

W. 8. E. 1.

AGENDA COVER MEMORANDUM

Agenda Date: April 12, 2006

DATE: March 29, 2006

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 TO DONALD R. MATHEWS, FORMER OWNER OF RECORD, FOR \$4,000 (MAP #17-02-31-13-02800, 440 N. 36TH STREET, SPRINGFIELD)

1. **PROPOSED MOTION:** THE BOARD OF COUNTY COMMISSIONERS MOVES TO AUTHORIZE THE SALE OF SURPLUS COUNTY OWNED REAL PROPERTY TO DONALD R. MATHEWS, FORMER OWNER OF RECORD, FOR \$4,0100 (MAP #17-02-31-13-02800, 440 N. 36TH STREET, SPRINGFIELD)
2. **ISSUE/PROBLEM:** Mr. Mathews is the former owner of record of the subject property which consists of a lot and garage. Mr. Mathews wishes to repurchase the property pursuant to ORS 275.180 and LM 21.425(4). The proposed purchase price is \$4,000 which includes all taxes, including those which would have been due for the current year, interest and penalties that were owed on the property at the time the County acquired title plus an additional 10% thereon.
3. **DISCUSSION:**

3.1 Background

The County acquired title to the subject property in September 2005 through tax foreclosure with \$3,056.00 owing in delinquent taxes. The subject property consists of a 35' x 107' lot with a 26' x 28' garage/shop in fair condition.. The land has an assessed value of \$40,200 and the garage has a value of \$12,800. The Assessor's land value is based on the

assumption that the property can be improved with a dwelling however, indications are that the lot would not meet minimum square footage requirements by the City of Springfield (4,500 sq. ft) and the lot may also not have been created pursuant to land use regulations. Assuming the property could not be improved with a dwelling , it may be worth \$25,000 - \$30, 000 to an adjoining owner. Mr. Mathews purchased the property in 1989.

Mr. Mathews had also owned the adjoining property to the West of the subject (tax lot 2900) which had been his residence. The property was foreclosed upon by the lending institution last year.

Mr. Mathews had been residing in an assisted living facility at the time of foreclosure (Mr. Mathews is in his mid seventies). Mr. Mathews' sole source of income at this time is from Social Security and the subject property was his only asset of significant value.

3.2 Analysis

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.

Mr. Mathews may not fully meet the requirements of Lane Manual 21.425(c). Mr. Mathews had been residing in a senior care facility at the time of foreclosure (he no longer resides there) but has not produced documentation which would support being mentally or physically incapacitated during the time of foreclosure. If the Board chooses to sell the property back to Mr. Mathews it should be considered as an exception to Lane Manual.

Mr. Mathews did meet with Commissioner Dwyer in October, 2005 to discuss his situation. Commissioner Dwyer was supportive of bringing the matter to the Board for consideration.

3.3 Alternatives/Options

1. Sell the property to Mr. Mathews 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 \$4,000.
2. Sell the property to Mr. Mathews for an amount greater than #1 above.
3. Reject selling the property back to Mr. Mathews and offer the property at a Sheriff's sale which would yield greater consideration (\$25,000 - \$30,000).

3.4 Recommendation

It is recommended that alternative #1 be implemented. There are no underlying reasons - such as money the County has put into the property for upkeep, repairs, etc. - for selling the property above the amount proposed except for any policy decisions by the Board. Mr. Mathews has remitted a \$4,000 cashier's check.

3.5 Timing

None.

4. **IMPLEMENTATION/FOLLOW-UP:** Upon approval by the Board of County Commissioners, the Quitclaim Deed will be executed and the property sold to Mr. Mathews.
5. **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 TO DONALD R. MATHEWS, FORMER OWNER OF RECORD, FOR \$4,000 (MAP #17-02-31-13-02800, 440 N. 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 Mr. Mathews is the former owner of record of said real property and

WHEREAS a sale back to Mr. Mathews does not fully meet the requirements of Lane Manual 21.425 and a sale would be an exception to said requirements and

WHEREAS the Board has determined that it is in the best interests of Lane County to sell the property back to Mr. Mathews

IT IS HEREBY ORDERED that pursuant to ORS 275.180 and ORS 275.275 the real property be sold to Donald R. Mathews for \$4,000, that the Quitclaim Deed be executed by the Board, and that the proceeds be disbursed as follows:

| | | |
|------------------|----------------------|---------|
| Foreclosure Fund | (228-5570270-446120) | \$3,720 |
| General Fund | (124-5570260-436521) | 280 |

IT IS FURTHER ORDERED, that this Order shall be entered into the records of the Board of Commissioners of the County.

DATED this _____ day of _____, 2006.

APPROVED AS TO FORM

Date 3-31-06 Issued by

[Handwritten signatures]

OFFICE OF CLERK

Bill Dwyer, Chair, Board of County Commissioners

IN THE MATTER OF AUTHORIZING THE SALE OF SURPLUS COUNTY OWNED REAL PROPERTY TO DONALD R. MATHEWS, FORMER OWNER OF RECORD, FOR \$4,000 (MAP #17-02-31-13-02800, 440 N. 36TH STREET, SPRINGFIELD)

EXHIBIT "A"

LEGAL DESCRIPTION

17-02-31-13-02800

Beginning at a point 500.00 feet South 0° 33' West from a point on the South line of the Lucinda Comegy's Donation Land Claim #81 in Township 17 south, Range 2 West of the Willamette Meridian, 1011.3 feet East of the Southwest corner thereof and running thence; South 00° 33' West 100.00 feet thence; South 89° 31' West 112.00 feet thence; North 00° 33' East 100.00 feet thence; North 89° 31' East 112.00 feet.

EXCEPTING THEREFROM: That portion deeded to Lane County for street purposes as recorded on Reception No. 12068, Lane County Oregon Deed Records.

ALSO EXCEPTING THEREFROM: That portion deeded per Reel 2801, Reception No. 9345402, Lane County Oregon Deed Records.

QUITCLAIM DEED

LANE COUNTY, a political subdivision of the State of Oregon, pursuant to Order No. _____ of the Board of County Commissioners of Lane County, releases and quitclaims to:

DONALD R. MATHEWS

all its right, title and interest in that real property situated in Lane County, State of Oregon, described as:

See Attached Exhibit "A"

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER CHAPTER 1, OREGON LAWS 2005 (BALLOT MEASURE 37 (2004)). THIS INSTRUMENT WILL/DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY APPROVED USES AND TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES AS DEFINED IN ORS. 30.930 AND INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER CHAPTER 1, OREGON LAWS 2005 (BALLOT MEASURE 37 (2004)).

The true and actual consideration for this transfer is \$4,000.00

LANE COUNTY BOARD OF COMMISSIONERS

STATE OF OREGON)
) ss
COUNTY OF LANE)

On _____, 2006 personally appeared _____

_____, _____, _____, _____

_____, County Commissioners for Lane County, and acknowledged the foregoing instrument to be their voluntary act. Before me:

After recording, return to/taxes to:
Donald R. Mathews
29984 Kelso
Eugene, OR 97402

Notary Public for Oregon

My Commission Expires _____

EXHIBIT "A"

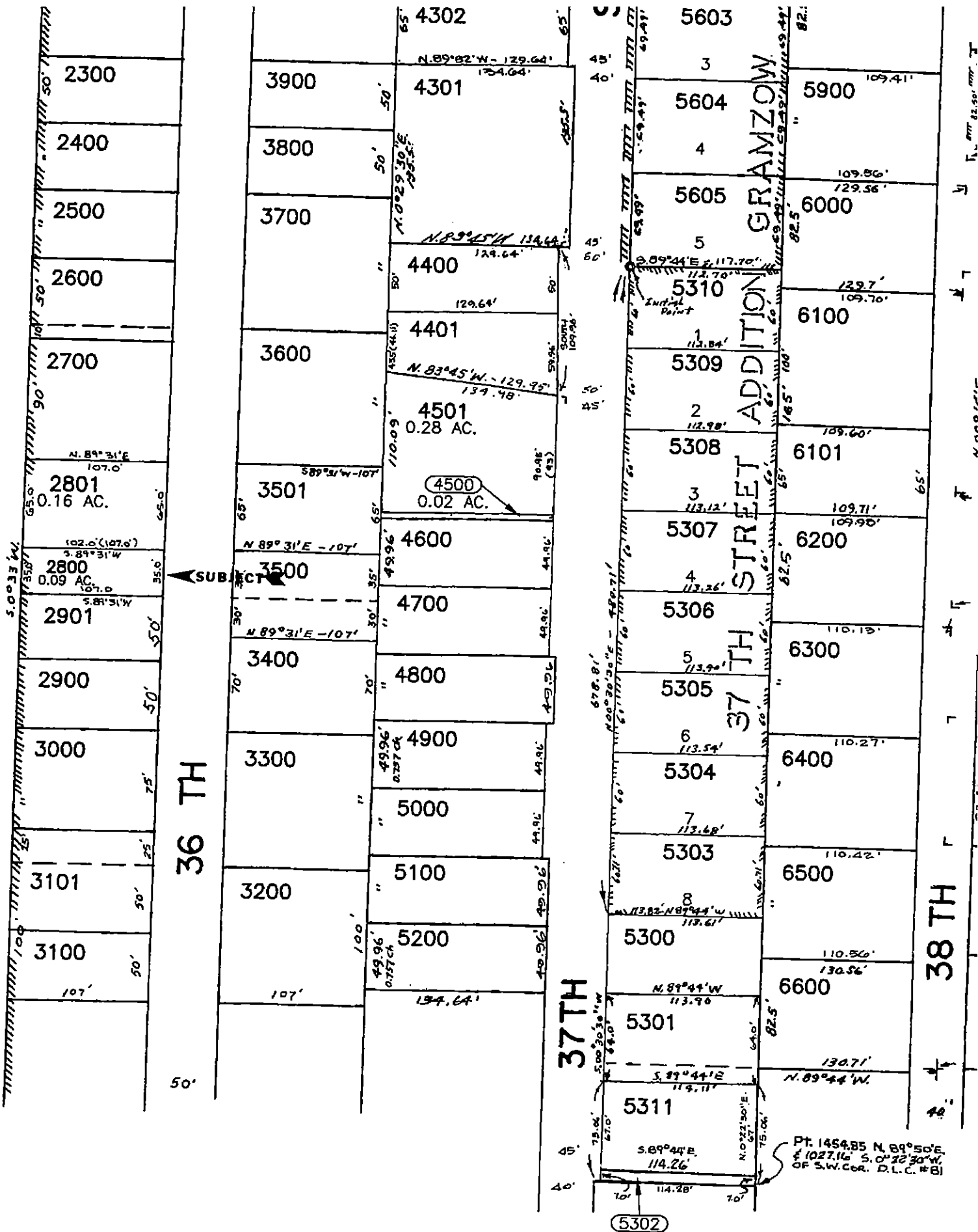
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SEE MAP 17 02 31 42