

CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

Policy Session Worksheet

Presentation Date: September 18, 2018 Approx Start Time: 2:30 PM Length: 15 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

WHAT ACTION ARE YOU REQUESTING FROM THE BOARD?

Property Disposition is requesting that the BCC review and approve the proposed surplus tax foreclosed property.

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 must be delinquent for three years, then a two year judgment is filed, and in the sixth year, foreclosure occurs. The property is then deeded to the County in lieu of uncollected taxes. Following the recording of the deed in the County's name, the management and disposition of the property is then 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 property is transferred or sold in accordance with ORS 275 and other applicable Oregon laws.

The goal of the BCS Property Disposition Division 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 of tax foreclosed and surplus real property assets in a timely and cost effective manner that can provide a full range of social, economic and environmental benefits for the people of Clackamas County through the disbursement of such properties to other County departments and agencies, local governments and/or special districts for a public benefit or returning these properties to the tax rolls.

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?
Assets managed by Property Disposition are repurposed for public benefit or returned to the tax rolls.
- How does this item align with the County's Performance Clackamas goals?
Build public trust through good government.

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 all 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.

OPTIONS:

Property Disposition is requesting that the BCC review and approve the proposed tax foreclosed parcel 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 Fall of 2018. This tax foreclosed property would be added and offered for sale at the Public Oral Auction. Staff has evaluated the property 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 this property will be the current market value as determined by a fee appraisal.

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

Item 1 Map # 31E07B 00901: This parcel is approximately 5.00 acres and is located near Wilsonville. This improved parcel has an existing home, outbuildings and agricultural acreage. The property is located within a rural neighborhood of like style homes and amenities. . The Assessor's Real Market Value is \$861,369. Property Disposition is recommending the minimum bid be set at \$__(TBD)__ based on the current appraised value. Please note that the appraisal is currently in the process of being completed. The completion date would be prior to the November 2018 auction.

RECOMMENDATIONS

Staff recommends the BCC accept Option 1 to approve the proposed tax foreclosed properties as dedicated surplus.

- a. No issues are anticipated with the recommendation of approval.
- b. 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 _____



ATTACHMENT A

Item	Aerial View	Description	Assessed Real Market Value	Minimum Bid Amount	Deposit Amount- 20% of the minimum bid
1		<p>31E07B 00901 Improved Parcel- Wilsonville, OR 97070</p> <ul style="list-style-type: none"> • Approximately 5.00 Acres • Currently there is a home located on the parcel. Please confirm with Clackamas County Planning and Zoning for any additional questions (503) 742-4501 • Zoning- EFU • Tualatin Valley Fire and Rescue • West Linn/ Wilsonville • Not in a sewer district • Not in a water district 	\$861,369	\$TBD Pending Appraisal	\$TBD Pending Appraisal