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## AGENDA COVER MEMORANDUM

**Agenda Date: August 10, 2005**

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**DATE:** July 25, 2005

**TO:** Board of County Commissioners

**DEPARTMENT:** Management Services

**PRESENTED BY:** Jeff Turk, Property Management Officer 2

**SUBJECT:** FIRST READING AND SETTING SECOND READING AND PUBLIC HEARING/ ORDINANCE #2-05 / IN THE MATTER OF AUTHORIZING THE TRANSFER OF SURPLUS COUNTY OWNED REAL PROPERTY LOCATED AT 04605 FALCON STREET, FLORENCE TO FLORENCE HABITAT FOR HUMANITY FOR THE PURPOSE OF PROVIDING AFFORDABLE HOUSING (MAP NO. 18-12-04-13-02600, SECOND READING AND PUBLIC HEARING AUGUST 24, 2005 AT 1:30 PM IN THE COMMISSIONER'S CONFERENCE ROOM)

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1. **PROPOSED MOTION:** THE BOARD OF COUNTY COMMISSIONERS MOVES TO AUTHORIZE THE TRANSFER OF SURPLUS COUNTY OWNED REAL PROPERTY LOCATED AT 04605 FALCON STREET, FLORENCE TO FLORENCE HABITAT FOR HUMANITY FOR THE PURPOSE OF PROVIDING AFFORDABLE HOUSING (MAP NO. 18-12-04-13-02600, SECOND READING AND PUBLIC HEARING AUGUST 24, 2005 AT 1:30 PM IN THE COMMISSIONER'S CONFERENCE ROOM)
2. **ISSUE/PROBLEM:** Florence Habitat for Humanity (FHH) has submitted a request for the transfer of County owned real property to be used for providing home ownership for low income home buyers. FHH has requested that the transfer occur without consideration. FHH will pay for all costs associated with the transfer (publication costs, escrow fees, etc.) and pay the \$400 administrative fee required by the county.

A public hearing pursuant to ORS 271.330 and ORS 456.370 is required to affect the transfer. The hearing is scheduled for August 24, 2005 at 1:30 PM.

### 3. **DISCUSSION:**

#### 3.1 Background

The subject property was acquired through tax foreclosure in September, 2003. The property is improved with two small cabins – 624 sq. ft and 288 sq. ft. – built in the early 1950's. Both structures are in very poor condition and will need to be razed. Additionally, county records indicate that the septic system has failed and will need to be replaced.

The lot is 9,600 sq. ft., has an assessed value of \$40,000 and an estimated market value of \$60,000. The property is outside the corporate limits of Florence but within their Urban Growth Boundary. \$4,170 was delinquent in property taxes at the time of the subject's foreclosure.

The issue of transferring the property to FHH was presented to the Housing Policy Board (HPB) per the provisions of Lane Manuel 21.430. The HPB made a recommendation to transfer the property to FHH.

#### 3.2 Analysis

The county has in the past transferred surplus property to non-profit organizations for the purpose of providing affordable housing to low income families (no such transfers have occurred in the Florence area) . Most transfers have been without monetary consideration. In some instances, monetary consideration was received for the properties by the county. In this case, as the existing structure will need to be demolished and a new one built, having the property transferred without consideration will allow FHH to undertake the project at a cost that will meet federal income standards for affordable housing recipients.

ORS 271.330 and ORS 456.355 - 456.370, permits counties to transfer their property, foregoing a Sheriff's sale, to non - profit corporations whose purpose is to provide low-income housing. The transfers can be with or without consideration. A public hearing is required before action can be taken and an Ordinance is required to affect the transfer. Lane Manual 21.430(1) affirms the County's commitment to providing property for use in developing low-income housing and defines a low-income family as having income of 80% or less of the median for the area as determined by the Department of Housing and Urban Development.

In previous transfers to similar organizations, the County has included language in the Quitclaim Deed to insure the property is used to provide affordable housing. Typically, a ten-year period has been used thus allowing the homeowner to participate in the full benefits of home ownership after that time. ORS does not require any such language in a deed and the duration of the restriction is at the discretion of the Board. A clause has also been included in the Deed that provides for reversion of the property to the County if the

property has not been developed and used for its intended purpose within three years of its transfer.

### 3.3 Alternatives/Options

1. Transfer the property to FHH without consideration.
2. Transfer the property to FHH under other terms and conditions determined by the Board.
3. Refrain from transferring the property to FHH and offer it at Sheriff's auction to the general public (estimated sale price is \$60,000).

### 3.4 Recommendation

It is recommended that the property be transferred to FHH pursuant to option 1 above. It is further recommended that the Quitclaim Deed contain provisions insuring that the property is used for providing low income housing for a period of ten years and that the property will revert to the County if not developed for low income housing within three years of its transfer.

### 3.5 Timing

The first reading of the ordinance is scheduled for August 10, 2005. The second reading and public hearing is scheduled for 1:30 PM on August 24, 2005.

4. **IMPLEMENTATION/FOLLOW-UP:** Upon approval by the Board of County Commissioners, the Quitclaim Deed will be executed and the property transferred to FHH.
5. **ATTACHMENTS:**
  - Ordinance
  - Letter from FHH
  - Quitclaim Deed
  - Plat Map

IN THE BOARD OF COUNTY COMMISSIONERS OF LANE COUNTY, OREGON

ORDINANCE NO. 2-05            IN THE MATTER OF AUTHORIZING THE TRANSFER OF SURPLUS COUNTY OWNED REAL PROPERTY LOCATED AT 04605 FALCON STREET, FLORENCE TO FLORENCE HABITAT FOR HUMANITY FOR THE PURPOSE OF PROVIDING AFFORDABLE HOUSING (MAP NO. 18-12-04-13-02600, SECOND READING AND PUBLIC HEARING AUGUST 24, 2005 AT 1:30 PM IN THE COMMISSIONER'S CONFERENCE ROOM)

WHEREAS, pursuant to ORS 271.330 and 456.365, any County may dedicate, sell, convey, lease or otherwise relinquish title to any of its property for the purpose of providing low income housing and

WHEREAS, the property identified by Assessor's map No. 18-12-04-13-02600 was acquired by Lane County through foreclosure for non-payment of property taxes and can be used as a resource in the development of low income housing and

WHEREAS, Lane Manual 21.430 prescribes procedures for effecting conveyances of County - owned real property for use in providing low income housing and said procedures have been adhered to and

WHEREAS, Florence Habitat for Humanity is a qualified non-profit corporation organized to undertake low-income housing projects and has submitted a request to acquire the aforementioned County-owned real property without consideration and

WHEREAS, Florence Habitat for Humanity has agreed to inclusion in the Quitclaim Deed from Lane County language which insures use of the property for the provision of low-income housing for a period of ten years from its transfer, with low-income housing defined as housing for families where annual income does not exceed 80% of the median income for the area as determined annually by the Department of Housing and Urban Development and

WHEREAS, Florence Habitat for Humanity has also agreed to include language in said Quitclaim Deed to ensure that the property is developed for low income housing within three years of its transfer or said real property shall be subject to reversion to Lane County and

WHEREAS, the Board further finds that the first reading of this ordinance was held on August 2, 2005, that on this date the second reading and public hearing were held and that notice of this ordinance and public hearing has been duly published in Lane County as required by ORS 271.330 and ORS 456.370 and

WHEREAS, due consideration was given to all testimony submitted at said public hearing

NOW, THEREFORE, the Board of County Commissioners of Lane County ordains as follows:

1.        The Board finds that the facts are as stated in the above recitals.

2. The Board further finds that, in accordance with ORS 271.330 and ORS 456.365, the aforementioned County-owned real property is appropriate for transfer to a non-profit corporation for the purpose of providing low-income housing.
3. The Board further finds that Florence Habitat for Humanity is a qualifying nonprofit corporation pursuant to ORS 271.330 and ORS 456.355, and that it is appropriate and in the best interests of Lane County to transfer the property to them.
4. Based upon these findings, the Board approves transferring without consideration to the Florence Habitat for Humanity, by Quitclaim Deed, title to Lane County owned real property identified as:

***The South 106 feet of the West 18 feet of Lot 2, and the South 106 feet of the East 38 feet of Lot 3, Block 26, HECETA BEACH PLAT, as platted and recorded in Volume 7, Page 25, Lane County Oregon Plat Records, Lane County Oregon.***

***ALSO: The South 46.5 feet of Lot 1, Block 26 and the South 46.5 feet of the East 32 feet of Lot 2, Block 26 as platted and recorded in Volume 7, Page 25, Lane County Oregon Plat Records, Lane County Oregon.***

5. The Board further approves executing said Quitclaim Deed with provisions to insure that the property is used for low-income housing as defined in LM 21.430(2)(a) for a period of ten (10) years from the date of its transfer and that said property shall be developed and used for said purpose within three years of its transfer or said property shall be subject to reversion to Lane County
6. It is further approved that the County Administrator or his designee is authorized to execute any other documents necessary to complete the transfer.

ENACTED this \_\_\_\_\_ day of \_\_\_\_\_, 2005

\_\_\_\_\_  
Anna Morrison, Chair, Board of County Commissioners

APPROVED AS TO FORM

Date 8-1-05 lane county

\_\_\_\_\_  
OFFICE OF LEGAL COUNSEL

IN THE MATTER OF AUTHORIZING THE TRANSFER OF SURPLUS COUNTY OWNED REAL PROPERTY LOCATED AT 04605 FALCON STREET, FLORENCE TO FLORENCE HABITAT FOR HUMANITY FOR THE PURPOSE OF PROVIDING AFFORDABLE HOUSING (MAP NO. 18-12-04-13-02600, SECOND READING AND PUBLIC HEARING AUGUST 24, 2005 AT 1:30 PM IN THE COMMISSIONER'S CONFERENCE ROOM)

## **QUITCLAIM DEED**

**LANE COUNTY**, a political subdivision of the State of Oregon, pursuant to Ordinance No.2-05 of the Board of County Commissioners of Lane County, releases and quitclaims to:

### **FLORENCE HABITAT FOR HUMANITY**

all its right, title and interest in that real property situated in Lane County, State of Oregon, described as:

*The South 106 feet of the West 18 feet of Lot 2, and the South 106 feet of the East 38 feet of Lot 3, Block 26, HECETA BEACH PLAT, as platted and recorded in Volume 7, Page 25, Lane County Oregon Plat Records, Lane County Oregon.*

*ALSO: The South 46.5 feet of Lot 1, Block 26 and the South 46.5 feet of the East 32 feet of Lot 2, Block 26 as platted and recorded in Volume 7, Page 25, Lane County Oregon Plat Records, Lane County Oregon (map # 18-12-04-13-02600) .*

This grant is made pursuant to ORS 271.330 and ORS 456.355- 456.370 and is conditioned upon use of the herein conveyed property by grantee, its heirs, assigns and successors in interest, for the provision of low income housing to qualified families for a period of ten (10) years from the date of this transfer. A "low income family" shall be defined as a family whose annual gross income does not exceed 80% of the median income for the area as determined by the U. S. Department of Housing and Urban Development.

This grant is further conditioned upon use of the herein conveyed property for the provision of low income housing within three (3) years from the date of its transfer to grantee or said property shall be subject to reversion to grantor. Use shall be defined as the property being occupied by a "qualifying family" as noted above.

THIS INSTRUMENT WILL NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES AND TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS. 30.930.

The true and actual consideration for this transfer is: The provision of low income housing.

**LANE COUNTY BOARD OF COMMISSIONERS**

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\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

STATE OF OREGON    )  
                                  ) ss  
COUNTY OF LANE    )

On \_\_\_\_\_, 2005 personally appeared \_\_\_\_\_,  
\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_, County Commissioners for Lane County, and acknowledged the foregoing  
instrument to be their voluntary act. Before me:

\_\_\_\_\_  
Notary Public for Oregon

My Commission Expires \_\_\_\_\_

After recording, return to/taxes to:  
Florence Habitat for Humanity  
PO Box 3302  
Florence, OR 97439

BEACH

097-18

MAP # 18-12-04-13

THIS MAP IS TO ASSIST  
LOCATING PROPERTY  
THE COMPANY ASSUMES NO  
LIABILITY FOR INACCURACIES.

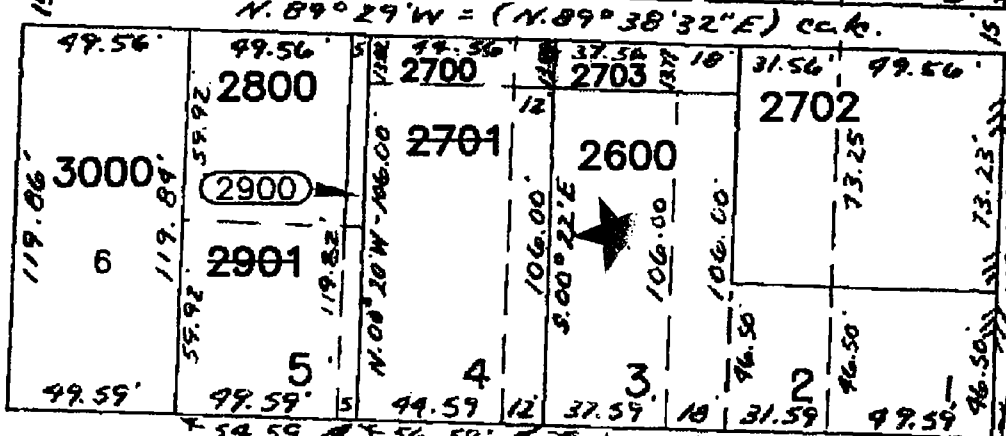
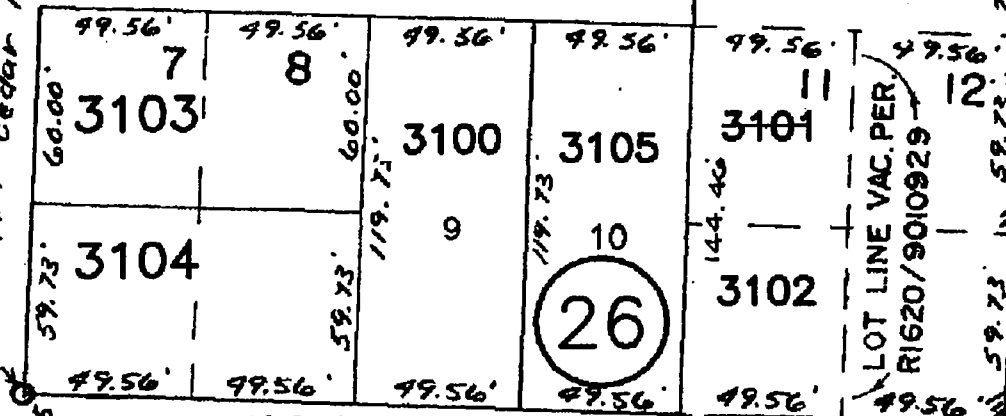


COURTESY OF  
EVERGREEN LAND TITLE CO  
741-1981

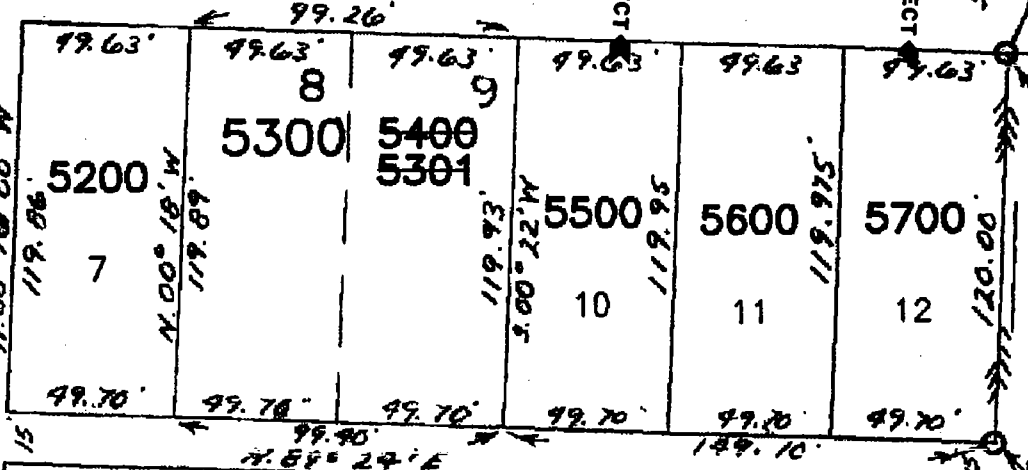
ARCH STREET

AVENUE

RHODOENDRON



FALCON STREET



120.00  
60.00  
15

60.00  
60.00  
15

140.00  
50

FND. S.W. Cor. Lot 7 BLK. 20  
ORIG. 4" x 9" Cedar Post

N. 00° 26' W - 559.76 = 555.1

NE. S.E. Cor. Lot 12 BLK. 25  
4" x 4" Cedar Post