

Priority: Vibrant Communities
Program Offer Type: Existing Operating
Related Programs: 21025

Lead Agency: Community Services
Program Contact: Gary Thomas

Program Characteristics:

Executive Summary

The Tax Title Program is responsible for the management and disposition of the County's tax foreclosed property inventory. The County's foreclosed property portfolio consists of slightly over 450 properties including 20 to 30 properties that are annually deeded to the county. Approximately 76% of the current inventory consists of strips of varying size, 22% are lots that are mostly irregular in shape, and 2% are properties with improvements on them. Properties are sold at public auctions as well as through private sales. Property transfers are made to other government agencies, non-profit housing developers and non-profit corporations for public use.

Program Description

The county comes into ownership of real property at least once a year through the foreclosure of delinquent tax liens. Prior to any properties being made available for sale they most go through the process as outlined in Multnomah County Chapter 7 in §7.401 through §7.410 as briefly described in the following text. Recently received properties are first made available by Tax Title for repurchase to the former owners of record. Properties not repurchased and odd shaped lots not suitable for construction are made available to government agencies. Properties not requested by government agencies can then be made available to the Affordable Housing Development Program (AHDP) for housing purposes and to other non-profit entities for use as open space, parks and natural areas. Properties transferred to the Affordable Housing Development Program are used for low income housing. Those properties that have environmental importance for such uses as parks, open space and natural areas can be transferred to neighborhood associations in partnership with government agencies. Any remaining properties in the inventory are available for public auction or private sale. The process outlined in MCC 7 can take 7 to 8 months to accomplish.

Program Justification

In recent years, intake into the Tax Title inventory has averaged about 20 to 30 properties annually. All of the properties are responsibly managed by Tax Title to meet the same standard of maintenance in the surrounding neighborhood. We maintain an effective line of communication with the jurisdictional cities that are beneficiaries of our program to ensure the county owned properties are in compliance with the applicable zoning and building codes. It is our goal to diligently work on the timely disposition of properties so they can be placed back on the tax roll and once again become a viable part of the community. As neighborhood development needs increase, making more demands and requirements for land, Tax Title works with environmental groups and government agencies to maintain a reasonable balance in land use; community gardens, parks, open space and natural areas. Two vacant lots were recently transferred to Oregon Sustainable Agriculture Land Trust for use as a working and teaching urban orchard. There are occasions when properties come into county ownership that are contaminated with environmental issues. In these cases Tax Title works with the appropriate, city, state and federal agencies to clean up the properties. The required clean up work is contracted and managed to restore them for redevelopment.

Performance Measures

Measure Type	Primary Measure	Previous Year Actual (FY04-05)	Current Year Purchased (FY05-06)	Current Year Estimate (FY05-06)	Next Year Offer (FY06-07)
Output	Properties remaining in Tax Title inventory.	463	456	421	430
Outcome	Properties placed back onto the tax roll & into community use.	64	28	63	35
Output	Total revenue from sales of properties	814,068	357,556	431,191	881,122
Outcome	Total revenue disbursed to taxing districts for public use	470,547	0	67,550	20,000

Performance Measure - Description

One of the main goals of the program focuses on reinstating properties back onto the tax roll. This is accomplished through sales to the public. A parallel goal is to also get properties back into public use which is accomplished through transfers to government agencies and non-profit entities. After accounting for current fiscal year operating expenses and set asides, the net Tax Title revenues generated are disbursed annually to the different taxing districts in the county.

Legal/Contractual Obligation

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.

ORS98.005-436 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	2006	2006	2007	2007
Personnel	\$0	\$174,569	\$0	\$191,608
Contracts	\$0	\$388,522	\$0	\$540,102
Materials & Supplies	\$0	\$86,044	\$0	\$84,444
Internal Services	\$0	\$47,202	\$0	\$63,468
Subtotal: Direct Exps:	\$0	\$696,337	\$0	\$879,622
Administration	\$0	\$0	\$7,783	\$0
Program Support	\$0	\$0	\$0	\$1,500
Subtotal: Other Exps:	\$0	\$0	\$7,783	\$1,500
Total GF/non-GF:	\$0	\$696,337	\$7,783	\$881,122
Program Total:	\$696,337		\$888,905	
Program FTE	0.00	0.00	0.00	2.17
Program Revenues				
Indirect for dep't Admin	\$4,738	\$0	\$10,284	\$0
Fees, Permits & Charges	\$0	\$315,546	\$0	\$324,642
Intergovernmental	\$0	\$0	\$0	\$200,000
Taxes	\$0	\$42,010	\$0	\$24,000
Other / Miscellaneous	\$0	\$338,781	\$0	\$330,980
Program Revenue for Admin	\$0	\$0	\$14	\$1,500
Total Revenue:	\$4,738	\$696,337	\$10,298	\$881,122

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 to maintain ongoing program operations. The program is self sustaining and it is important that revenue exceeds expenditures so other Fund transfers are not requested. A sum of \$300,000 is used as Beginning Working Capital for the Tax Title Fund. An EPA Grant for \$200,000 will be used to clean a property.

Significant Program Changes

Last year this program was: #90010, Tax Title