

CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

Policy Session Worksheet

Presentation Date: February 25, 2020 Time: 2:30 PM Length: 30 min.
Presentation Title: Property Disposition Surplus Property Recommendation
Department: Business & Community Services - Property Disposition Division
Presenters: Rick Gruen, Property Disposition Manager; Lindsey Wilde, Property Specialist
Other Invitees: Laura Zentner, Director, Business and Community Services
Sarah Eckman, Deputy Director, Business and Community Services

WHAT ACTION ARE YOU REQUESTING FROM THE BOARD?

Property Disposition is requesting that the BCC review and approve the proposed tax foreclosed parcels for declaration as surplus.

EXECUTIVE SUMMARY:

Clackamas County’s Department of Assessment and Taxation annually forecloses on tax delinquent properties. The foreclosure process is a six-year process – taxes are delinquent for three years, at the end of the third year the foreclosure judgment is filed, there is a two year right of redemption, and in the sixth year, foreclosure occurs. The properties are deeded to the County in lieu of uncollected taxes. Following the recording of the deed, the management and disposition of the properties are transferred to the Property Disposition Division of Business & Community Services (BCS). The Board of County Commissioners delegates its authority to the BCS Director and Deputy Director to develop and implement the procedures necessary and by which surplus properties are transferred or sold in accordance with ORS 275 and other applicable Oregon laws.

The goal of Property Disposition is to manage tax foreclosed and other surplus properties to secure the Highest Permanent Value benefitting the citizens of Clackamas County. Highest Permanent Value is defined as managing, administering, and dispersing tax foreclosed and surplus real properties in a timely and cost effective manner.

Appropriate property transfer or distribution can provide a full range of social, economic, and environmental benefits for the people of Clackamas County. Per adopted policy and procedures, the proposed list of surplus properties is distributed to County departments, agencies, local governments, special districts for their consideration of the suitability of the properties for public benefit or affordable and low-income housing.

None of the properties offered on property distribution list have been requested or fulfill the current need of these departments or agencies.

FINANCIAL IMPLICATIONS:

Is this item in your current budget? YES NO

What is the cost? N/A What is the funding source? N/A

STRATEGIC PLAN ALIGNMENT:

- **How does this item align with your Department's Strategic Business Plan goals?**
The strategic goal of BCS - Property Disposition is to manage surplus property so it may be repurposed for a public benefit or sold to become a tax-producing asset on the tax rolls. Funds generated on the tax rolls will help preserve other public benefits throughout the county as well as publicly held lands. Schools, parks, and libraries are just a few examples of public entities that receive funds generated from the tax rolls.
- **How does this item align with the County's Performance Clackamas goals?**
Managing surplus tax foreclosed properties aligns with the Board's strategic goal and priority of *Building Public Trust through Good Government*. All transactions that take place, whether they are government transfers or sales through the auction process, have been carefully assessed and executed to have the most positive outcome for a public benefit. Properties that are directly sold are returned to the tax rolls and generating funds for the taxing districts. Additionally, any parcels transferred to another government entity are held to help better serve a public need.

LEGAL/POLICY REQUIREMENTS:

Oregon Revised Statute prescribes the process of transferring or selling tax foreclosed properties. County policy details the criteria for declaration of surplus.

PUBLIC/GOVERNMENTAL PARTICIPATION:

Property Disposition staff prepares and circulates a copy of the *Proposed Surplus Tax Foreclosed Property List* to County Departments, local municipalities, and special districts in Clackamas County for their review and consideration. ORS 271.330 permits other governmental agencies to request a direct transfer of a property when the property has a perpetual public use and fits within an adopted strategic or regional plan. When properties are requested for transfer, they are brought before the BCC for review and consideration of approval. Additionally, the public is notified through direct newspaper circulation, website and flyers. Direct mailing is made to adjacent property owners within 200 feet of a tax foreclosed property being placed in the Oral Public Auction. At this time, there are not any property requests.

OPTIONS:

Property Disposition is requesting that the BCC review and approve the proposed tax foreclosed parcels for declaration as surplus. Options include:

1. Approve the proposed property list as dedicated surplus to be offered for sale at a future auction or private sale. (Attachment A)
2. Remove any or all properties as consideration for surplus.

Property Disposition is planning for an auction in Spring of 2020. These tax-foreclosed properties would be added and offered for sale at the Public Oral Auction. Staff has evaluated the properties against the established criteria used for setting the minimum bid amounts that is consistent with the goal of obtaining Highest Permanent Value. Minimum bid for these properties will be the current market value as determined by a fee appraisal or a percentage of the ARMV per policy.

The following narrative descriptions relate to the properties detailed in Attachment A.

Item 1 Map # 21E11CB7P410 and S106: This parcel is approximately .01 acres and is a parking spot and storage unit within a condominium development. The Assessor's Real Market Value is \$10,410. Property Disposition is recommending the minimum bid be set at \$10,410.

Item 2 Map # 22E15C 00702: This parcel is approximately 1.37 acres and is located off of Clackamas River Drive. This is unimproved parcel. The property is located within a distant suburban neighborhood. The Assessor's Real Market Value is \$39,824. Property Disposition is recommending the minimum bid be set at \$75,000 based on the current appraised value.

Item 3 Map # 24E13DB02332: This parcel is approximately .14 acres and is located 39555 Stefenee Court Sandy, OR 97055. This parcel is unimproved. This property is located within a suburban neighborhood and

does have building constraints. The Assessor's Real Market Value is \$83,640. Property Disposition is recommending the minimum bid be set at \$25,000 based on the current appraised value.

Item 4 Map # 26E20CC00100: This parcel is approximately .52 acres and is located off of Summertime Drive and Hwy 26. This parcel is unimproved. This property is located within a semi-suburban neighborhood and does have building constraints. The Assessor's Real Market Value is \$65,572. Property Disposition is recommending the minimum bid be set at \$16,393 based on the building constraints.

Item 5 Map # 26E22BD00500: This parcel is approximately .17 acres and is located 59175 E Chalet Place Sandy, OR 97055. This parcel is improved with a structure that is being used as a garage and utilities are available. This property is located within a rural neighborhood. The Assessor's Real Market Value is \$88,071. Property Disposition is recommending the minimum bid be set at \$90,000 based on the current appraised value.

Item 6 Map # 26E24CC00700, 200, and 1400: These parcels are approximately 7.71 acres and are located off of the Sandy River and the closest road is Brightwoodloop Road. These parcels are not improved. The Assessor's Real Market Value is \$32,890. Property Disposition is recommending the minimum bid be set at \$8,223 based on the constraints with the property for access and building.

Item 7 Map # 26E24CD02600, 1700, 2300, 1800, 2000, 2100, and 2200: These parcels are approximately 4.80 acres and are located off of the Sandy River and North of Brightwoodloop Road. These parcels are not improved. The Assessor's Real Market Value is \$134,247. Property Disposition is recommending the minimum bid be set at \$33,562 based on the constraints with the property for access and building.

Item 8 Map # 26E24DC02100, 1200, and 2300: These parcels are approximately .18 acres and are located off of the Sandy River and West of Brightwood Bridge Road. These parcels are not improved. The Assessor's Real Market Value is \$13,088. Property Disposition is recommending the minimum bid be set at \$3,272 due to the constraints for access and building.

Item 9 Map # 27E30BC03200: This parcel is approximately 1.76 acres and is located off of the Sandy River and North of Brightwoodloop Road. This parcel is not improved. The Assessor's Real Market Value is \$24,576. Property Disposition is recommending the minimum bid be set at \$6,144 based on the location and accessibility.

Item 10 Map # 27E32BC11000 and 11500: These parcels are approximately .24 acres and are located off of Hwy 26 and Lataurelle. These parcels are not improved. The Assessor's Real Market Value is \$37,758. Property Disposition is recommending the minimum bid be set at \$28,319.

Item 11 Map # 31E01AD01900: This parcel is approximately .41 acres and is located 116 Barker Road Oregon City, OR 97045. This parcel is improved with a home and garage on site. This property is located within a suburban neighborhood. The Assessor's Real Market Value is \$355,419. Property Disposition is recommending the minimum bid be set at \$280,000 based on the current appraised value.

Item 12 Map # 37E09CA00501, 500, and 400: These parcels are approximately 2.64 acres and are located of Manape Drive. These parcels are not improved. The Assessor's Real Market Value is \$219,889. Property Disposition is recommending the minimum bid be set at \$109,945.

Item 13 Map # 73E 03501: This parcel is approximately 1.76 acres and is located off of Molalla Forest Road. This parcel is improved with a small structure on site. The Assessor's Real Market Value is \$175,211. Property Disposition is recommending the minimum bid be set at \$131,408 based on future building constraints.

RECOMMENDATIONS

Staff recommends the BCC accept Option 1 Approve the proposed property list as dedicated surplus to be offered for sale at a future auction or private sale. (Attachment A)

- a. No issues are anticipated with the recommendation of approval.
- b. No county department or other agency has requested any property for transfer for public benefit or meeting low-income housing needs
- c. Not approving the property as surplus would inhibit the tax foreclosed property from being used as public benefit or returned to the tax rolls.

ATTACHMENTS:

Attachment A – Surplus Property Designation

SUBMITTED BY:

Division Director/Head Approval _____

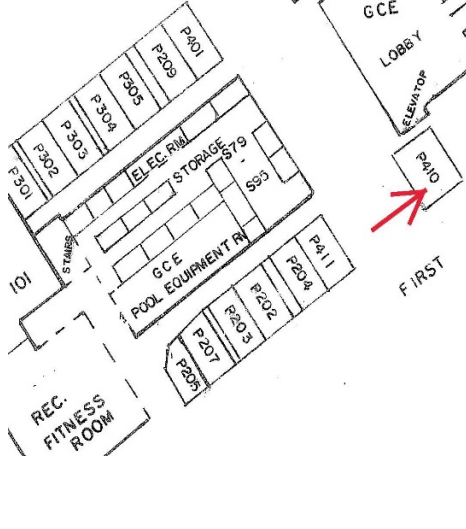

Department Director/Head Approval _____

County Administrator Approval _____



For information on this issue or copies of attachments, please contact Lindsey Wilde, Property Agent @ x4384

ATTACHMENT A

Item	Aerial View	Description	Assessed Real Market Value	Minimum Bid Amount	Deposit Amount- 20% of the minimum bid
1		<p>21E11CB7P410 and S106 Improved Parking Space and Storage Unit-</p> <ul style="list-style-type: none"> • Approximately .01 acres • This is for the parking space and storage unit only. • Zoning- R0 • Lake Oswego Fire Department • Lake Oswego School District 	\$10,410	\$10,410	\$2,082
2		<p>22E15C 00702 Unimproved Parcel- off of Clackamas River Drive, Oregon City</p> <ul style="list-style-type: none"> • Approximately 1.37 acres Combined • There is not a current structure on the property- Please confirm with Clackamas County Planning and Zoning for further development questions (503) 742-4500 • Zoning- RRF5 • Clackamas RFPD #1 • Oregon City School District 	\$39,824	\$75,000	\$15,000

<p>3</p>		<p>24E13DB02332 Unimproved Parcel –39555 Stefenee Court Sandy, OR 97055</p> <ul style="list-style-type: none"> • Approximately .14 acres • There is not a current structure on the property- Please confirm with the City of Sandy, Planning Department for further development questions (503)668-5533 • Zoning- SFR • Sandy Fire District #72 • Oregon Trail School District 	<p>\$83,640</p>	<p>\$25,000</p>	<p>\$5,000</p>
<p>4</p>		<p>26E20CC00100 Unimproved Parcel – off of Summertime Drive and HWY 26</p> <ul style="list-style-type: none"> • Approximately .52 acres • Buildability is unknown- Please contact Clackamas County Planning and Zoning for further development questions (503) 742-4500 • Zoning- RRFF5 • Hoodland Fire District #74 • Oregon Trail School District 	<p>\$65,572</p>	<p>\$16,393</p>	<p>\$3,279</p>
<p>5</p>		<p>26E22BD00500- Improved Parcel- 59175 E Chalet Place Sandy, OR 97055</p> <ul style="list-style-type: none"> • Approximately .17 acres • There is structure/garage on site- Please contact Clackamas County, Planning Department for further development questions (503) 742-4500 • Zoning- RRFF5 • Hoodland Fire District #74 • Oregon Trail School District 	<p>\$88,071</p>	<p>\$90,000</p>	<p>\$18,000</p>

6		<p>26E24CC00200, 700, 1300, and 1400 Unimproved Parcels- Located North of Brightwood Loop and crossing the Sandy River</p> <ul style="list-style-type: none"> • Approximately 7.71 acres combined • There is not a structure on site-Please contact Clackamas County, Planning Department for further development questions (503) 742-4500 • Zoning- RR • Hoodland Fire District #74 • Oregon Trail School District 	\$32,890	\$8,223	\$1,645
7		<p>26E24CD01700, 1800, 2000, 2100, 2200, 2300, and 2600 Unimproved Parcels- Located North of Brightwood Loop and crossing the Sandy River</p> <ul style="list-style-type: none"> • Approximately 4.80 acres combined • There is not a structure on site-Please contact Clackamas County, Planning Department for further development questions (503) 742-4500 • Zoning- RR • Hoodland Fire District #74 • Oregon Trail School District 	\$134,247	\$33,562	\$6,712
8		<p>26E24DC01200, 2100, and 2300 Unimproved Parcels- Located West of Brightwood Bridge Road and crossing the Sandy River</p> <ul style="list-style-type: none"> • Approximately .18 acres combined • There is not a structure on site-Please contact Clackamas County, Planning Department for further development questions (503) 742-4500 • Zoning- RR • Hoodland Fire District #74 • Oregon Trail School District 	\$13,088	\$3,272	\$654

9		<p>27E30BC03200 Unimproved Parcel- Located East of Brightwood Loop Road and next to the Sandy River</p> <ul style="list-style-type: none"> • Approximately 1.76 acres • There is not a structure on site-Please contact Clackamas County, Planning Department for further development questions (503) 742-4500 • Zoning- RR • Hoodland Fire District #74 • Oregon Trail School District 	\$24,576	\$6,144	\$1,229
10		<p>27E30BC03200 Unimproved Parcel- Located off of HWY 26 and Lataurelle</p> <ul style="list-style-type: none"> • Approximately .24 acres combined • There is not a structure on site-Please contact Clackamas County, Planning Department for further development questions (503) 742-4500 • Zoning- RR • Hoodland Fire District #74 • Oregon Trail School District 	\$37,758	\$28,319	\$5,664
11		<p>31E01AD01900-OCCUPIED Improved Parcel- 116 Barker Road Oregon City, OR 97045</p> <ul style="list-style-type: none"> • Approximately .41 acres • There is a structure on site-Please contact Oregon City, Planning Department for further development questions (503) 722-3789 • Zoning- R10 • Clackamas RFPD #1 • Oregon City School District 	\$355,419	\$280,000	\$56,000

12		<p>37E09CA00400, 500, and 501 Unimproved Parcel- Located off of Manape Drive in Welches</p> <ul style="list-style-type: none"> • Approximately 2.64 acres combined • There is not a structure on site-Please contact Clackamas County, Planning Department for further development questions (503) 742-4500 • Zoning- RR • Hoodland Fire District #74 • Oregon Trail School District 	\$219,889	\$109,945	\$21,989
13		<p>73E 03501 Improved Parcel- Located off of Molalla Forest Road</p> <ul style="list-style-type: none"> • Approximately 1.76 acres • There is a structure on site but not a home-Please contact Clackamas County, Planning Department for further development questions (503) 742-4500 • Zoning- TBR • NO FIRE DISTRICT • Molalla River School District 	\$175,211	\$131,408	\$26,282