

Priority: Vibrant Communities
Program Offer Type: Existing Operating
Related Programs: 91011

Lead Agency: Community Services
Program Contact: Gary Thomas

Program Characteristics:

Executive Summary

The main responsibilities of the Tax Title Program revolve around the disposition and management of the inventory of properties that have come into County ownership through the foreclosure of delinquent property tax liens. Every year the County takes a deed to those real properties on which property taxes have not been paid for six years. Currently there are slightly less than 430 foreclosed properties in the Tax Title inventory. Ten of the properties have improvements on them, 90 are mostly irregular shaped lots that are not buildable and there are 329 strips of various sizes and shapes. Ways of disposing of the properties consist of selling them at public auction and entering into private sales with adjacent owners. In addition, properties that are not buildable are also transferred to government agencies and Open Space Preservation Sponsors for public use. Properties are also transferred to the County's Affordable Housing Development Program and are in turn improved by non-profit housing developers.

Program Description

The County takes a deed to between 20 and 30 tax foreclosed properties at least once a year. All properties included in the deed become a part of the Tax Title inventory until they are repurchased, sold or transferred. Procedures for managing and disposing of the tax foreclosed properties are contained in Multnomah County Code Chapter 7.400 through 7.410. Shortly after the County takes the deed, Tax Title makes the property available to the former owner of record to repurchase for the back taxes owed and expenses. After the time to repurchase properties has expired a list of properties is then compiled for the Greenspace Review Committee to review. Their task is to identify and designate any properties that have environmental significance and which would be appropriate for use as parks, open space or natural areas including community gardens. Those properties not repurchased and not having dwellings on them are then made available to different government agencies within the County for transfer. After the completion of that process a list of properties which may include properties with dwellings and buildable lots is made available to the Affordable Housing Development Program for low income housing purposes. At the same time this list is made available to any interested non-profit corporation whose main purpose is the preservation and managing of properties as natural areas, parks and open space. Any remaining properties can be sold at public auction or private sale.

Program Justification

Over the last six years the number of properties deeded to the County through tax foreclosure, an average of 29, has decreased substantially from the previous five years with an average of 56. One of the main goals of the program is to get as many properties back on the tax roll in as short a period of time as possible. This can be accomplished by selling them at public auction or private sale. Transferring properties to government agencies will place them into public use. Most foreclosed properties that the County takes a deed to are small irregular shaped lots and strips of land. The few homes and buildable lots that come into County ownership usually have social service or environmental issues associated with them adding to the difficulty of disposing of them. Neighbor concerns regarding County properties are promptly addressed as are nuisance complaints from government agencies. The different social service agencies within the County are utilized when the need arises regarding occupied properties.

Performance Measures

Measure Type	Primary Measure	Previous Year Actual (FY06-07)	Current Year Purchased (FY07-08)	Current Year Estimate (FY07-08)	Next Year Offer (FY08-09)
Output	Properties remaining in Tax Title Inventory	421	432	416	418
Outcome	Properties placed back onto the tax roll & into community use.	48	40	25	22
Outcome	Revenue disbursed to taxing districts for public use.	82,618	70,000	119,754	20,000

Performance Measure - Description

The primary goal of the program is to reinstate properties received through tax foreclosure back onto the tax roll. This is accomplished by sales to the public at auctions and through private sales. A parallel goal is to place foreclosed properties into public use which is accomplished by transfers to government agencies and to non-profit corporations. At the end of every budget year, the Tax Title revenues are totaled, operating expenses and set asides accounted for, and the balance of revenue is disbursed to the different taxing districts within the County.

Legal/Contractual Obligation

ORS 275 details how counties have to manage & dispose of tax foreclosed properties.

ORS 322 provides guidance on how the redemption period can be reduced when there is evidence of waste and abandonment.

ORS 312 details the foreclosure process & responsibilities of the county.

ORS 271 provides information on how counties are allowed to transfer foreclosed properties to non-profits & government agencies.

ORS 98 details the processes to follow when there is abandoned property & vehicle at a foreclosed property.

Revenue/Expense Detail

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
	2008	2008	2009	2009
Program Expenses				
Personnel	\$0	\$177,656	\$0	\$185,682
Contracts	\$0	\$402,575	\$0	\$346,035
Materials & Supplies	\$0	\$84,444	\$0	\$86,500
Internal Services	\$0	\$55,841	\$0	\$59,799
Subtotal: Direct Exps:	\$0	\$720,516	\$0	\$678,016
Administration	\$27,240	\$0	\$25,675	\$0
Program Support	\$0	\$1,500	\$0	\$0
Subtotal: Other Exps:	\$27,240	\$1,500	\$25,675	\$0
Total GF/non-GF:	\$27,240	\$722,016	\$25,675	\$678,016
Program Total:	\$749,256		\$703,691	
Program FTE	0.00	2.00	0.00	2.00
Program Revenues				
Indirect for dep't Admin	\$8,789	\$0	\$10,649	\$0
Fees, Permits & Charges	\$0	\$252,528	\$0	\$293,032
Intergovernmental	\$0	\$100,000	\$0	\$40,035
Taxes	\$0	\$43,994	\$0	\$20,227
Other / Miscellaneous	\$0	\$323,994	\$0	\$324,722
Program Revenue for Admin	\$20	\$1,500	\$10,649	\$0
Total Revenue:	\$8,809	\$722,016	\$21,298	\$678,016

Explanation of Revenues

The Program has to be financially self sustaining. When actual revenues are above the programs operating costs the balance is distributed to local governments. A total of \$300,000 is used as Beginning Working Capital for the Tax Title Fund.

Significant Program Changes

Last year this program was: