W.4.G.1.

AGENDA COVER MEMORANDUM

Memorandum Date: December 19, 2007

Agenda Date: January 2, 2008

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 FOR \$13,000 TO JO ANN DOOLEY, FORMER OWNER OF RECORD (MAP #17-02-31-13-

00202, 617 NORTH 36TH STREET, SPRINGFIELD)

1. **PROPOSED MOTION:** THE BOARD MOVES TO AUTHORIZE THE SALE OF SURPLUS COUNTY OWNED REAL PROPERTY FOR \$13,000 TO JO ANN DOOLEY, FORMER OWNER OF RECORD (MAP #17-02-31-13-00202, 617 NORTH 36TH STREET, SPRINGFIELD)

2. **AGENDA ITEM SUMMARY:**

Ms. Dooley is the former owner of record of the subject property which was foreclosed upon by the County for non-payment of property taxes. Ms. Dooley wishes to repurchase the property pursuant to ORS 275.180 and LM 21.425(4). The proposed purchase price is \$13,000. This represents all taxes, including those which would have been due for the current year had the property remained on the tax roll, interest and penalties that were owed on the property at the time the County acquired title as well as an additional 10% of that amount to cover Property Management expenses (this insures that the taxing districts will receive the full amount of taxes owed on the property).

3. <u>BACKGROUND/IMPLICATIONS OF ACTION</u>:

A. Board Action and Other History

The subject property consists of a 1,000 square foot single family dwelling in fair – poor condition on a 45' x 120' lot. The property has a current market value per the Assessor of \$140,000. The property was the residence of Ms. Dooley and her son at the time of foreclosure.

This is the second time within 10 years that Ms. Dooley's property has been foreclosed upon for delinquent taxes. The County previously foreclosed on Ms. Dooley's property in September, 1997. The Board authorized a sale back to Ms. Dooley in February 1998 pursuant to Order 98-2-4-5.

B. Policy Issues

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: (a) the property was the residence of the former owner at the time of the foreclosure; (b) an error was made by the Assessor in placing the property on the foreclosure list; (c) the former owner was physically or mentally incapacitated during the foreclosure period.

Lane Manual does not address a situation where a property owner has been foreclosed upon multiple times.

C. Board Goals

The sale of the property would be consistent with the Board's goals to return tax foreclosed property to the tax roll.

Financial and/or Resource Considerations

The \$13,000 purchase price includes taxes that would have been paid this year (the foreclosure removed the property from this year's tax roll) and an additional 10% above the statutorily required minimum to cover the county's cost for processing the sale.

After reimbursement to the County for costs associated with the management of foreclosed property, the remaining revenue from sales is disbursed to all the taxing districts in a manner similar to the disbursement of property taxes.

E. Analysis

Lane Manuel (LM) provides for selling property back to a former owner provided the property was their residence. LM does not make a distinction regarding a sale back to a former owner if they have been foreclosed upon more than once. The Board is not obligated to sell a foreclosed property back to the former owner — be it the first time it was foreclosed upon or otherwise. In the past, the Board has always sold property back to the former owner when the requirements of Lane Manual have been met and has done so for the minimum required by statute however, the Board is not obligated to sell the

property for the minimum required by statute but can sell for any amount above the required minimum.

During my 16 year tenure as Property Management Officer I cannot recall having foreclosed on an owner a second time after selling a property back to them (the tax foreclosure process takes approximately 5 years from when taxes first are not paid until the County acquires a property). Ms. Dooley has indicated that she believed tax payments were being made by the entity from whom she had borrowed money from to repurchase the property in 1998.

Ms. Dooley has remitted a cashier's check in the amount of \$2,600 as a deposit. The remaining balance will be paid upon approval of the sale by the Board.

F. Alternatives/Options

- 1. Sell the property for the minimum amount pursuant to ORS. 275.180 plus taxes which would have been owed for the current year plus 10% thereon. A total of \$13,000.
- 2. Sell the property for an amount greater than #1 above.
- 3. Reject selling the property back to the former owner and offer the property at a Sheriff's sale which would yield greater consideration (\$100,000 +). Pursuing this option would require having Ms. Dooley and her teenage son vacate the premises.

V. TIMING/IMPLEMENTATION

The matter should be resolved as soon as possible so Property Management staff can proceed accordingly (close a sale with Ms. Dooley or proceed with selling the property at auction).

VI. <u>RECOMMENDATION</u>

It is recommended that option 1 be pursued. Ms. Dooley has met the requirements of a sale to the former owner.

VII. <u>FOLLOW-UP</u>

Upon the Board's approval, the Property Management Officer will proceed with closing the sale.

VII. 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 FOR \$13,000 TO JO ANN DOOLEY, FORMER OWNER OF RECORD (MAP #17-02-31-13-00202, 617 NORTH 36TH STREET, SPRINGFIELD)

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:

See Attached Exhibit "A"

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 JoAnn Dooley was the owner of record of said property at the time it was foreclosed upon and

WHEREAS said real property was the residence of Ms. Dooley at the time it was foreclosed upon and

WHEREAS, the \$13,000 sale price reflects all taxes, interest and penalties that were owing at the time of foreclosure and otherwise fulfills the amount required for a sale to a former owner pursuant to ORS 275.180

IT IS HEREBY ORDERED that pursuant to Lane Manual 21.425(4), ORS 275.180, and ORS 275.275 the above described real property be sold to JoAnn Dooley for \$13,000, that the Quitclaim Deed be executed by the Board and that the proceeds be disbursed as follows:

Foreclosure Fund General Fund	(268-5570270-446120) (124-5570260-436521)	\$12,565 435
IT IS FURTHER ORDERED, Commissioners of the County.	that this Order shall be entered	into the records of the Board of
DATED this day of_	, 2007.	
APPROVED AS TO FORM		
OFFICE OF LEGAL COUNSEL	Chair, Board of Cou	inty Commissioners

IN THE MATTER OF AUTHORIZING THE SALE OF SURPLUS COUNTY OWNED REAL PROPERTY FOR \$13,000 TO JO ANN DOOLEY, FORMER OWNER OF RECORD (MAP #17-02-31-13-00202, 617 NORTH 36TH STREET, SPRINGFIELD)

EXHIBIT "A"

LEGAL DESCRIPTION - JO ANN DOOLEY 17-02-31-13-00202

A portion of the Westerly 120 feet of Lot 19 of the ADAMS PLAT described as follows: Beginning at a point which lies 60.00 feet South 89° 45' West and 64.45 feet North 0° 33' 44" East from a 1/2 inch iron pipe marking the Southeast corner of Lot 19 of the ADAMS PLAT, as platted and recorded in Book 14, Page 3, Lane County Oregon Plat Records (said point of beginning witnessed by a 1/2 inch iron rod lying South 88° 59' West 0.47 feet distant); thence South 88° 59' West 67.54 feet to a 1/2 inch iron rod; thence South 0° 27' West 3.10 feet to a 1/2 inch iron rod; thence South 88° 59' West 52.21 feet to a 1/2 inch iron rod on the West line of said Lot 19; thence North 0° 32' 44" West 45.69 feet along the West line thereof to a 1/2 inch iron rod; thence 89° 45' East 119.72 feet along the North line of said lot to the East line thereof (said point witnessed by a 1/2 inch iron rod lying South 88° 59' West 0.46 feet distant); thence South 0° 32' 44" East 40.48 feet to the POINT OF BEGINNING.

QUITCLAIN LANE COUNTY, a political subdivision of the St Board of County Commissioners of Lane County, releases and	ate of Oregon, pursuant to Order No of the
JoAnn Dooley	
all its right, title and interest in that real property situated in La	ne County, State of Oregon, described as:
See Attached I	Exhibit "A"
BEFORE SIGNING OR ACCEPTING THIS INSTRUM SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, DOES NOT ALLOW USE OF THE PROPERTY DESCRIPTION OF THE PROPERTY DESCRIPTION OF THE PERSON ACQUIRING FEE TITLE APPROPRIATE CITY OR COUNTY PLANNING DEDETERMINE ANY LIMITS ON LAWSUITS AGAINST FORS 30.930 AND TO INQUIRE ABOUT THE RIGHTS OUNDER ORS 197.352.	IF ANY, UNDER ORS 197.352. THIS INSTRUMENT RIBED IN THIS INSTRUMENT IN VIOLATION OF ONS. BEFORE SIGNING OR ACCEPTING THIS TO THE PROPERTY SHOULD CHECK WITH THE PARTMENT TO VERIFY APPROVED USES, TO ARMING OR FOREST PRACTICES AS DEFINED IN
The true and actual consideration for this transfer is \$13,000.0	0
	LANE COUNTY BOARD OF COMMISSIONERS
This space reserved for recording sticker	
STATE OF OREGON)) ss COUNTY OF LANE)	
On, 2007 personally appeared	
	County, and acknowledged the foregoing instrument to be
After recording, return to/taxes to: JoAnn Dooley 617 N. 36 th St. Springfield, OR 97478	Notary Public for Oregon My Commission Expires

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