014)

APPROVED: MULTNOMAH COUNTY
BOARD OF COMMISSIONERS

AGENDA # R-1 DATE 2/11/16
MARINA BAKER, ASST BOARD CLERK

Board Clerk Use Only

Meeting Date: 2/11/16
Agenda Item #: R.1
Est. Start Time: 9:30 am
Date Submitted: 1/28/16

Agenda Title: **Public Hearing and First Reading of an Ordinance Amending Multnomah County Code Chapter 7, County Management-Tax Foreclosed Property**

Note: Title should not be more than 2 lines but sufficient to describe the action requested. Title on APR must match title on Ordinance, Resolution, Order or Proclamation.

Requested

Meeting Date: February 11, 2016 Time Needed: 10 minutes
Department: County Management Division: Assessment, Recording & Taxation
Contact(s): Mike Sublett
Phone: 503.988.9824 Ext. 89824 I/O Address: 503/2

Presenter Name(s) &

Title(s): Randy Walruff, County Assessor; Courtney Lords, Assistant County Attorney

General Information

1. What action are you requesting from the Board?

Amend Multnomah County Code, Chapter 7 – Section 7.400 – 7.461 to implement amendments to Oregon Revised Statutes (ORS) Chapter 275.275, eliminate outdated references, add clarifying provisions, and revise to reflect current practices.

2. Please provide sufficient background information for the Board and the public to understand this issue. Please note which Program Offer this action affects and how it impacts the results.

The County comes into ownership of real property through the foreclosure of delinquent property tax liens. The tax foreclosed properties are managed and disposed of pursuant to Multnomah County Code, Chapter 7 – Sections 7.400 – 7.426. This Tax Title Inventory ("Inventory") is managed by the Department of County Management ("Department"), Division of Assessment, Recording & Taxation ("DART") Program #72038 - DART Tax Title ("Program"). In 2015, the Oregon Legislature amended ORS 275.275, directing the proceeds from the sale of real property acquired by foreclosure to an account or fund to provide: (i) Funds for housing placement and retention support services for youth and families with children; (ii) Flexible rental assistance to place youth and families with children into housing; or (iii) Funds to develop new low income housing that is affordable to youth and families with children with 30 percent or lower median family income. This Ordinance includes changes to Section 7.401 elimination of the Tax Title Fund as the direction of these proceeds, previously disbursed; a new fund shall be established as the depository of

proceeds for the above referenced uses.

The Ordinance amends Section 7.401 to clarify Department procedures for tax foreclosed properties that are occupied. Procedures include Department coordination with other County departments and or community agencies engaged in housing services and a determination of what options, if any, are available to assist occupants of tax foreclosed properties with relocation housing.

The Ordinance amends Section 7.402 to eliminate the ability of former owners to repurchase tax foreclosed properties on contract with the County, an option discontinued by the County. Additionally, the Ordinance amends Section 7.404-410 to eliminate references to outdated practices and mechanisms for donating County property.

Finally, the Ordinance amends Section 7.460-461 to eliminate dated references to seizure and sale of personal property through mechanisms not administered by the Program.

3. Explain the fiscal impact (current year and ongoing).

There is no fiscal impact to this action.

4. Explain any legal and/or policy issues involved.

ORS 275.275 was amended by the Legislature in 2015, effective January 1, 2016. This Ordinance aligns with these changes and provides clarity by adding definitions and eliminating dated references.

5. Explain any citizen and/or other government participation that has or will take place.

The legislative changes were subject to hearings in the Oregon Legislature. Further, these amendments will be subject to public participation through two readings and public hearing at the Regular Meeting of the Board of County Commissioners.

Required Signature

**Elected
Official or
Department
Director:**

Karyne Kieta /s/

Date: January 28, 2016

Note: Please submit electronically. Insert names of your approvers followed by /s/ - we no longer use actual signatures. Please insert date approved.

**BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON**

ORDINANCE NO. _____

Amending Multnomah County Code Chapter 7 – Tax Foreclosed Property.

(Language ~~stricken~~ is deleted; double underlined language is new.)

The Multnomah County Board of Commissioners Finds:

- a. The County comes into ownership of real property through the foreclosure of delinquent property taxes pursuant to ORS 312.200.
- b. The Division of Assessment, Recording and Taxation manages and disposes of tax foreclosed properties pursuant to Multnomah County Code (MCC) § 7.400 – 7.461.
- c. In 2015, the Oregon Legislature amended ORS 275.275, directing the proceeds from the sale of real property acquired by tax foreclosure to an account or fund to provide: (i) Funds for housing placement and retention support services for youth and families with children; (ii) Flexible rental assistance to place youth and families with children into housing; or (iii) Funds to develop new low income housing that is affordable to youth and families with children with 30 percent or lower median family income.
- d. MCC § 7.400 – 7.461 needs to be amended to reflect these amendments to ORS 275.275.
- e. MCC § 7.400 – 7.461 also needs to be amended to reflect current practices used by the County in managing and disposing of tax foreclosed properties, and delete outdated practices no longer used. Such outdated practices no longer used by the County include: (i) allowing former record owners of tax foreclosed property to repurchase the property under contract with the County (MCC § 7.402); (ii) establishment of a Greenspace Review Committee to review and identify tax foreclosed properties to be used as greenspace (MCC § 7.404 and 7.409); (iii) establishment of an Affordable Housing Review Committee to make recommendations regarding disposition of tax foreclosed property for affordable housing (MCC § 7.405); (iv) and transfer of tax foreclosed properties to governments and nonprofit organizations for housing and non housing purposes (MCC § 7.407 – 7.408).
- f. Amending MCC § 7.400 – 7.461 will make the code consistent with ORS 275.275, delete outdated practices, and clarify current practices.

Multnomah County Ordains as Follows:

Section 1. MCC § 7.400 – Definitions are amended as follows:

§ 7.400 – DEFINITIONS.

For the purpose of ~~this subchapter~~ MCC § 7.400 to 7.425, the following definitions apply unless the context requires a different meaning:

ABANDONMENT. The subject property is not occupied by the owner or others authorized by the owner, or any entity appearing in the records of the County to have a lien or other interest in the property, for a period of six consecutive months, and the property has suffered a substantial depreciation in value or will suffer a substantial depreciation in value if not occupied.

BOARD. Board of County Commissioners of Multnomah County, Oregon.

DAYS. Calendar days unless otherwise noted.

DEPARTMENT. Multnomah County Department of County Management.

DIRECTOR. The Director of the Multnomah County Department of County Management or designee.

DISPOSE OF. To sell, exchange, lease, donate or to otherwise convey eCounty property or any interest therein.

INTERESTED PARTY. Any person or entity that appears in the records of Multnomah County to have a lien or other interest in the subject property at the time the notice issues pursuant to MCC 7.423.

GREENSPACE COMMITTEE. The Greenspace Review Committee.

NONPROFIT HOUSING SPONSOR. Any government or nonprofit corporation organized under the provisions of ORS Chapter 65 for the purpose of undertaking, constructing, or operating a housing project to assist low and lower income families, or authorized by its charter to undertake, construct, or operate such housing projects.

OWNER or FORMER OWNER. A property owner or contract purchaser of record at the time a judicial decree of foreclosure was entered as to the affected property.

PROPERTY. All property acquired by Multnomah County by foreclosure of delinquent tax liens.

RECORDS OF MULTNOMAH COUNTY. Those records kept by Multnomah County in compliance with ORS 312.125(7).

REPURCHASE AGREEMENT. A contract to sell tax foreclosed property to the former owner prior to foreclosure.

SOCIAL SERVICES AGENCY. An appropriate social service provider, as designated by the Board.

TAX TITLE FUND. The Multnomah County accounting fund maintained to receive proceeds from the sale of tax foreclosed properties and disburse all lawful expenditures therefrom.

~~**OPEN SPACE.** Developed parks with active recreational facilities such as ball fields, tennis courts, playgrounds, community gardens, golf courses, cemeteries, or vacant lands with the potential for becoming a park or natural area.~~

~~**PARKS.** Publicly or privately owned land designed or utilized for outdoor recreation and devoid of man-made structures for habitation.~~

~~**NATURAL AREA.** A landscape unit composed of plant and animal communities, water bodies, soil, and rock; largely devoid of human-made structures; maintained and managed in such a way as to promote or enhance population of wildlife.~~

~~**OPEN SPACE PRESERVATION SPONSOR.** Any government or nonprofit corporation organized under the provisions of ORS Chapter 65 for the purpose of preserving and actively managing properties as open spaces, parks or natural areas.~~

~~**COMMUNITY GARDENS.** Public or private land divided into plots for growing vegetables, fruits, flowers, native, or ornamental plants. A community garden may also mean private or public land used for growing or displaying an orchard of small trees, herbs, or dry land plants.~~

WASTE. The destruction, material alteration or deterioration of land or improvements thereon, caused by the owner or by anyone acting under permission or control of the owner. For purposes of this definition "acting under the control of the owner" means that the owner has failed to prevent others with or without the owner's permission from committing waste of the subject property.

Section 2. MCC § 7.401 – Property Administration and Evaluations is amended as follows:

§ 7.401 – PROPERTY ADMINISTRATION AND EVALUATION.

(A) The Department shall be responsible for ~~management of the tax title fund and for the~~ inventory, management, maintenance and disposition of all tax foreclosed properties in accordance with state statutes and this subchapter.

(B) The Department, ~~in order to assure the fiscal stability of the tax title fund,~~ may identify properties to be sold at public ~~sale and that are deemed~~ sale and that are deemed not available for donation to governments ~~entities or non-profit housing sponsors, or Open Space Preservation Sponsors for non-~~ entities or non-profit housing sponsors, or Open Space Preservation Sponsors for non- housing purposes.

(C) The Department shall be responsible for a physical inspection of all properties upon conveyance to the eCounty.

(D) ~~If~~At the time near the date of the pending deed for any tax foreclosed property to the County as further provided in this Subsection 7.401(D), any such tax foreclosed property reasonably appears is occupied, the Department shall; ~~The agency shall make an assessment of the circumstances within thirty (30) days of such notification and submit a report to the Department. Upon receipt of a report from a social services agency recommending special assistance, the Department shall suspend~~

efforts to dispose of the property pending further direction from the Board and shall forward a copy of the report to the Board. The Board shall review the case and order appropriate action within thirty (30) days.

(1) At or about thirty (30) days prior to the date the deed to the County for the tax foreclosed properties is to be executed and recorded, the Department shall view said properties and evaluate if whether properties appear to be occupied.

(2) If the determination under 7.401(D)(1) is affirmative, i.e. that certain tax foreclosed property appears to be occupied, the Department shall as promptly as possible make efforts to contact the occupants of said property to discuss the pending execution of the deed and their need to relocate from said property, and review any other available information regarding the status of the occupants.

(3) Upon the determination of occupancy as provided in 7.401(D)(1), the Department shall consult other County departments and or community agencies engaged in housing services in the local area, and determine what if any, the options are for relocation housing for the current occupants of the tax foreclosed properties.

(4) If occupants leave the tax foreclosed properties voluntarily at any time prior to the deed to the County being recorded, or if an occupant qualifies as the former owner and successfully completes the repurchase of the property in a timely manner acceptable to the Department, there is no need for further action under this Subsection 7.401.

(5) If neither of the events set forth in 7.401(D)(4) occur, to the extent housing options were identified as provided at 7.401(D)(3), the Department shall present the proposed relocation housing options to the occupants. If the occupants accept an option for relocation, the Department shall reasonably assist, to the extent possible, to facilitate the timely relocation of the occupants to the new housing option.

(E) In the event any request for transfer of property by a governmental entity conflicts with any other request for transfer of property in accordance with this subchapter, the Department shall put the matter on the Board's regular meeting agenda for resolution by the Board. Nothing in Subsection 7.401(D), nor any efforts undertaken by the County or other community agencies pursuant to said Subsection shall be deemed in any way as consent by the County to any occupancy of any tax foreclosed property; or to restrict in any way, the County's ability to pursue with the assistance of the County Attorney any available remedy (including but not limited to a Writ of Assistance) to obtain possession and control of any such property deeded to the County when such deeded property is occupied without the written consent of the County.

Section 3. MCC § 7.402 – Repurchase Policy and Contract Application Time, Qualifications and Requirements is amended as follows:

§ 7.402 – REPURCHASE POLICY AND CONTRACT APPLICATION TIME, QUALIFICATIONS AND REQUIREMENTS.

(A) *Repurchase Policy.* The County in its sole discretion may decide to sell and convey tax foreclosed property to the former record owner or contract purchaser of record (collectively referred to

as "owner" for purposes of this sSection). If the County does elect to sell to the owner, that party may repurchase the tax foreclosed property for cash or on contract only as provided in this section. ~~A repurchase by the owner for cash may proceed at any time if the property is not subject to an alternative disposition and the County determines such a sale is in the best public interest. A repurchase on contract by the owner shall only be accepted and considered by the County if the Department receives an application in compliance with this Section no later than November 15th of the year the foreclosure deed is recorded for the given property. The Director is authorized to establish rules and procedures for the implementation and enforcement of this Section, including but not limited to the creation of applications and other forms,~~

~~(B) — *Repurchase on Contract, Qualifications and Requirements.* A timely submitted application to repurchase on contract by the owner will only be recommended by the Department for approval by the Board if the property and the owner meet these additional qualifications and requirements:~~

~~(1) — The property must be:~~

~~(a) — The primary residence of the owner; or~~

~~(b) — The primary location of the owner's business; or~~

~~(c) — Used as an integral part of a residential treatment or social services program sponsored by the owner, if the owner is a nonprofit organization exempt from federal taxes under IRC 501 (C)(3); and~~

~~(2) — Any other real property of the owner in Multnomah County has not been foreclosed for non-payment of taxes in the previous ten (10) years, unless such prior foreclosure is either (i) the owner's primary residence if the current foreclosure is the owner's primary business, or (ii) the owner's primary business if the current foreclosure is the owner's primary residence; and~~

~~(3) — The owner has not previously repurchased property by an agreement which has been canceled by the county within the preceding ten (10) years; and~~

~~(4) — The owner must demonstrate financial ability to meet minimum payment requirements of a contract; and~~

~~(5) — Improved property must be suitable for occupation, or the owner must demonstrate an ability to make the property suitable for occupation within the period specified by the county; and —~~

~~(6) — The property was not acquired by the County from the owner through a reduced redemption period and forfeiture pursuant to MCC 7.420 to 7.426.~~

~~(C)~~(B) *Repurchase Price*

(1) The repurchase price for a cash ~~or contract~~ sale shall be the sum of: (a) all the uncollected taxes as of the date the property was conveyed to the County; (b) an amount equal to taxes

which would have accrued after conveyance to the eCounty, including accrued interest and interest which would have accrued after conveyance to the eCounty; (c) penalties; (d) municipal liens; (e) delinquent sewer liens; (f) special assessments; and (g) costs of maintenance or nuisance abatement, and administrative expenses which shall include, but not be limited to, title searches, expense of document preparation and recording fees. The Department has the discretion to require the former owner pay any municipal liens, sewer liens or special assessments (including any interests or penalties imposed) directly to the governmental entity that imposed said liens or assessments and produce proof of the satisfaction of said liens and assessments prior to obtaining the deed from the County.

(2) — All repurchase contracts shall include provisions for prepayment of real property taxes with any debt service installment payments.

(D) — Appeal Process For Contract Denials

(1) — The Department may deny any timely or other application for repurchase by contract if the applicant fails to submit sufficient evidence to show compliance with contract qualifications in § 7.402(B).

(2) — The Director shall give notice of denial in writing to the applicant by regular mail. The notice of denial shall include:

(a) — A statement of the reason(s) for the denial.

(b) — Explanation of how the decision of the Director may be appealed to the Board, and

(c) — Explanation of the actions necessary to request an administrative exception.

(3) — Requests for an administrative exception must be submitted to the Director within fifteen (15) days after the notification of denial was mailed. The Director will make a determination within fifteen (15) days after the request. The Director may grant an administrative exception to the qualification requirements if in the public interest.

(4) — Within fifteen (15) days after a notice of the Director's denial, the applicant may either repurchase the property for cash or appeal the denial to the Board. The appeal shall be filed with the Department and shall recite the facts forming the basis for the appeal and set out the reasons the applicant believes the Board should reverse the Director's decision. The Department shall promptly deliver a copy of the request for appeal together with a copy of the Director's reasons for denial prior to the appeal hearing.

(5) — When an appeal is filed, at the next regular Board meeting at which the matter can be presented, the Board shall schedule a hearing to hear the appeal.

(6) — The Board will determine the disposition of the appeal based on the following:

(a) ~~Whether the applicant meets the contract qualifications and requirements stated in § 7.402(B);~~

(b) ~~Whether the applicant filed a completed repurchase application within the time required by § 7.402(A)(1);~~

(c) ~~Whether the applicant filed an appeal in the manner required by § 7.402(D)(3)&(4);~~

(d) ~~Whether other extenuating circumstances exist.~~

(E) ~~Appeal Process for Contract Cancellation~~

(1) ~~If at any time a contract is in default and subject to cancellation, the Director may give notice of default in accordance with the repurchase contract.~~

(2) ~~Any contract purchaser may request the Director to grant relief from cancellation by request in writing to the Director within fifteen (15) days after notification of default. The Director will make a determination within fifteen (15) days thereafter whether to modify the contract, grant other appropriate relief or to specify a date the contract will be canceled.~~

(3) ~~If the Director denies a request for relief from contract cancellation, the Department shall give the purchaser notice of the reasons therefore in writing by regular mail. The notice shall include information on how the contract may be appealed to the Board.~~

(4) ~~Within fifteen (15) days after the Director's denial, the repurchaser may either pay off the balance of the contract in cash, or appeal the proposed contract cancellation to the Board. The appeal shall be in writing, recite the facts forming the basis for appeal and reflect the reasons the petitioner believes the Board should reverse the Director's decision.~~

(5) ~~When an appeal is filed, at the next regular Board meeting at which the matter can be presented, the Board shall schedule a hearing to hear the appeal.~~

(6) ~~The Department shall provide the Board a copy of the Director's notice of denial prior to the appeal hearing. At the appeal hearing, the Board may affirm the Director's decision to cancel the contract or fashion other appropriate relief, including reinstatement or modification of the contract.~~

Section 4. MCC § 7.403 – Property Sale Restrictions is amended as follows:

§ 7.403 – PROPERTY SALE RESTRICTIONS.

(A) All property ordered to be sold at public ~~auction~~ sale under the provisions of ORS 275.110 shall be sold by the Sheriff for not less than the minimum bid price established by resolution of the Board.

(B) Any property not sold at ~~auction~~ public sale may thereafter be sold at private sale subject to the requirements of ORS 275.200.

Section 5. MCC § 7.404 – Procedure for Designating Significant Environmental and Compelling Greenspace Property is deleted:

~~§ 7.404 — PROCEDURE FOR DESIGNATING SIGNIFICANT ENVIRONMENTAL AND COMPELLING GREENSPACE PROPERTY.~~

(A) ~~— A Greenspace Review Committee (GRC) is established to review tax foreclosed properties to identify significant environmental and compelling greenspace property. The GRC shall consist of not less than five members to serve at the pleasure of the Board.~~

(B) ~~— As soon as practicable after the annual comprehensive county deed is recorded for tax foreclosed properties, the Department shall provide a list of the properties and any documents relating to the properties to the GRC. The GRC may utilize the following factors in a “Greenspaces Screen” to evaluate significant environmental property:~~

~~(1) — The Greenspaces Inventory established by Metro~~

~~(2) — The Significant Environmental Concerns Zone established by Multnomah County~~

~~(3) — An environmental protections zone established by a city~~

~~(4) — An environmental conservation zone established by a city~~

~~(5) — Park Deficiency Area Standards (until new criteria can be developed and unless otherwise directed by a local jurisdiction the “National Park and Recreational Association” standards will be used)~~

~~(6) — The Combined Sewer Overflow area as determined by the City of Portland.~~

(C) ~~— Within 30 days after receipt of the list of available properties, the GRC will determine which are significant environmental and compelling greenspace property and provide written confirmation that identifies each property so designated by its legal description and street address, if available, to the Department.~~

(D) ~~— The GRC's recommendations shall be noted in any notification to governmental entities of properties available for public use transfers under this subchapter.~~

(E) ~~— The GRC may make recommendations to the Board at any time regarding properties recommended for public use for park, open space or natural area uses if any such property is not transferred for a public purpose under any provision of this subchapter.~~

Section 6. MCC § 7.405 – Procedure for Designating Buildable Property for Housing Purposes is deleted:

~~§ 7.405 — PROCEDURE FOR DESIGNATING BUILDABLE PROPERTY FOR HOUSING PURPOSES.~~

~~(A) — An Affordable Housing Review Committee (HRC) is established to make recommendations to the Board regarding all disposition of tax foreclosed property for affordable housing under the procedures of Affordable Housing Development Program (AHDP). The HRC members are appointed by the Chair and approved by the Board. The HRC is composed of representatives from: the City of Gresham, the City of Portland, the Community Development Block Grant Urban County Policy Advisory Board, a philanthropic organization, the banking industry, the Citizen Involvement Committee and the Board.~~

~~(B) — As soon as practicable after the annual comprehensive county deed is recorded for tax foreclosed properties after the expiration of the redemption period, the Department shall provide a list of the properties to the HRC. The Department shall also provide the HRC with the documents provided to the GRC under §7.404(B).~~

~~(C) — Within 30 days after receipt of the list of available properties, the HRC will determine which are buildable properties, and provide written confirmation that identifies each property so designated by its legal description and street address, if available, to the Department.~~

Section 7. MCC § 7.406 – Procedure for Resolving Conflicts Between Designated Compelling Greenspace Property and Buildable Property is deleted:

~~§ 7.406 — PROCEDURE FOR RESOLVING CONFLICTS BETWEEN DESIGNATED COMPELLING GREENSPACE PROPERTY AND BUILDABLE PROPERTY.~~

~~(A) — If after review by the HRC and the GRC there are any properties that have been designated both buildable and compelling greenspace, then within 15 days the Department will convene a joint meeting of the GRC and the HRC. If the committees cannot agree on a recommended use for each property at the joint meeting, the Department Director will decide what use to recommend to the Board.~~

~~(B) — The Board shall confirm or reverse the recommendation of the joint committees prior to any affected properties being made available for greenspace, housing or governmental purposes.~~

Section 8. MCC § 7.407 – Requesting Transfer of Tax Foreclosed Property to Governments for Non Housing Purposes is deleted:

~~§ 7.407 — REQUESTING TRANSFER OF TAX FORECLOSED PROPERTY TO GOVERNMENTS FOR NON HOUSING PURPOSES.~~

~~(A) — As soon as practicable after the procedures set forth in MCC §§ 7.404 — 7.406 have been completed, the Department shall mail a list of property available to government units and officially recognized neighborhood associations in Multnomah County with a notice that the properties are eligible for transfer, for non-housing purposes only.~~

(B) — Properties having characteristics identified under § 7.404 or § 7.405 shall be identified on the property list.

(C) — A governmental unit may request transfer of listed property within 60 days after notice of property availability was first mailed. All requests shall be on forms provided by the Department and must be authorized by the requesting governing body.

(D) — The Department shall report to the Board all requests for transfer of property by governments. The report shall identify the governmental entity requesting transfer, a description of the property, the amount of, taxes owed when the property was conveyed to the county, all maintenance costs incurred by the county, and the applicant's proposed public use.

(E) — The Board shall schedule a public hearing as soon as practically convenient. The Department shall publish notice of the scheduled public hearing in a newspaper of general circulation in the county for two successive weeks. The notice shall describe the property, state that the Board will accept comments concerning the transfer at the hearing and where a copy of the Department's report can be obtained. A copy of the notice shall be mailed to applicants and other persons requesting such notice.

(F) — At the conclusion of the hearing, the Board may approve the transfers if the Board determines the transfers will serve the public interest. The Board shall also determine whether such transfers are for monetary consideration or no consideration.

(G) — Conveyances of property transferred to governmental entities for a public purpose without consideration, other than housing, shall provide that should the property cease to be used for a public purpose, the title shall revert to the county. This restriction shall not apply to transfers to a governmental body in exchange for payment of the amount of taxes and costs for which the property is liable.

(H) — For those properties approved by the Board for transfer to governmental entities, transfer of title shall occur within 60 days, or as soon after as practicable. Refusal of the receiving entity to accept title shall void approval of such transfer and shall result in the property being disposed of as provided by law.

(I) — Property maintenance by Multnomah County shall cease upon transfer of the title to the receiving agency.

Section 9. MCC § 7.408 – Procedure for Requesting Transfer of Tax Foreclosed Property for Housing Purposes is deleted:

§ 7.408 — PROCEDURE FOR REQUESTING TRANSFER OF TAX FORECLOSED PROPERTY FOR HOUSING PURPOSES.

(A) — As soon as practicable after the procedures set forth in MCC §§ .7.401—7.406 have been completed, the Department shall mail a list of property available to non-profit housing sponsors with a notice that the properties are eligible for transfer, for low-income housing purposes only.

~~(B) — The HRC shall consider requests for use of these properties for low income housing according to procedures established by the AHDP and approved by the Board.~~

~~(C) — Written applications by housing sponsors shall be filed with AHDP within 45 days after notice of property availability was first mailed. All requests shall be on forms provided by AHDP and must be accompanied by a non-refundable application fee as set by Board resolution.~~

~~(D) — Within 60 days after receipt of applications for property, the HRC will prepare disposition recommendations to the Board. Recommendations shall be based on the sponsoring organization's stability and viability, the project plan, financial plan and community support.~~

~~(E) — Within seven days after AHDP determines any property will not be transferred to a non-profit housing sponsor, because no applications for the property were received or approved, AHDP shall provide the Department with a list of those remaining properties. If any such properties were also not designated by the GRC as compelling greenspace property, they may be added to the inventory of tax foreclosed properties available for disposition according to law. If any properties were designated compelling greenspace property, the GRC may at its discretion consider proposals for use of any such property as open space, parks or natural areas under MCC § 7.409.~~

Section 10. MCC § 7.409 – Procedure for Requesting Transfer of Tax Foreclosed Property for Open Space, Parks or Natural Areas is deleted:

~~§ 7.409 — PROCEDURE FOR REQUESTING TRANSFER OF TAX FORECLOSED PROPERTY FOR OPEN SPACE, PARKS OR NATURAL AREAS.~~

~~(A) — Requests for properties for open space, parks or natural areas will be considered according to procedures established by the Department in conjunction with the GRC.~~

~~(B) — A list of properties remaining after transfer requests of governmental units, shall be submitted to the GRC.~~

~~(C) — The GRC shall, within 30 days after receipt of the list of available properties, advise the Department which properties meet the GRC's criteria for appropriate use as open spaces, parks or natural areas. Within ten days thereafter, the Department shall mail a notice setting forth the list of available properties to neighborhood associations and nonprofit corporations that have requested the Department to provide such notice together with an application form.~~

~~(D) — Written applications by nonprofit corporations shall be filed with the GRC within 45 days after notice of property availability was first mailed. All requests shall be on the application forms provided with the notice.~~

~~(E) — Within 60 days after receipt of applications, the GRC will prepare disposition recommendations to the Board. Recommendations shall be based on the sponsoring organization's stability and viability, the project plan, financial plan and community support.~~

~~(F) — Within seven days after the GRC determines any property will not be transferred to an open space preservation sponsor, the GRC shall provide the Department with a list of properties not~~

~~required for open space, parks or natural areas. If such properties were also not selected by AHDP, they may be added to the inventory of tax foreclosed properties available for disposition according to law.~~

Section 11. MCC § 7.410 – Procedure for Disposition of Requests for Transfer of Tax Foreclosed Property for Housing and for Open Space, Parks or Natural Areas is deleted:

~~§ 7.410 — PROCEDURE FOR DISPOSITION OF REQUESTS FOR TRANSFER OF TAX FORECLOSED PROPERTY FOR HOUSING AND FOR OPEN SPACE, PARKS OR NATURAL AREAS.~~

~~(A) — Not less than 15 days after receiving the recommendations from the GRC and AHDP, the Board shall schedule a public hearing to receive public comments concerning the proposed property transfers.~~

~~(B) — The Department shall publish notice of the scheduled hearing in a newspaper of general circulation in the county for two successive weeks. The notice shall state the description or location of the properties and that the Board will hear comments concerning the transfer at the hearing. A copy of the notice shall be mailed to the applicants and applicable neighborhood associations and to other persons requesting such notice.~~

~~(C) — Approval of transfers shall be based upon the degree proposals for transfer are feasible and in the public interest. Transfers to Non-Profit Housing Sponsors may be for consideration or for no consideration. Transfers in connection with the county Affordable Housing Development Program shall require a non-refundable transfer fee as set by Board resolution to offset the cost of administration. The transfer fee may be waived or reduced by the Board upon a finding that a waiver or reduction is necessary. Transfers to Open Space Preservation Sponsors shall be for consideration.~~

~~(D) — For those properties approved for transfer to non-profit housing sponsors or to open space preservation sponsors, the transfer of title shall occur within 60 days, or as soon after as practicable. Refusal of the receiving entity to accept title shall void approval of such transfer.~~

~~(E) — A property approved for transfer to an open space preservation entity shall revert back to the county if the receiving entity ceases to use the property for the intended purpose set forth in this ordinance. The Department shall develop and implement a system for monitoring compliance by the receiving open space preservation sponsors with the terms of transfer.~~

~~(F) — Property maintenance by Multnomah County shall cease upon transfer of the title to the receiving entity.~~

Section 12. MCC § 7.421 – Reduced Redemption and Forfeiture of Tax Foreclosed Property - Findings is amended:

§ 7.421 FINDINGS.

(A) Properties ordered foreclosed for delinquent taxes by the court do not legally pass into County ownership for two years thereafter date of judgment by the court pursuant to ORS 312.120, during which period persons with recognized legal interests may pay all required taxes to redeem their property.

(B) During the two year redemption period, many properties ~~remain~~ are vacant, ~~remain~~ or undeveloped or are subject to waste as defined in MCC § 7.400, resulting in significant deterioration and loss of value for the property as well as contributing to decline of neighborhoods, discouraging investment and attracting nuisances through accumulation of discarded material, occupancy by unauthorized persons and establishment of criminal enterprises.

(C) The 1989 legislature created authority for counties to enact ordinances to accelerate the expiration of the two year redemption period for tax foreclosed properties which suffer abandonment or waste and to require the tax collector to convey title to the County, permitting earlier County intervention to preserve the value of tax foreclosed property, enhancing recovery of delinquent taxes and protecting and preserving community interests.

(D) The interests of the County, through protection of the health and welfare of its residents and preserving the value of tax foreclosed properties, require that this ordinance be enacted as an emergency measure to meet and effectively deal with the problems attendant in the foreclosure of tax delinquent properties.

Section 13. MCC § 7.422 – Definitions is deleted:

~~§ 7.422 — DEFINITIONS.~~

~~For the purposes of this subchapter, unless the context requires otherwise, the following terms are defined as follows:~~

~~**ABANDONMENT.** The subject property is not occupied by the owner or others authorized by the owner, or any entity appearing in the records of the County to have a lien or other interest in the property, for a period of six consecutive months, and the property has suffered a substantial depreciation in value or will suffer a substantial depreciation in value if not occupied.~~

~~**BOARD:** Board of County commissioners of Multnomah County, Oregon.~~

~~**DIRECTOR.** Director of the Department of County Management, the Director's designee or the Multnomah County Tax Collector;~~

~~**INTERESTED PARTY.** Any person or entity that appears in the records of Multnomah County to have a lien or other interest in the subject property at the time the notice issues pursuant to MCC 7.424.~~

~~**OWNER.** Any person or entity that so appears in the records of Multnomah County for the subject property.~~

~~**RECORDS OF MULTNOMAH COUNTY.** Those records kept by Multnomah County in compliance with ORS 312.125 (7)~~

~~**WASTE.** The destruction, material alteration or deterioration of land or improvements thereon, caused by the owner or by anyone acting under permission or control of the owner. For purposes of this definition “acting under the control of the owner” means that the owner has failed to prevent others with or without the owner’s permission from committing waste of the subject property.~~

Section 14. MCC § 7.423 – Waste or Abandonment is amended:

§ 7.423(2) WASTE OR ABANDONMENT.

If the Director determines that any tax foreclosed property sold to the County pursuant to ORS 312.100, may suffer waste or abandonment during the two year statutory redemption period, the Director may require and conduct a hearing as further provided for herein to determine whether such property should be deeded to the eCounty earlier than as provided at ORS 312.200.

Section 15. MCC § 7.424 – Notice of Director’s Hearing is amended:

§ 7.42(4)(3) NOTICE OF DIRECTOR’S HEARING.

(A) Not less than 30 days prior to the hearing conducted by the Director, the Director shall notify or cause to be notified the owner, any interested party, and the occupants of the property, in writing and by both certified and regular first class mail, of the following:

- (1) The date, time and place of hearing;
- (2) The date of the judgment entered pursuant to ORS 312.100;
- (3) The normal date of expiration of the period of redemption under ORS 312.120;

(4) A warning that a determination that the property suffers waste or abandonment will result in forfeiture of the remaining redemption period and issuance of a deed to the County following expiration of 30 days from the date the Board makes such final determination and that all rights of effected persons will be forfeit forever unless the property is redeemed within that 30 day period;

- (5) Legal description of the property and its tax account number; and
- (6) The name of the owner as it appears on the latest tax roll.

(B) The notice required herein shall be addressed in the following manner, as appropriate:

(1) If the notice required under this sSection is to be given to an owner, the notice shall be addressed to the owner or owners, as reflected in the eCounty records of deeds, at the true and correct address of the owner as appearing on the instrument of conveyance under ORS 93.260 or as furnished under ORS 311.555 or as otherwise ascertained by the tax collector of the eCounty pursuant to ORS 311.560.

(2) If the interested party to whom the notice is required to be given is a lienholder, or person or entity other than the owner, having or appearing to have a lien or other interest in the property, the notice shall be addressed to the lienholder, person or entity at the address that the eCounty knows or after reasonable inquiry has reason to believe to be the address at which the lienholder, person or entity will most likely receive actual notice.

(3) If the interested party is lienholder which is a corporation or a limited partnership, the eCounty shall be considered to have made reasonable inquiry if the notice is mailed to the registered agent or last registered office of the corporation or limited partnership, if any, as shown by the records on file ~~in the office of the Corporation Commissioner~~ with the Oregon Secretary of State, or if the corporation or limited partnership is not authorized to transact business in this state, to the principal office or place of business of the corporation or limited partnership.

Section 16. MCC § 7.425 – Hearing Procedures is amended:

§ 7.42~~(5)~~(4) HEARING PROCEDURES.

(A) The hearing shall be conducted in a manner calculated to permit full opportunity for the parties to present and challenge evidence and for the receipt of evidence without strict observance of formal evidentiary rules, to the end that the Director may have sufficient basis on which to recommend to the Board that forfeiture is appropriate.

(B) Parties to the hearing may appear through a representative, so long as written authorization of any non-attorney to represent the owner or lienholder is included in the record. Electronic recording of the proceeding shall be made and preserved for not less than one year after the date of the hearing.

Section 17. MCC § 7.426 – Final Determination, Enforcement and Review is amended:

§ 7.42~~(6)~~(5) FINAL DETERMINATION, ENFORCEMENT AND REVIEW.

(A) After the hearing, the Director shall prepare written findings regarding waste or abandonment, submit such findings and a recommendation to the Board, and set a date for Board consideration and final determination at the next available regular meeting. No further evidence shall be taken by the Board at that time, but the Board may remand to the Director should it require further investigation.

(B) If the Board adopts the recommendation of the Director to declare the property wasted or abandoned, it may then direct the tax collector to deed the property to the County not earlier than thirty (30) days from the date of the Board's determination of waste or abandonment and the declaration of forfeiture, during which period the property may be redeemed by any party otherwise authorized by law to redeem the property. The Director shall provide a copy of the findings presented at the hearing in accordance with Subsection 7.425(A) and final determination to the Owner, any interested party, and the occupants of the property by both certified and regular first class mail.

(C) Upon failure of any authorized party to redeem within 30 days after the Board acts, the tax collector shall execute and record a deed, terminating all redemption rights and cancelling all taxes and special assessments.

(D) The provisions of MCC 7.401(D) shall not apply to any property deeded to the County pursuant to this ~~s~~Section.

(E) Should any parties remain in possession of the property after the execution and recording of the deed as provided herein, the County shall seek possession of the property pursuant to any and all rights and remedies available to the County as authorized or provided by law.

(F) Review of the Board's decision shall be taken solely and exclusively by writ of review, pursuant to ORS 34.010 to 34.100.

Section 18. MCC § 7.460 – Sale of Seized Personal Property – Sale for Amount Due is deleted:

~~§ 7.460 — SALE FOR AMOUNT DUE.~~

~~The personal property tax collector or any designee shall first attempt at public auction to sell seized personal property for the taxes, interest and penalties due thereon.~~

Section 19. MCC § 7.461 – Insufficient Bid is deleted:

~~§ 7.461 — INSUFFICIENT BID.~~

~~(A) — If no bidder at the sale offers to pay the amount due, the personal property tax collector may then attempt to sell the property at the same auction.~~

~~(B) — The personal property tax collector shall sell the property at the auction if, based on the information available at the time, it is determined that:~~

~~(1) — The county may incur significant costs to keep the property until a later sale;~~

~~(2) — The county may not get the best possible price at a later sale.~~

FIRST READING: _____ *(type in meeting date)*

SECOND READING AND ADOPTION: _____ *(type in meeting date)*

BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

Deborah Kafoury, Chair

REVIEWED:

JENNY M. MADKOUR, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By _____
Courtney Lords, Assistant County Attorney

SUBMITTED BY: