

W. T. a.

AGENDA COVER MEMO

DATE: May 6, 2004

TO: Lane County Board Of Commissioners

DEPT.: Public Works

PRESENTED BY: Howard Schussler, Assistant Public Works Director
Todd Winter, Parks Superintendent

AGENDA ITEM TITLE: In the Matter of Authorizing a Sheriff's Sale of Surplus County-Owned Property Identified as Assessor's Map 18-12-10-20, Tax Lot 400 Located in the Florence Area, Commonly Known as Oceanwoods Park.

I. MOTION

THAT THE BOARD OF COUNTY COMMISSIONERS AUTHORIZE A SHERIFF'S SALE OF A SURPLUS COUNTY-OWNED REAL PROPERTY IN THE FLORENCE AREA.

II. ISSUE OR PROBLEM

By Order 04-1-21-2, the Board authorized the Parks Division to solicit offers for the sale of the 40-acre parcel commonly known as Oceanwoods. In connection with the preparation of an appraisal of said property, Public Works staff conducted extensive research into the factors affecting the potential market for this type of property in the Florence area, and based on the findings, staff is recommending that the property be offered for sale at a Sheriff's sale pursuant to ORS 275.120 through 275.160.

III. DISCUSSION

A. Background

The Oceanwoods property is unlikely to be developed as a County Park due to its close proximity to the Florence Urban Growth Boundary and lack of funding with which to construct the necessary improvements to allow public use of the property. The County owns additional undeveloped property in the general area, that due to its topography and environmental factors, is unsuited to development and is likely to remain as open space for the foreseeable future. These other properties consist of a parcel of approximately

160 acres of land about ½ mile due south of the Oceanwoods parcel, and an additional 120 acres on the easterly side of Highway 101.

The Board's authorization to solicit offers for the sale of the property was conditioned on the requirement that the proceeds of the sale must be used for parks capital improvement purposes or for future acquisition of parks lands. Parks Division staff has identified several projects which have been approved by the Parks Advisory Committee and can be funded with the proceeds from the sale of this property, including Armitage Park Campground Development and Richardson Park moorage improvements.

B. Analysis

The property has been appraised by staff, and the resulting conclusion of estimated market value for the property is \$1,040,000, based upon the highest and best use of residential development. The property is surrounded by existing residential development, has all utilities except public sewer available nearby, and can be accessed from three public streets; Saltaire and Sandrift Streets and Heceta Beach Parkway.

The sale of the property on the basis of solicitation of offers is somewhat problematical, whether conducted by sealed bid or "silent auction", in that bidders do not have knowledge of what other bidders are offering and therefore do not have the opportunity to increase their offer in order to assure that they will be the successful purchaser.

The research that was conducted as part of the appraisal process showed that there is significant interest in purchasing the property on the part of developers and other interested parties, and Public Works staff has responded to numerous inquiries from agents and principals inquiring as to when the property would be available for purchase. Based on said research, staff recommends that the sale of the property be conducted as a Sheriff's Sale pursuant to ORS 275.120 through 275.160.

The property will be sold "as is" with no warranty as to its ability to be used for any purpose. Conveyance will be by Bargain and Sale Deed, and the terms will be Certified Funds in the amount of \$50,000 due the day of the sale, with the balance due within 30 days after the sale date. Recognizing that the estimate of market value for a parcel of this value actually lies within a range of value, it is proposed that the minimum acceptable bid be set at \$950,000. The specifications for the sale will state that Lane County reserves the right to reject any or all bids.

It is proposed that the sale be held in the Florence area on Friday, July 9, 2004. This date will give sufficient time to publish the required legal advertising, as well for the marketing of the property through sales fliers and display advertising, where appropriate, in order to get optimal exposure for this high-value property. In addition, all adjoining owners will be notified of the time and place of the sale.

Sale of the property in this manner will be in the best interests of the County pursuant to the requirements of ORS 275.110, as it will result in exposure to a greater number of potential purchasers, which generally increases the chance to receive the highest price. In addition, sale by oral auction conducted by the Sheriff's office will be much easier to administer, and more fair to all bidders than a sealed-bid process.

The property is considered surplus to the County's needs now and in the foreseeable future, and its sale will allow the property to return to the tax rolls and eliminate the need for further management of the property and attendant liability. The proceeds from the sale will be deposited in the Parks fund as previously directed by the Board.

C. Alternatives/Options

1. Approve the attached Order and authorize the Sheriff's Sale as outlined above.
2. Direct staff to process the sale by solicitation of Offers to Purchase and clarify the direction given by Order 04-1-21-2.
3. Retain the property in inventory of surplus properties.

D. Recommendations

Alternative No. 1 is recommended.

IV. IMPLEMENTATION/FOLLOW-UP

Upon approval by the Board, staff will make arrangements for conducting the sale as outlined above. Following the Sheriff's sale, the matter will be brought back to the Board for a Public Hearing prior to final approval of the sale to the successful bidder.

V. ATTACHMENTS

Exhibit "A"
Assessor's Map
Aerial Map

IN THE BOARD OF COUNTY COMMISSIONERS OF LANE COUNTY
STATE OF OREGON

RESOLUTION AND
ORDER NO.

(IN THE MATTER OF AUTHORIZING
(A SHERIFF'S SALE OF SURPLUS
(COUNTY-OWNED PROPERTY
(IDENTIFIED AS ASSESSOR'S MAP
(18-12-10-20, TAX LOT 400 LOCATED IN
(THE FLORENCE AREA, COMMONLY
(KNOWN AS OCEANWOODS PARK.

WHEREAS, by Order 04-1-21-2 the Lane County Board County Commissioners authorized the Parks division to solicit offers for the sale of a 40-acre parcel of property known as Oceanwoods near the City of Florence; and

WHEREAS, pursuant to said order, Public Works Staff prepared an appraisal of said property, and in connection with said appraisal completed research into all known factors affecting the value of said property; and

WHEREAS, the results of said research showed that it would be in the best interest of the County to offer the property for sale at a Sheriff's Sale; and

WHEREAS, Lane County has now declared this property surplus and the sale of said property would benefit Lane County through the recognition of the sale proceeds and the return of the property to the tax rolls; NOW THEREFORE

IT IS HEREBY RESOLVED that pursuant to ORS 275.120 through 275.160, a Sheriff's Sale of the property described in Exhibit "A" be conducted on July 9, 2004; and

IT IS FURTHER RESOLVED AND ORDERED that the minimum bid for the parcel be established as shown in Exhibit "A", that Lane County reserves the right to reject any or all Sheriff's Sale proposals, and that this Order be entered in the records of the Board of County Commissioner's Journal of Administration, Lane County Oregon; and

IT IS ALSO FURTHER RESOLVED AND ORDERED that the proceeds of said sale be deposited in the Parks Fund to be used for Parks capital improvements.

DATED this _____ day of _____, 2004.

Chair,
Lane County Board of Commissioners

APPROVED AS TO FORM

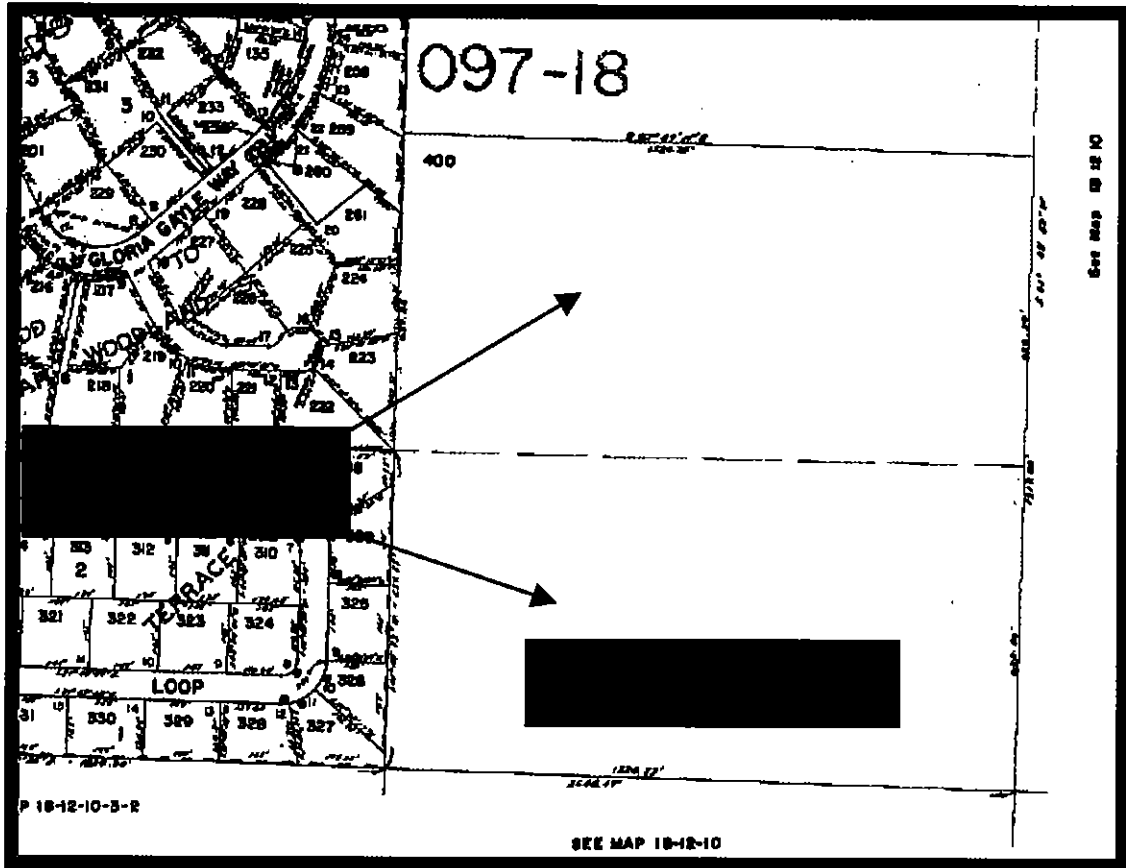
Date 5-17-04 lane county

[Signature]
OFFICE OF LEGAL COUNSEL

EXHIBIT "A"

<u>Parcel Map Number</u>	<u>General Description</u>	<u>Minimum Bid</u>
18-12-10-20-00400	Unimproved Real Property Near Florence, Oregon con- taining approximately 40.08 acres	\$950,000.00, with \$50,000.00 in certified funds due the day of the sale, and with the balance due and pay- able within 30 days after the sale.

LANE COUNTY ASSESSORS
TAX MAP NO. 18-12-10-20



VIEWS OF THE SUBJECT PROPERTY:

Aerial view of the subject.

