

W. G. C. I.
4-3-10-10

AGENDA COVER MEMORANDUM

Agenda Date: March 10, 2004

DATE: February 25, 2004

TO: Board of County Commissioners

DEPARTMENT: Management Services

PRESENTED BY: Jeff Turk, Property Management Officer 2

SUBJECT: ORDER/IN THE MATTER OF AUTHORIZING THE SALE OF SURPLUS COUNTY OWNED REAL PROPERTY TO ALFRED M. AND KOLETTE K. LONGWORTH, FORMER OWNERS OF RECORD (MAP #19-01-11-33-06710, 41 EAST SIXTH STREET, LOWELL)

1. **PROPOSED MOTION:** THE BOARD OF COUNTY COMMISSIONERS MOVES TO AUTHORIZE THE SALE OF SURPLUS COUNTY OWNED REAL PROPERTY TO ALFRED M. AND KOLETTE K. LONGWORTH, FORMER OWNERS OF RECORD (MAP #19-01-11-33-06710, 41 EAST SIXTH STREET, LOWELL)
2. **ISSUE/PROBLEM:** Mr. and Mrs. Longworth are the former owners of record of the subject property. The subject property was their residence at the time of foreclosure. The Longworths wish to repurchase the property pursuant to ORS 275.180 and LM 21.425(4). The proposed purchase price is \$13,600 which includes all taxes, including those which would have been due for the current year, interest and penalties that were owed on the property at the time it was acquired by the County plus an additional 10% thereon.

3. **DISCUSSION:**

- 3.1 Background

The County acquired title to the subject property due to tax foreclosure. The subject is .61 acres and is improved with an 1,800 square foot manufactured dwelling. The total assessed value of the land and manufactured dwelling is \$106,000.

- 3.2 Analysis

As the Longworths are the former owners of record, the property can be sold to them pursuant to ORS 275.180 and Lane Manual 21.425(4). ORS 275.180 provides for selling foreclosed property back to the owner of record at any time but for not less than the amount of taxes, interest and penalties owing on the property at the time the County acquired title plus 6% interest thereon until the time the property is sold. Lane Manual 21.425(4) qualifies ORS 275.180 by requiring one of three conditions to exist for a sale to the former owner of record. Those conditions are that either the property was the residence of the former owner at the time of the foreclosure or an error was made by the Assessor in placing the property on the foreclosure list or that the former owner was physically or mentally incapacitated during the foreclosure period. The subject property was the residence of the Longworths at the time of foreclosure thereby satisfying one of the requirements of Lane Manual.

The county is not obligated to sell the property back to a former owner nor is it required to sell it for the minimum amount required by statute. The Board can sell it for any price it deems appropriate above the minimum required.

The Board has in the past sold property back to the former owner of record when the stipulations of Lane Manual have been met. The sale price has generally been for the minimum required by ORS 275.180 plus taxes owed for the current year and an additional 10% (the additional 10% insures that the taxing districts will be made whole after program expenses are deducted). The proposed \$13,600 sale price does exceed the minimum required pursuant to ORS 275.180.

3.3 Alternatives/Options

1. Sell the property to the Longworths for the minimum amount pursuant to ORS. 275.180 plus taxes which would have been owed for the current year plus 10% thereon (\$13,600).
2. Sell the property for an amount greater than #1 above.
3. Reject selling the property back to the Longworths and offer the property at a Sheriff's sale which would yield consideration of approximately \$100,000.

3.4 Recommendation

It is recommended that alternative #1 be implemented. There are no underlying reasons - such as money the County has put into the property for upkeep, repairs, etc. - for selling the property above the amount proposed except for any policy decisions by the Board.

It is further recommended that the Property Management Officer be authorized to sign any closing documents as an escrow agent may be used to close the transaction.

3.5 Timing

None.

4. **IMPLEMENTATION/FOLLOW-UP:** Upon approval by the Board of County Commissioners, the Quitclaim Deed will be executed and the property sold to the Longworths.

5. **ATTACHMENTS:**
 - Board Order
 - Quitclaim Deed
 - Plat Map

IN THE BOARD OF COUNTY COMMISSIONERS OF LANE COUNTY, OREGON

ORDER NO. IN THE MATTER OF AUTHORIZING THE SALE OF SURPLUS COUNTY OWNED REAL PROPERTY TO ALFRED M. AND KOLETTE K. LONGWORTH, FORMER OWNERS OF RECORD (MAP #19-01-11-33-06710, 41 EAST SIXTH STREET, LOWELL)

WHEREAS this matter now coming before the Lane County Board of Commissioners and said Board deeming it in the best interest of Lane County to sell the following real property which was acquired through tax foreclosure, to wit:

Lot 7, LAKEWAY, as platted and recorded in File 74, Slide 113, Lane County Oregon Plat Records, Lane County, Oregon (map #19-01-11-33-06710). ALSO: That certain real property manufactured dwelling on said property identified as a 1995 Skyline, VIN # 80911183H, Title # 9533190653, Tax Account # 4224372

WHEREAS said real property is owned by Lane County and not in use for County purposes, and sale of said property would benefit Lane County by its return to the tax roll, and

WHEREAS the purchasers are the former owners of record of said real property

IT IS HEREBY ORDERED that pursuant to ORS 275.180, ORS 275.275 and Lane Manual 21.425 the real property be sold to Alfred M. and Kolette K. Longworth for \$13,600, that the Quitclaim Deed be executed by the Board, that the Property Management Officer of the County be authorized to sign closing documents and that the proceeds be disbursed as follows:

Foreclosure Fund	(228-5570270-446120)	\$13,247
General Fund	(124-5570260-436521)	353

IT IS FURTHER ORDERED, that this Order shall be entered into the records of the Board of Commissioners of the County.

DATED this _____ day of _____, 20____.

Bobby Green, Chair
Lane County Board of Commissioners

APPROVED AS TO FORM

Date 2-29-04 Lane County

C. J. ...

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