

BEFORE THE BOARD OF COMMISSIONERS

FOR THE COUNTY OF MULTNOMAH

ORDINANCE NO. 560

An ordinance establishing standards for former record owners and contract purchasers of tax foreclosed property to repurchase their property on contract, providing for appeals to the Board of County Commissioners and guiding the Sheriff in the management and disposition of properties deeded to the County following judicial foreclosure of ad valorem tax liens.

Multnomah County ordains as follows:

SECTION 1 - FINDINGS

The Board of County Commissioners finds that:

- A. State law requires judicial foreclosure by the County of its ad valorem tax liens on all real property accounts maintained by the assessor for which taxes are delinquent after a period of three years. After foreclosure and expiration of a one year redemption period, the title to such property passes to the County.
- B. The principal purpose of foreclosure is to permit the County to sell such properties to recover delinquent taxes for the benefit of the County and all taxing districts within the County.
- C. The interest of the County and its residents is best served when taxpayers are restored to their property and the delinquent taxes recovered.
- D. State law permits the Board to make such rules as are necessary or convenient for the protection, administration, operation, conveyance, leasing and acquisition of all lands acquired by the County by the foreclosure of delinquent tax liens.
- E. Abuse of the tax law exists when some taxpayers deliberately avoid payment of taxes as a business expedient, expecting to repurchase on contract from the County following foreclosure. Such practice places the County in the position of lending credit contrary to interests of the general taxpaying public.

SECTION 2 - STANDARDS

- A. Former record owners or contract purchasers ("owner" hereinafter) of improved real property acquired by the County through tax foreclosure, pursuant to ORS 312.010, may repurchase such property on contract upon satisfying the following standards:
1. The property must be the primary residence of the owner or the primary location of the owner's business; and
 2. The property and any other real property of the owner in Multnomah County has not been foreclosed in the current year or any prior year for nonpayment of taxes; and
 3. The owner has not previously defaulted on any repurchase agreement with Multnomah County, requiring cancellation of such agreement; and
 4. The owner must demonstrate a present ability to meet the minimum requirements of any contract authorized by ORS 275.190 including a payment of 10 percent of the repurchase price in cash; and
 5. The owner must accept in writing the County's offer to enter into any repurchase transaction within ninety (90) days of said offer. Failure to accept shall result in the property being disposed of as provided by law.
- B. If the standards specified in paragraph A are not met, the former record owner or purchaser shall have no more than ninety (90) days from date of notification from the County to repurchase said property by payment in full of the repurchase price.
- C. The repurchase price shall be the equivalent of all taxes accrued to the date of foreclosure, plus additional taxes as would have been levied thereafter but for the foreclosure, statutory interest and penalties, any municipal liens and administrative expenses which shall include, but not be limited to, cost of maintenance of foreclosed properties and improvements, any nuisance abatement expense, payment of any water services liens and expense of document preparation and recording fees.

SECTION 3 - IMPLEMENTATION

- A. The Sheriff shall be responsible for the inventory, management and sale of all tax foreclosed property.
- B. Upon receipt of tax foreclosed properties, the Sheriff shall send a notice by certified mail to former record owners or contract purchasers of tax foreclosed property following completion of the Sheriff's evaluation of each parcel, which notice shall advise the recipient that:
 - 1. Within ninety (90) days from date of the notice, the recipient may
 - a. Pay the repurchase price in cash to the County, or
 - b. Repurchase the property on contract if the standards of this ordinance are satisfied. The standards for repurchase on contract shall be stated in the notice; and
 - 2. Failure to either repurchase in cash or to qualify to repurchase by contract within the time provided shall result in the property being disposed of in accordance with the law.
- C. Upon receiving a request to repurchase by contract, the Sheriff shall process the application to assure that all standards are satisfied. If the standards are satisfied, the Sheriff shall prepare documents associated with said repurchase agreement.
- D. Should the Sheriff deny a former record owner or contract purchaser an opportunity to repurchase on contract, the Sheriff shall advise of the reason therefor in writing, and further, that the decision of the Sheriff may be appealed to the Board of County Commissioners.
- E. Within ten (10) days of the date of the denial, the applicant may either repurchase the property for cash or appeal the denial to the Board of County Commissioners.
- F. The appeal provided for in paragraph E shall be in writing, recite the facts forming the basis for appeal and reflect the reasons the petitioner believes the Board should reverse the Sheriff's decision.

- G. After the filing of an appeal, the Board shall schedule a hearing therein and shall rule on the appeal. The petitioner may waive a hearing and request a decision based solely on the petition filed with the Board.
- H. The Sheriff shall provide the Board a copy of his reasons for denial prior to the appeal hearing and the Board shall decide whether the standards in Section 2 of this ordinance have been satisfied by the owner.

SECTION 4 - REPORT TO BOARD OF EXCEPTIONAL CASES

The Sheriff shall report to the Board upon determining that property acquired by the County through foreclosure is occupied by any person without economic or other resources to acquire alternative housing. After submitting the report, the Sheriff shall suspend efforts to sell the property pending further direction from the Board.

ADOPTED this 27th day of August, 1987, being the date of its second reading before the Board of County Commissioners of Multnomah County.

(SEAL)

BOARD OF COUNTY COMMISSIONERS

BY

Gladys McCoy
Gladys McCoy, Chair

APPROVED AS TO FORM:

LAURENCE KRESSEL, COUNTY COUNSEL
FOR MULTNOMAH COUNTY, OREGON

BY

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