

Program # 90010 - Tax Title**Version 4/25/2005 s****Priority:** Vibrant Communities**Lead Agency:** Community Services**Program Offer Type:** Existing Operating**Program Contact:** Gary Thomas**Related Programs:****Frameworks:** 10-year Plan to End Homelessness**Executive Summary**

The Tax Title Program is responsible for the management and disposition of tax foreclosed properties that are annually deeded to the county. Properties are sold at public auctions and through private sales. Transfers of properties are made to other government agencies, non-profit housing developers and non-profit corporations.

Program Description

Once real property comes into county ownership through tax foreclosure Tax Title first makes it available to the former owner of record to repurchase. If the the property is not repurchased, and it is not suitable for the construction of a dwelling it is made available to government agencies within the county for transfer. Properties not requested by government agencies and those that are suitable for construction or that are suitable for parks, open spaces and natural areas are made available to the Affordable Housing Development Program (AHDP) and other non-profit corporations. Properties not requested for transfer can be sold at public auction or through private sale. As part of the Housing Program, Tax Title makes properties available for low income housing when possible. Properties are reviewed yearly for environmental significance and transferred to govt agencies & NH Assoc for uses such as parks, community gardens and open space.

Program Justification

In recent years, the county has come into ownership of between 25 & 30 properties through foreclosure each year. Properties are maintained to insure that their appearance blends in with the neighborhood. Communication with neighborhood groups is maintained to address their concerns. Timely disposition of properties is essential to maintain the integrity of the neighborhood and to place the property back on the tax roll. Over the last 5 years, 92 properties have been transferred to cities & govt. agencies. Portland Parks received 27 properties for park use, Bureau of Env Services for open space & natural areas, cities of Gresham & Troutdale 19 properties. Over the same time span 28 properties have been transferred to the Mult. Co Affordable Housing Dev Program for development of low income housing by non-profit housing developers. Properties have been transferred to Our Garden & Ore Sustainable Agric Land Trust for use as educational community garden plots for neighbors and students.

Performance Measures

After Program expenses are paid, the remaining revenue is distributed to the taxing districts within the county. When the county receives the deed to properties, all homes are offered back to the former owners of record to repurchase so that families can continue to live in them. The Program annually transfers properties to the Affordable Housing Development Program and non-profit developers for construction of affordable housing. The Program manages 493 properties. Last year 22 properties were transferred to government agencies, 2 to non-profits for housing, 8 were sold at auction, and 17 at private sale. Currently the Program carries 21 contracts, most of whom are property owners who were allowed to repurchase their property and remain in their homes.

Summary of last year's program results and this year's expected results

Revenue generated through sales of properties and distributed to the taxing districts increased over the previous year. Properties transferred to non-profits stayed about the same as in the previous year as the number of properties received through foreclosure decreased slightly. We anticipate that the amount of funds that will be distributed to the different taxing districts will be similar to the previous year. We plan to further reduce the Program inventory through an auction and private sales. Working with REACH Community Development an EPA grant was obtained to clean up a property of hazardous materials at 19th & SE Division. The property will be developed with special needs housing and vastly improve the appearance of a heavily traveled city intersection. An 11 acre parcel located on NE Airport Way was transferred to Portland Parks for use as an environmental mitigation site in the Columbia Slough Watershed.

Program Mandate: 1 Mandated Program & Funding Level

ORS 275.020 -.275 details how counties have to manage and dispose of tax foreclosed properties. ORS 322.122-125 provides guidance on how the redemption period can be reduced when there is evidence of waste and abandonment. ORS 312.010-260 details the foreclosure process and responsibilities of the county. ORS 271.010-330 provides information on how counties are allowed to transfer foreclosed properties to non-profits and government agencies. ORS 98.005-436 details the processes to follow when there is abandoned property and vehicle at a foreclosed property.

Revenue/Expense Detail

| | Proposed General Fund | Proposed Other Funds | Proposed General Fund | Proposed Other Funds |
|---------------------------|-----------------------|----------------------|-----------------------|----------------------|
| Program Expenses | 2005 | 2005 | 2006 | 2006 |
| Personnel | \$0 | \$196,991 | \$0 | \$174,569 |
| Contracts | \$0 | \$585,772 | \$0 | \$388,522 |
| Materials & Supplies | \$0 | \$81,438 | \$0 | \$86,044 |
| Internal Services | \$0 | \$56,854 | \$0 | \$47,202 |
| Subtotal: Direct Exps: | \$0 | \$921,055 | \$0 | \$696,337 |
| Administration | \$0 | \$0 | \$3,606 | \$0 |
| Program Support | \$0 | \$0 | \$0 | \$1,000 |
| Subtotal: Other Exps: | \$0 | \$0 | \$3,606 | \$1,000 |
| Total GF/non-GF: | \$0 | \$921,055 | \$3,606 | \$697,337 |
| Program Total: | \$921,055 | | \$700,943 | |
| Program FTE | 0.00 | 0.00 | 0.00 | 2.17 |
| Program Revenues | | | | |
| Indirect for dep't Admin | \$5,527 | \$0 | \$4,738 | \$0 |
| Fees, Permits & Charges | \$0 | \$372,288 | \$0 | \$315,546 |
| Intergovernmental | \$0 | \$200,000 | \$0 | \$0 |
| Taxes | \$0 | \$29,260 | \$0 | \$42,010 |
| Other / Miscellaneous | \$0 | \$319,507 | \$0 | \$338,781 |
| Program Revenue for Admin | \$0 | \$0 | \$4,745 | \$1,000 |
| Total Revenue: | \$5,527 | \$921,055 | \$9,483 | \$697,337 |

Explanation of Revenues

Tax Title has to balance the transfer of properties to government agencies and non-profits with the sale of properties to insure that sufficient revenue is generated. The program is self sustaining and it is important that revenue exceeds expenditures so that General Fund dollars do not have to be requested.

Significant Program Changes

The personnel staffing for the Program was adjusted downward by .5 FTE which will allow for additional funds to be distributed to the taxing districts.