

CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

Study Session Worksheet

Presentation Date: February ²⁴~~19~~, 2013 Time: ^{3:30}~~2:00~~ p.m. Length: 30 min.

Presentation Title: Proposed Public Oral Auction List

Department: Business and Community Services - Property Resources Division

Presenters: Laura Zentner, Rick Gruen, Jean Athey

WHAT ACTION ARE YOU REQUESTING FROM THE BOARD?

Property Resources is requesting that the BCC review and approve the following:

- 1) Proposed property transfer to another public entity
- 2) Proposed Public Oral Auction sale list including established minimum bid amounts and contract interest rates

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 and the property is deeded to the County in lieu of uncollected taxes. Following the recording of the deed in the County's name, the management and disposition is then transferred to the Property Resources Division of the Department of Business and Community Services.

Property Resources Division is tasked with managing, administering and dispersing of tax foreclosed real property assets in a cost effective manner that will provide a County public benefit. Oregon Revised Statutes provides for Property Resources Division to recover annual operational expenses. No General Fund resources are currently allocated to this program.

FINANCIAL IMPLICATIONS:

Returning tax foreclosed properties to the tax rolls generates property tax revenue for all taxing jurisdictions within Clackamas County. Per statute, all proceeds from property sales in excess of the actual expenses incurred by the County to operate the program are distributed by the County Treasurer to all taxing entities within Clackamas County. No General Fund resources are currently allocated to this program. The proceeds generated from the public oral auction, property transfers and other private land sales are used to pay the operating costs of the Property Resources division.

LEGAL/POLICY REQUIREMENTS:

Oregon Revised Statute (ORS 275.200, 275.225 and 271.330) prescribes the process to dispose of tax foreclosed property such as the method used to sale the property (i.e. public oral auction or private sale), the criteria for transferring or deeding property to other governmental agencies and/or other departments within Clackamas County as well as how to distribute excess proceeds. County policy prescribes details regarding the sale of property such as the amount of down payment required at auction, whether a property can be purchased for cash or contract and the contract terms, etc.

PUBLIC/GOVERNMENTAL PARTICIPATION:

Staff circulated a copy of the *Proposed Surplus Real Property Auction List* to all County Departments and numerous governmental agencies in Clackamas County for their review. ORS 271.330 permits these County departments or governmental agencies to request a direct transfer of a property, with Board of County Commissioner approval when the property has a perpetual public use and fits within an adopted strategic or regional plan of the requesting entity.

The deadline for response by other Public Agencies to make such a request was January 29, 2013.

OPTIONS:

- 1) Property Resources is requesting that the BCC:
 - i) Review and approve the following transfer of property to:
 - (a) City of West Linn – a 3 acre parcel of wooded land in West Linn constrained by steep slopes and water resource/riparian corridor setbacks. This property is adjacent to Mary S. Young State Park and is requested for a city park/open space and trail connector. The Assessors Real Market Value for the parcel is \$410,175. Consideration for this property transfer is \$47,533.82
 - ii) Modify the proposed transfer.
- 2) Property Resources is requesting that the BCC review and approve the proposed Public Oral Auction sale list including minimum bid amounts and contract interest rates:
 - i) Approve the list of properties proposed for sale. Property Resources is proposing a Public Oral Auction date of May 7, 2013. The proposed sale list currently contains 11 properties to be offered. Staff has evaluated each property using its Real Property Asset Management/Minimum Bid criteria, including consultation with a professional Realtor to validate market conditions and assumptions. The parcels are briefly described below. Full property descriptions are shown in Appendix A:

Item #1: 4.00 acres of vacant land in the Boring area on a steep slope with no legal right of access. Per the County Planning Department, this parcel could be developed subject to acquiring access and septic approval. The Assessors Real Market Value for the property is \$117,648. Staff is requesting the minimum bid be set at \$58,824 which is 50 percent of the RMV

Item #2: Two parcels of vacant land located in the Gresham area on 307th Avenue with a combined total of 0.13 acres. These parcels were on the 2012 auction and received no bids. Together the parcels have an Assessors Real Market Value of \$9,441. Per the Clackamas County Planning Dept., combined these parcels would be too small to develop. In order to return these parcels to the tax rolls staff is requesting the minimum bid be set at \$2,360 which is 25 percent of the Assessed RMV.

Item #3: A single family residence on 0.73 acres located on Livesay Rd. in Oregon City. The home has been abandoned for many years and has been condemned by Oregon City Code Enforcement. The bridge and road to access the property no longer exists. The Assessors Real Market Value for the property is \$102,748 for the land and \$105,700 for the building or a combined total of \$208,448. Staff is requesting the minimum bid be set at \$77,061 which is 75 percent of the RMV of the land as there is no longer value in the home.

Item #4 is a 1.05 acre of vacant land located on S Neibur Rd. in the Redland area. Per the Clackamas County Planning Dept. this parcel is very steep but might be a buildable lot subject to septic approval and stream setback of 70 feet. The Assessors Real Market Value for the parcel is \$84,663. Staff is requesting the minimum bid be set at \$21,166 which is 25 percent of the Assessed RMV.

Item #5: Four parcels of vacant land located in the Brightwood area and combined create a 1.19 acre legal lot of record. This property was on last year's auction and received no bid. The subject properties are located entirely within the one-hundred year floodplain and have no legal right of entry. The Assessors Real Market Value for the four parcels is \$73,576. Staff is requesting the minimum bid be set at \$18,394 which is 25 percent of the RMV.

Item #6: A 0.11 acre of vacant land located in the Welches area that is too small to develop. The Assessors Real Market Value for the parcel is \$11,045. Staff is requesting the minimum bid be set at \$2,761 which is 25 percent of the RMV.

Item #7: A 0.34 acre of vacant land located in Estacada and is mostly a very steep hillside. This parcel was on the 2012 Public Oral Auction and received no bid. The Assessors Real Market Value for the parcel is \$75,545. Staff is requesting the minimum bid be set at \$18,886 which is 25 percent of the RMV.

Item #8: A 0.58 acre of vacant land located in Estacada and is mostly a steep hillside. Per the Clackamas County Planning Dept. this parcel would be buildable subject to 16.20.040 standards and a required Geotech report. The Assessors Real Market Value for the parcel is \$75,545. Staff is requesting the minimum bid be set at \$37,773 which is 50 percent of the RMV.

Item #9: A 0.11 acre of vacant land located in Rhododendron that is too small to develop. The Assessors Real Market Value for the parcel is \$11,045. Staff is requesting the minimum bid be set at \$2,761 which is 25 percent of the RMV.

Item #10: A 1.05 acre of vacant land located off Hwy. 26 in Government Camp. This parcel is mostly wetlands with no public access. The Assessors Real Market Value for the parcel is \$157,058. Staff is requesting the minimum bid be set at \$78,529 which is 50 percent of the RMV.

Item #11: A three bedroom, two bath, manufactured home built in 1998 on 2.90 acres in the Mulino area. The Assessors Real Market Value for the property is \$174,151. Staff is requesting the minimum bid be set at \$130,613 which is 75 percent of the RMV.

- ii) Modify the list of properties proposed for Public Oral Auction.

RECOMMENDATIONS

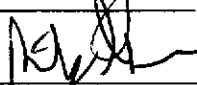
- 1) Property Resources staff recommends the Board of County Commissioners approve the proposed property transfer.
- 2) Property Resources staff recommends the Board of County Commissioners approve the proposed property Public Auction sale list including established minimum bids and interest rate of 9 percent on contract sales.

ATTACHMENTS:

Appendix A - Public Oral Auction List.

SUBMITTED BY:

Division Director/Head Approval 

Department Director/Head Approval 

County Administrator Approval _____

Fiscal Impact Form

RESOURCES:

Is this item in your current work plan and budget?

- YES
 NO

START-UP EXPENSES AND STAFFING (if applicable):

N/A

ONGOING OPERATING EXPENSES/SAVINGS AND STAFFING (if applicable):

The Property Resources division is not funded by the County General Fund. The proceeds generated from the public oral auction and other private land sales are used to pay the operating costs of the Property Resources division. Historically, the proceeds from auction and private property sales have generated sufficient revenue to cover program operating costs. In the past couple of years, it has become more difficult to cover program costs.

ANTICIPATED RESULTS:

The goal of the Property Resources Division is to return properties to the tax rolls in a timely manner therefore, providing revenue to the County and other taxing districts and minimizing the costs associated with maintaining these properties. The success of the program can be measured based on the number of tax foreclosed properties held by Clackamas County and whether the number is increasing or decreasing from year to year. Since Property Resources staff began actively managing the program in 1998, the number of properties has decreased from a high of 600 properties in 1998 to 143 properties today.

COSTS & BENEFITS:

N/A

Clackamas County Surplus Real Estate Public Oral Auction

**Development Services Building
Auditorium
150 Beaver Creek Rd., Oregon City, OR 97045
May 7, 2013**

**REGISTRATION begins at 9:00 a.m. / AUCTION begins at 10:00 a.m.
*** Auction will be conducted in English and in U.S. currency only *****

| Item # | Map # | Description | Assessed Real Market Value \$ | Minimum Bid \$ | 20% Deposit Amount \$ |
|---------------|----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|-----------------------|------------------------------|
| 1 | 13E25C 00400 | VACANT LAND – off S.E. Eastmont Dr., Boring area, approximately 4.00 acres. <ul style="list-style-type: none"> • Check with Clackamas County Planning Dept. for permitted uses (503.742.4400) • Zone – RRF5 - Rural Residential Farm Forest 5 acres • Boring RFPD #59, Gresham/Barlow School Dist. #26 • Sewer – unknown, water - unknown • No legal right of access | 117,648 | 58,824 | 11,765 |
| 2 | 14E29B 00109 & 00202 | VACANT LAND – on 307 th Ave., Gresham, approximately 0.13 acres combined. <ul style="list-style-type: none"> • Check with Clackamas County Planning Dept. for permitted uses (503.742.4400) • Zone – RRF5 - Rural Residential Farm Forest 5 acres • Boring RFPD #59, Gresham/Barlow School Dist. #26 • Sewer – unknown, water - unknown | 9,441 | 2,360 | 472 |
| 3 | 22E29DA 03001 | VACANT HOUSE – 16761 Livesay Rd., Oregon City, approximately 0.70 acres. <ul style="list-style-type: none"> • House has been abandoned for years. Check with the City of Oregon City for more information (503.722.3789) • Zone – RR10 • Clackamas RFPD #1, Oregon City School Dist. #1 • Sewer – Tri-Cities, water – unknown • Access road and bridge no longer exists | 208,448 | 77,061 | 15,412 |
| 4 | 22E34A 02400 | VACANT LAND - off S. Neibur Rd., Redland area, approximately 1.05 acres. <ul style="list-style-type: none"> • Possibly buildable. Check with Clackamas County Planning Dept. for permitted uses (503.742.4400) • Zone - RRF5 - Rural Residential Farm Forest 5 acres • Clackamas RFPD #1, Oregon City School Dist. #62 • Sewer - unknown, water – Clackamas River Water | 84,663 | 21,166 | 4,233 |

| Item # | Map # | Description | Assessed Real Market Value \$ | Minimum Bid \$ | 20% Deposit Amount \$ |
|--------|------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|----------------|-----------------------|
| 5 | 27E30BC 03000, 03100, 03101, 03203 | VACANT LAND – off Brightwood Loop Rd., Brightwood area, approximately 1.19 acres. <ul style="list-style-type: none"> • Check with Clackamas County Planning Dept. for permitted uses (503.742.4400) • Zone - RR - Recreational Residential • Hoodland Fire Dist. #74, Oregon Trail School #46 • Sewer – unknown, water – unknown | 73,576 | 18,394 | 3,679 |
| 6 | 27E32DA 06100 | VACANT LAND - on John Paul Jones Ave., Welches area, approximately. 0.11 acres. <ul style="list-style-type: none"> • Check with Clackamas County Planning Dept. for permitted uses (503.742.4400) • Zone - RR - Recreational Residential • Hoodland Fire Dist. #74, Oregon Trail School Dist. #46 • Sewer – unknown, water – unknown | 11,045 | 2,761 | 552 |
| 7 | 34E28BC 04200 | VACANT LAND – on SE Forest Glen Rd, Estacada, approximately 0.34 acres. <ul style="list-style-type: none"> • Contact the City of Estacada for permitted uses (503.630.8270) • Zoned R2 • Estacada Fire Dist. #69, Estacada School 108 • Sewer - unknown, water – unknown | 75,545 | 18,886 | 3,777 |
| 8 | 34E28BC 04300 | VACANT LAND – on SE Forest Glen Rd, Estacada, approximately 0.58 acres. <ul style="list-style-type: none"> • Possibly buildable. Contact the City of Estacada for permitted uses (503.630.8270) • Zoned R2 • Estacada Fire Dist. #69, Estacada School 108 • Sewer - unknown, water – unknown | 75,545 | 37,773 | 7,555 |
| 9 | 37E03BA 09600 | VACANT LAND - on Old Smokey Rd, Rhododendron area, approximately 0.11 acres. <ul style="list-style-type: none"> • Check with Clackamas County Planning Dept. for permitted uses (503.742.4400) • Zone - RR - Recreational Residential • Hoodland Fire Dist. #74, Oregon Trail School #46 • Sewer - unknown, water - Wildwood Annex | 11,045 | 2,761 | 552 |
| 10 | 38Q23AB 08000 | VACANT LAND - off Hwy. 26, Government Camp area, approximately 1.02 acres. <ul style="list-style-type: none"> • Check with Clackamas County Planning Dept. for permitted uses (503.742.4400) • Zone - HR • Hoodland Fire Dist. #74, Oregon Trail School #46 • Sewer - unknown, water - Wildwood Annex • No public access | 157,058 | 78,529 | 15,706 |

Business and Community Services

Property Resources Division

BCC Study Session Feb. 19, 2013

PUBLIC NOTICE

**Surplus Property
Distribution
&
Oral Public Auction**

May 7, 2013



Business and Community Services

Laura Zentner, Deputy Director

Rick Gruen, Property Resources

Manager

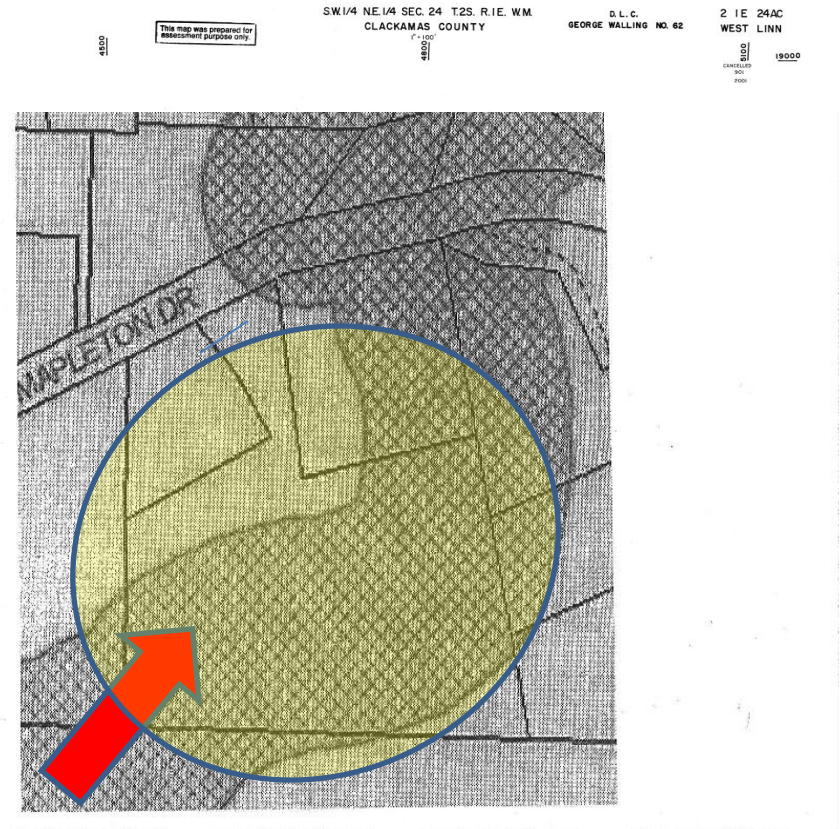
Jean Athey, Senior Property Agent



Transfer Property # 1 – City of West Linn for parks/open space and trail connector to Mary S. Young State Park

- **3.07 acres** – Woodland site off Mapleton Dr., West Linn.
- Constrained by slope, water resource/riparian corridor setbacks
- Buildable site; check with Peter Spir, City of West Linn, for permitted uses (503.723.2539)
- Zone RC-ME
- Clackamas RFPD #1,
- Sewer – Tri-Cities, water – unknown

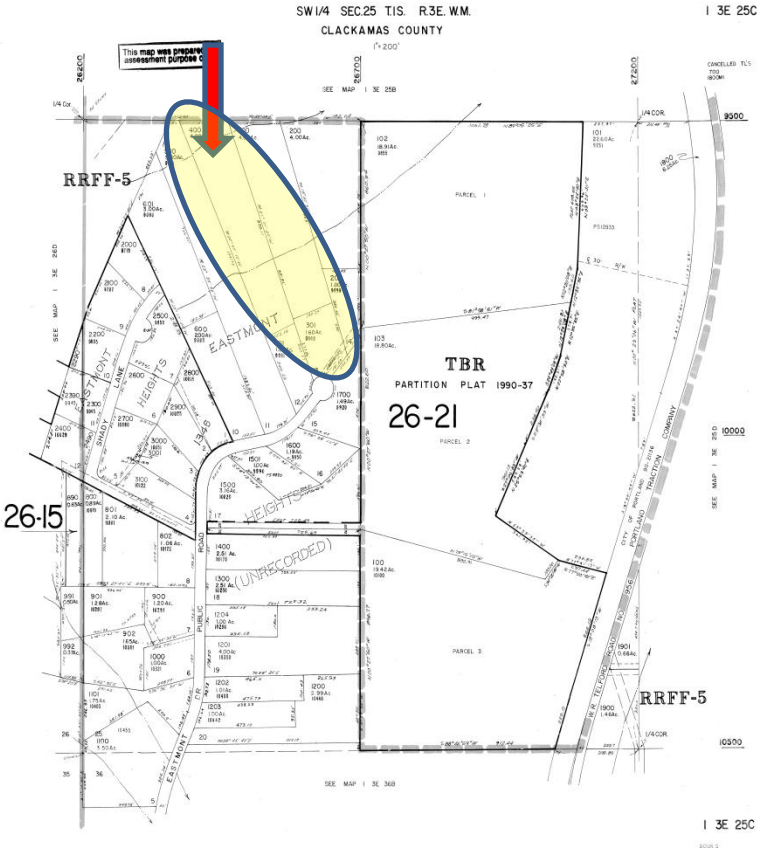
21E 24AC 02401



Public Auction Item #1

- 4.0 acres of vacant land in the Boring area off S.E. Eastmont Dr. on a steep slope.
- Check with Clackamas County Planning Dept. for permitted uses (503.742.4400)
- Zoned RUFF5
- Boring RFPD #59, Gresham/Barlow School
- Sewer – unknown, water – unknown
- No legal right of access

13E 25C 00400



14E29B 00109 & 00202

Public Auction Item #2

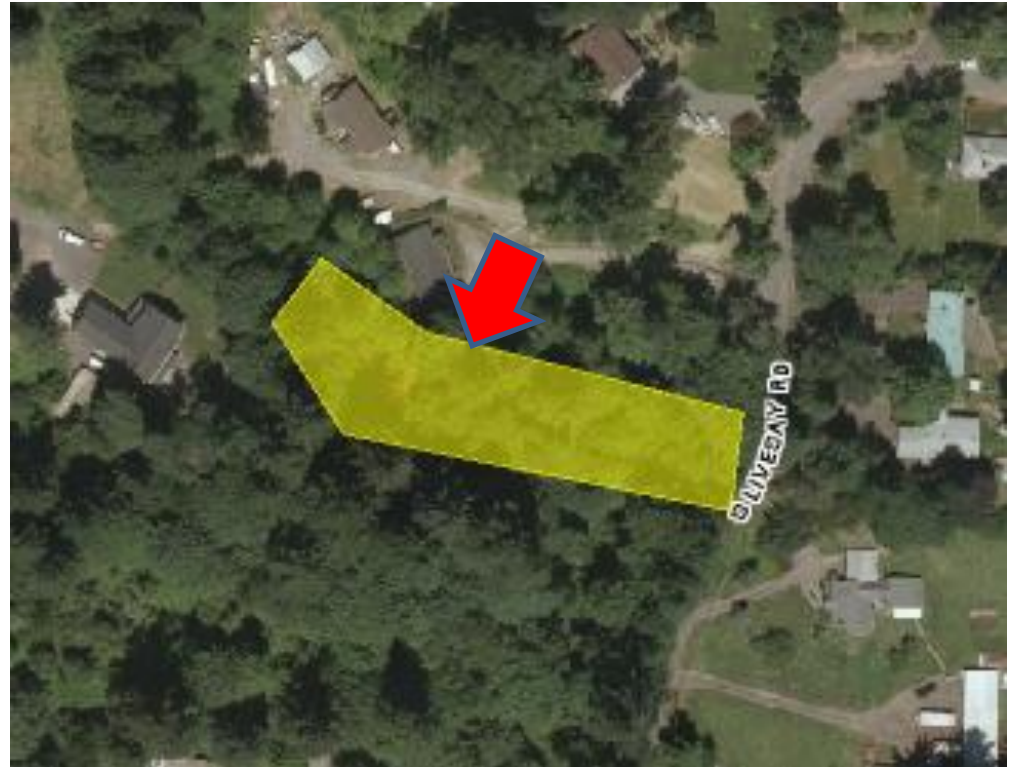
- Two parcels of vacant land located in the Gresham on 307th Avenue with a combined total of 0.13 acres.
- Check with Clackamas County Planning Dept. for permitted uses (503.742.4400)
- Property Zoned RRF5
- Boring RFPD #59, Gresham/Barlow School Dist #26
- Sewer – unknown, water – unknown



22E 29DA 03001

Public Auction Item #3

- VACANT HOUSE/LAND – 16761 Livesay Rd., Oregon City, approximately **0.7 acres**.
- House has been abandoned for years
- Check with the City of Oregon City for information (503.722.3789)
- Property Zoned RR10
- Clackamas RFPD #1, Oregon City School Dist. #62
- Sewer – Tri-Cities, water – unknown
- **No access road to the house**



22E34A 02400

Public Auction Item #4

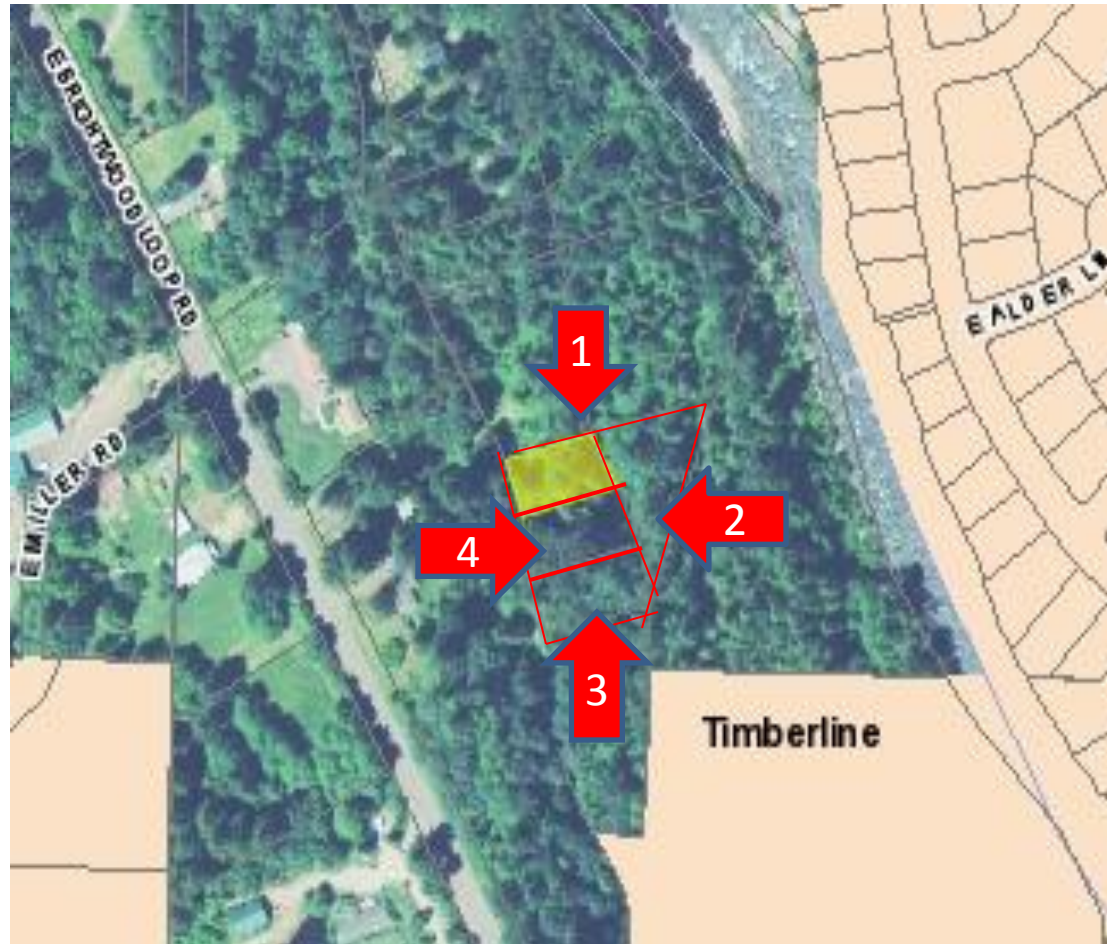
- VACANT LAND - off S. Neibur Rd., Redland area, approximately **1.05** acres.
- Check with Clackamas County Planning Dept. for permitted uses (503.742.4400)
- Zoned RRF5
- Clackamas RFPD #1, Oregon City School Dist. #62
- Sewer - unknown, water – Clackamas River Water



27E30BC 03000, 03100, 03101, 03203

Public Auction Item #5

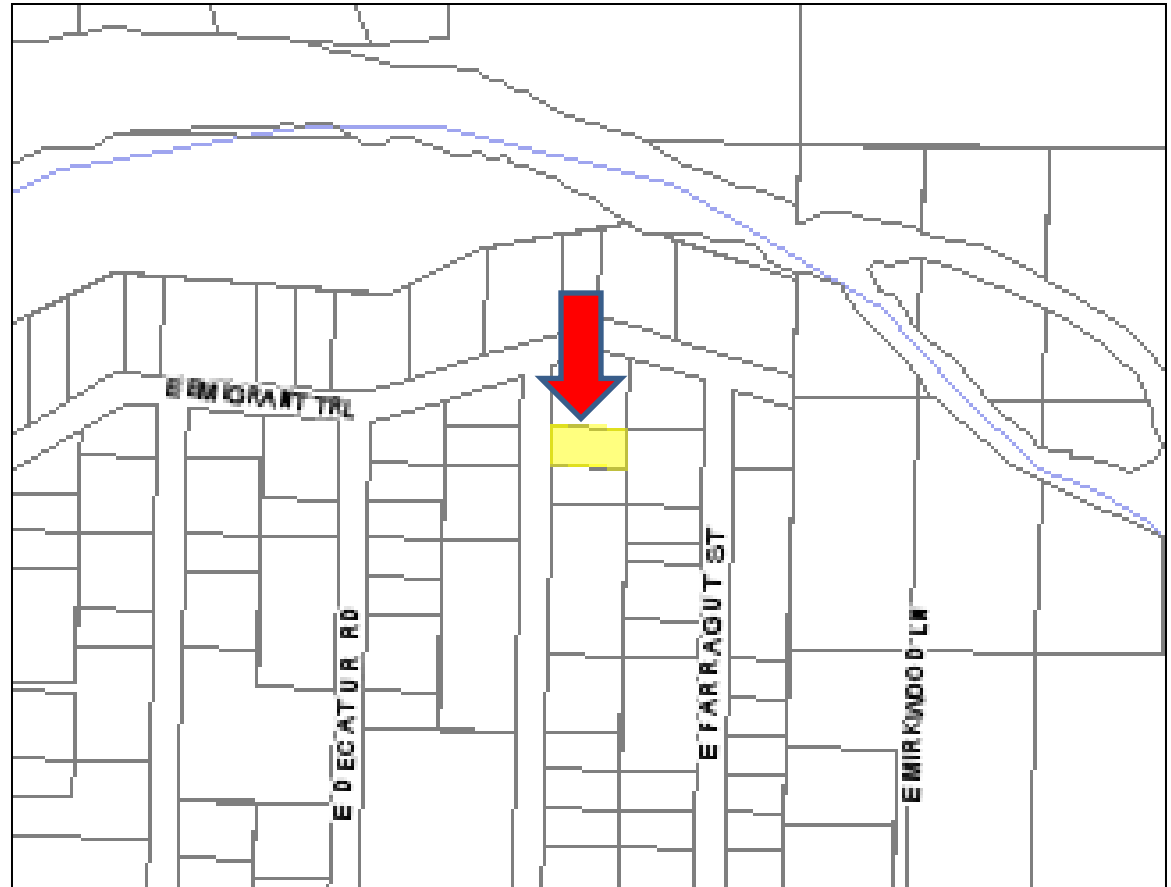
- Four parcels of vacant land in the Brightwood area off of Brightwood Loop Rd, combined create a 1.19 acre legal lot of record.
- Check with Clackamas County Planning Dept. for permitted uses (503.742.4400)
- Zoned RR
- Hoodland Fire Dist. #74, Oregon Trail School #46
- Sewer – unknown, water – unknown



27E 32DA 06100

Public Auction Item #6

- VACANT LAND - on John Paul Jones Ave., Welches area, approximately. **0.11 acres.**
- Check with Clackamas County Planning Dept. for permitted uses (503.742.4400)
- Zoned RR
- Hoodland Fire Dist. #74, Oregon Trail School Dist. #46
- Sewer – unknown, water – unknown



34E289BC04200

Public Auction Item #7

- VACANT LAND – on SE Forest Glen Rd, Estacada, approximately **0.34 acres**.
- Contact the City of Estacada for permitted uses (503.630.8270)
- Zoned R2
- Estacada Fire Dist. #69, Estacada School 108
- Sewer - unknown, water – unknown



34E 28BC 04300

Public Auction Item #8

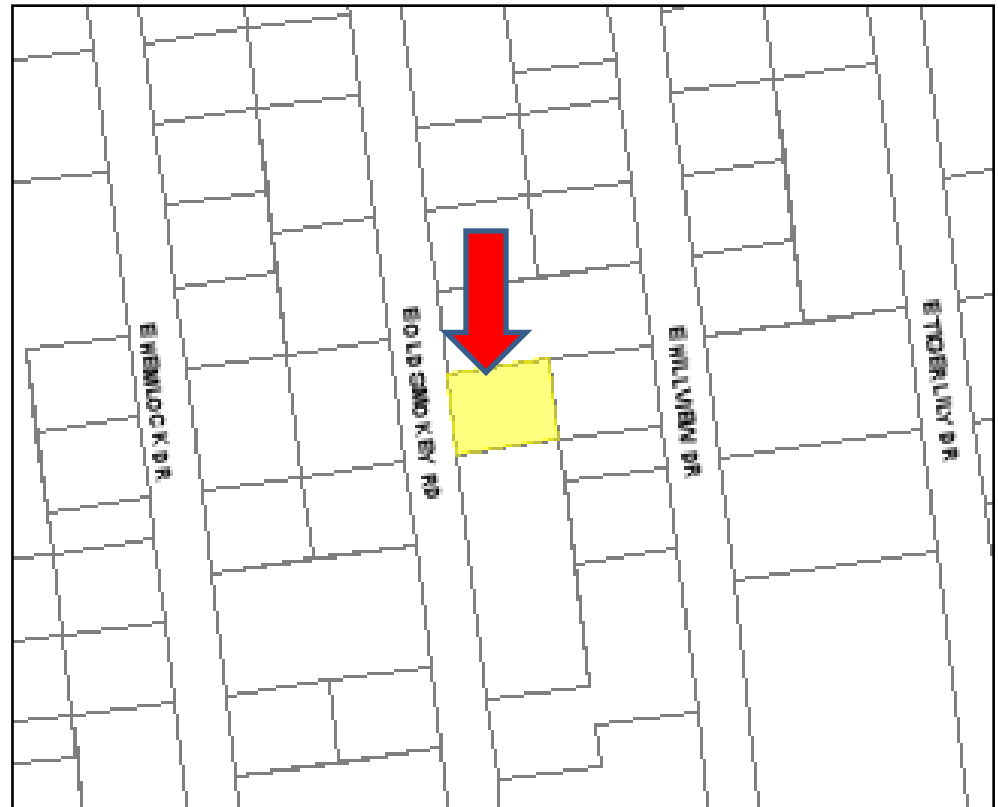
- VACANT LAND – on SE Forest Glen Rd, Estacada, approximately **0.58 acres**.
- Contact the City of Estacada for permitted uses (503.630.8270)
- Zoned R2
- Estacada Fire Dist. #69, Estacada School 108
- Sewer - unknown, water – unknown



37E 03BA 09600

Public Auction Item #9

- VACANT LAND - on Old Smokey Rd, Rhododendron area, approximately 0.11 acres.
- Check with Clackamas County Planning Dept. for permitted uses (503.742.4400)
- Zoned RR
- Hoodland Fire Dist. #74, Oregon Trail School #46
- Sewer - unknown, water - Wildwood Annex



• **Public Auction Item #10**

• VACANT LAND - off Hwy. 26,
Government Camp area,
approximately 1.02 acres.

• Check with Clackamas County
Planning Dept. for permitted uses
(503.742.4400)

• Zoned HR

• Hoodland Fire Dist. #74, Oregon
Trail School #46

• Sewer - unknown, water -
Wildwood Annex

38Q23AB08000



42E22A 02300

Public Auction Item #11

- VACANT HOUSE - 15999 S Howards Mill Rd, Mulino, approximately 2.90 acres.
- 27' x 56' Manufactured Home built in 1998. Three bedrooms, 2 baths
- Zoned TBR
- Molalla RFPD #73, Molalla River School Dist. #35
- Sewer - unknown, water - unknown

