



ADMINISTRATIVE POLICIES

SECTION: Property Management	POLICY #: 809
TITLE: Sale of Excess Tax Foreclosed and Surplus Real Property	PROCEDURE #: 809-A
	ORDER #: 18-108
DEPT: Finance	PROGRAM: N/A
ADOPTED: 11/11	REVIEWED:
	REVISED: 10/18

PURPOSE: The purpose of this policy is to establish standards for the sale of excess tax foreclosed and surplus real property.

AUTHORITY: The Marion County Board of Commissioners may establish rules and regulations in reference to managing the interest and business of the county under ORS 203.010, 203.035 and 203.111.

The Marion County Board of Commissioners expresses the governing body’s formal, organizational position of fundamental issues or specific repetitive situations through formally adopted, written policy statements. The policy statements serve to provide rules for public officials on the conduct of county business.

The Marion County Board of Commissioners’ Administrative Policies and Procedures manual outlines the forms and process through which the board takes formal action on administrative policy. It is the official record of county administrative policy.

ORS Chapter 275- County Lands, ORS Chapter 312- Foreclosure of Property Liens, and ORS Chapter 271-Use of Public Lands govern the county’s process for tax foreclosure and the disposition of excess tax foreclosed and surplus real property.

APPLICABILITY: All county departments.

GENERAL POLICY: It is Marion County’s policy to first review all property obtained by the county to determine any county needs, such as right-of-way, easement, program use, etc. Once all county needs have been identified and executed, any property remaining and available for sale is determined to be excess property. The county’s primary goal for excess property is to have it reinstated to the county tax roll or into public use. To achieve those goals, the county will offer parcels of excess tax foreclosed and surplus real property for sale, with a minimum sale price sufficient to at least recover unpaid property taxes on the property and any costs incurred by the county while in ownership of the property. The Board of Commissioners has

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established a preference for the order of priority for the use or sale of excess tax foreclosed and surplus real property as follows:

1. Retention by the county for ongoing county use.
2. Sale to prior owner if requested and qualified.
3. Sale to neighboring property owners subject to statutory limitations.
4. Sale at public auction.
5. Sale by private sale.

The county may also choose to consider the sale or transfer of tax foreclosed or surplus real property to a local municipality within Marion County when the municipality submits a written request to the board of commissioners requesting such consideration. Sale or transfer of property to a municipality may occur at any point in the above noted “order of priority” for property sales. In determining a sales price for sale or transfer of property to a local municipality, the price is solely at the board’s discretion. However, as a general guideline, it is the county’s goal to obtain a price that at least recovers the amount of previously unpaid property taxes and any other costs incurred by the county during ownership of the property to the extent affordable by the local municipality.

In accordance with ORS Chapter 271.330, the county, upon written request may also choose to consider to relinquish title to excess tax foreclosed or surplus property to a qualifying non-profit or municipality for low income housing, social services, or child care services. In addition, the county may convey real property title to a non-profit or municipality for the creation of open space, parks or natural areas for perpetual public use.

The board reserves the right to determine a different order of priority in any given circumstance to best meet the needs of the county, local taxing districts, and the public interest.

Tax foreclosed real properties are deeded to the county in accordance with ORS Chapter 312 for the nonpayment of real property taxes. Surplus real property is county owned property that was acquired by the county through purchase or donation and the board of commissioners has decided that the property is not required to be kept for any county purpose. This policy and the associated procedures shall be utilized for the sale of both excess tax foreclosed real property and surplus real property.

POLICY GUIDELINES:

1. RESPONSIBILITIES

1.1. Selling Surplus and Tax Foreclosed Property:

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- 1.1.1. Marion County shall sell excess tax foreclosed real property and surplus real property in a fair and equitable manner, in accordance with ORS Chapter 275, ORS Chapter 271, and as set forth in this policy and the associated procedures.
- 1.1.2. All properties are sold “as is”. The county does not guarantee or warrant that any parcel is usable for any particular purpose.
- 1.1.3. The Board of Commissioners will consider the best interests of the taxing districts and the county when deciding appropriate action to be taken on any sale of real property.

1.2. Reserves the Right to Retain:

- 1.2.1. In any event, Marion County reserves the right to retain any piece of property or any interest in a piece of property if doing so is deemed to be in the public interest.

1.3. Property Transfer by Quitclaim Deed:

- 1.3.1. Marion County makes no representation about the value, zoning, suitability for any purpose, building feasibility, environmental condition, wetland designation, forest zones, easements, city ordinances and regulations or any other matters.
- 1.3.2. Marion County transfers any interest it may hold in properties by quitclaim deed, not warranty deed.

1.4. Tax foreclosure property sale proceeds are distributed in accordance with ORS Chapter 275.275-Distribution of Proceeds.

2. EXCEPTIONS

The board of commissioners may grant exceptions to this policy. Exceptions will be based on the best interests of the public, the county, and the taxing districts.

3. IMPLEMENTATION

The Finance Department shall implement this policy with the review and approval of the board of commissioners.

4. PERIODIC REVIEW

The Finance Department shall review this policy at least every three years, or more often if needed, and update as necessary.

Adopted: 11/11

Revised: 10/18