

BEFORE THE BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

**ORDINANCE NO. 950**

Amending MCC §§ 27.100 - 27.108 Relating to County Real Property, Adding Provisions Relating to Tax Foreclosed Property, and repealing Ordinance Nos. 735, 795 and 895

(Stricken language is deleted; double-underlined language is new.)

**The Multnomah County Board of Commissioners Finds:**

- a. On October 29, 1992, the Board adopted Ordinance No. 735 regulating sales of tax foreclosed properties.
- b. On September 8, 1994, the Board adopted Ordinance No. 795 establishing responsibility for administration of the tax foreclosed property program, qualifications for sale of foreclosed property to former owners, transferring tax foreclosed properties to governmental bodies and private non-profit organizations, and establishing policies for identifying greenspace potential properties.
- c. On December 30, 1997, the Board adopted Ordinance No. 895 amending Ordinance 795 to provide procedures for conveyance of tax foreclosed property.
- d. Ordinance Nos. 735, 795 and 895 were never codified.
- e. The Board wishes to add the provisions relating to tax foreclosed property to the code and repeal these ordinances and to reconcile existing sections of MCC Section 27.100 to 27.108 that were inconsistent with the later enacted ordinance provisions.

**Multnomah County Ordains as follows:**

**Section 1.** MCC §§ 27.100 - 27.108 are amended as follows:

**COUNTY REAL PROPERTY**

**§ 27.100- DEFINITIONS.**

For the purpose of ~~this subchapter~~ MCC §§ 27.100 to 27.108, the following definitions shall apply unless the context requires a different meaning.

**COUNTY PROPERTY.** All real property owned, leased or being purchased by the county, except the following:

1. Any tax foreclosed property that has been identified and made available for transfer pursuant to MCC 27.150 to 27.158, Provided that if any such tax foreclosed property is not ultimately transferred pursuant to MCC 27.150 to 27.158, that property shall be considered "County Property" under this subchapter and subject thereto.

2. ~~except p~~Property required for county right-of-way purposes,

3. ~~except p~~property which under current zoning laws cannot be developed and has nominal value, and

~~except p~~Property acquired for reconveyance under community development block grant and urban homestead programs.

**DISPOSE OF.** To sell, exchange, lease or to otherwise convey county property or any interest therein, other than to donate property.

**DONATE.** To transfer county property to another governmental entity for public use for no consideration.

**§ 27.101 DUTIES AND POWERS OF COUNTY ~~EXECUTIVE~~ CHAIR.**

The Chair shall do any and all things necessary and proper to manage county property, so that such property is put to its highest and best public use, is adequately maintained during the term of such use; and, if disposed of or donated, is disposed of or donated in the best interests of the citizens of the county.

**§ 27.102 LIST OF COUNTY PROPERTY NOT NEEDED FOR PUBLIC USE.**

The Chair shall routinely maintain and update a listing of county property excluding leased property, which is not presently needed for public use. The list shall identify each parcel of property, state whether the property is available for disposition or donation, state whether the county is actively seeking disposition or donation, state the desired disposition or donation, and reflect any bona fide offers made to purchase parcels listed. The list shall be made available for

public inspection. The list may be changed by the Chair from time to time. The Board shall be given actual notice of additions to or deletions from the list and of the particulars of any bona fide offers.

**§ 27.103 POWERS OF BOARD.**

The Board may, by resolution, add or subtract parcels of county property to or from the list, or specify a particular disposition or donation of such property.

**§ 27.104 DIRECTION FROM BOARD.**

If the Chair desires direction from the Board as to whether or in what manner to dispose of or donate county property on the list, the Chair may place the matter on the Board's agenda in accordance with Board rules.

**§ 27.105 PROPERTY NEEDED BY ANOTHER GOVERNMENTAL ENTITY.**

Any county Pproperty, except county leased property, needed for public use by another governmental entity may be donated, sold, leased, exchanged, transferred or otherwise conveyed to that governmental agency, subject to the limitations of ORS 271.330. as provided under state law.

**§ 27.106 DISPOSITION OF PROPERTY BY DONATION, SALE, LEASE OR EXCHANGE.**

(A) All county property, except county leased property, not disposed of or donated to another governmental agency may be disposed of by sale, lease or exchange pursuant to the provisions of ORS Chapters 271 and 275. County property which is to be disposed of by sale shall be first offered at public sale or auction, sealed bids, or any other commercially feasible manner. All property offered at public sale and not sold may thereafter be sold at private sale.

(B) All county owned property ordered to be sold at public auction 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 of County Commissioners.

(C) Any property not sold at auction, if the minimum bid price for the property is less than Five hundred dollars (\$500), may thereafter be sold at private sale subject to the requirements of ORS 275.200.

(D) All property not sold at the auction, excepting the property described in subsection (C) above, shall be offered for sale at the next public auction. The Board of Commissioners may fix a new minimum bid price for such property.

(E) Nothing in this ordinance shall prohibit private sales of county owned property under the provisions of ORS 271.530, ORS 275.070, ORS 275.180, ORS 275.225, or ORS 275.230 when such sales are approved by resolution of the Board of County Commissioners.

#### **§ 27.107 DISPOSITIONS SUBJECT TO BOARD APPROVAL.**

All dispositions or donations of county property shall be made subject to final Board approval.

#### **§ 27.108 ADMINISTRATIVE RULES.**

The Chair may by administrative rule promulgate a detailed administrative scheme to effect the provisions of this subchapter and ORS Chapters 271 and 275.

**Section 2.** MCC Chapter 27 is amended to add §§27.150 through 27.158 relating to procedures for conveyance of tax foreclosed property as follows:

#### **TAX FORECLOSED PROPERTY**

#### **§ 27.150 DEFINITIONS.**

For the purpose of this subchapter, the following definitions apply unless the context requires a different meaning:

**DEPARTMENT.** Multnomah County Department of Environmental Services.

**DIRECTOR.** The Director of the Multnomah County Department of Environmental Services.

**GREENSPACE COMMITTEE.** The Greenspace Review Committee.

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

**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.

**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.

**DAYS.** Calendar days unless otherwise noted.

**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 manage 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.

## § 27.151 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 auction and not available for donation to governments or non-profit housing sponsors, or Open Space Preservation Sponsors.

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

(D) If any property is occupied, the Department shall notify an appropriate county social services agency if the occupants may require exceptional assistance. 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.

(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.

#### § 27.152 REPURCHASE QUALIFICATIONS AND CONTRACT REQUIREMENTS.

(A) Repurchase Period. Upon receipt of recorded property deeds, the Department shall send notices by certified mail to former owners of tax foreclosed properties. The notices shall advise the recipients:

(1) Within thirty (30) days from the date of the notice the owner may:

(a) Pay in cash the repurchase price established by the Department under § 27.152(C), or

(b) Complete an application to repurchase the property by repurchase contract.

(2) If the owner fails to either repurchase in cash or to qualify to repurchase by property contract within the time provided, the Department may dispose of the property as provided in this subchapter.

(B) Repurchase Contract Qualifications. Former owners may repurchase property on contract if the property and the owner meet the following qualifications:

(1) The property must be:

(a) The primary residence of the former owner; or

(b) The primary location of the former owner 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.

(C) Repurchase Contract Price

(1) The repurchase price shall be the sum of: all the uncollected taxes as of the date the property was conveyed to the county; an amount equal to taxes which would have accrued after conveyance to the county, including accrued interest and interest which would have accrued after conveyance to the county; penalties; municipal liens; delinquent sewer liens; special assessments; 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.

(2) 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 application for repurchase by contract if the applicant fails to submit sufficient evidence to show compliance with contract qualifications in § 27.152(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 § 27.152(B);

(b) Whether the applicant filed a completed repurchase application within the time required by § 27.152(A)(1);

(c) Whether the applicant filed an appeal in the manner required by § 27.152(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.

#### **§ 27.153 PROPERTY SALE RESTRICTIONS.**

(A) All county owned property ordered to be sold at public auction 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, if the minimum bid price for the property is less than Five Hundred Dollars (\$500), may thereafter be sold at private sale subject to the requirements of ORS 275.200.

(C) All property not sold at the auction, excepting the property described in subsection (B), shall be offered for sale at the next public auction. The Board may fix a new minimum bid price for such property.

(D) Nothing in this subchapter shall prohibit private sales of county owned property under the provisions of ORS 271.530, ORS 275.070, ORS 275.180, ORS 275.225, or ORS 275.230 when such sales are approved by resolution of the Board.

#### **§ 27.154 PROCEDURE FOR IDENTIFYING PROPERTIES TO BE DESIGNATED AS HAVING GREEN SPACE ENVIRONMENTAL VALUE.**

(A) A Greenspace Review Committee is hereby established to review tax foreclosed properties to determine suitability of properties for public use as open space, parks, or natural areas and provide such information to governmental jurisdictions and other interested groups. The committee shall consist of not less than five members to serve at the pleasure of the Board.

(B) When 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 Greenspace Committee. The Greenspaces Review Committee shall utilize the following factors in a "Greenspaces Screen" to evaluate properties for their greenspace value:

(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.

Within 90 days after receipt of the list, the committee shall furnish the Department with a list of properties deemed suitable for parks, open spaces or natural areas and shall identify the significant environmental qualities and a proposed public purpose for each property on the list.

(C) The Greenspace Committee's recommendations shall be noted in any notification to governmental entities of properties available for public use transfers under § 27.156.

(D) The Greenspace Committee 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.

#### **§ 27.155 REQUESTING TRANSFER OF TAX FORECLOSED PROPERTY TO GOVERNMENTS FOR NON HOUSING PURPOSES.**

(A) As soon as practicable after the properties on the annual comprehensive county deed have been conveyed to the county, 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 § 27.154 shall be so identified on the property list.

(C) A governmental unit may request transfer of listed property within sixty (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 sixty (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.

#### **§ 27.156 PROCEDURE FOR REQUESTING TRANSFER OF TAX FORECLOSED PROPERTY FOR HOUSING PURPOSES.**

(A) An Affordable Housing Review Committee has been 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 Affordable Housing Review Committee members shall be appointed by the Chair and approved by the Board. The committee shall be 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) Requests for properties for low-income housing will be considered according to procedures established by Multnomah County AHDP and approved by the Board.

(C) A list of properties remaining after transfer requests of governmental units, shall be submitted to AHDP.

(D) AHDP shall, within thirty (30) days after receipt of the list of available properties, advise the Department which properties will be processed for low income housing development. Within ten (10) days thereafter, AHDP shall mail the list of available properties to governments and other nonprofit housing sponsors in Multnomah County.

(E) Written applications by housing sponsors shall be filed with AHDP within forty-five (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.

(F) Within sixty (60) days after receipt of applications for property under AHDP, the Affordable Housing Review Committee 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.

(G) Within seven (7) 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 properties not required for housing development. If such properties were also not selected by the Greenspace Review Committee, they may be added to the inventory of tax foreclosed properties available for disposition according to law.

#### **§ 27.157 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 Greenspace Review Committee.

(B) A list of properties remaining after transfer requests of governmental units, shall be submitted to the Greenspace Review Committee.

(C) The Greenspace Review Committee shall, within thirty (30) days after receipt of the list of available properties, advise the Department which properties meet the Committee's criteria for appropriate use as open spaces, parks or natural areas. Within ten (10) 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 Greenspace Review Committee within forty-five (45) days after notice of property availability was first mailed. All requests shall be on the application forms provided with the notice.

(E) Within sixty (60) days after receipt of applications, the Greenspace Review Committee 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 (7) days after the Greenspace Review Committee determines any property will not be transferred to an open space preservation sponsor, the Greenspace Review Committee 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.

**§ 27.158 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 fifteen (15) days after receiving the recommendations from the Greenspace Review Committee 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 sixty (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 3.** This ordinance takes effect and Ordinance Nos. 735, 795 and 895 are repealed on October 1, 2000.

FIRST READING:

August 17, 2000

SECOND READING AND ADOPTION:

August 24, 2000



BOARD OF COUNTY COMMISSIONERS  
FOR MULTNOMAH COUNTY, OREGON

*Beverly Stein*  
Beverly Stein, Chair

REVIEWED:

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