



ADMINISTRATIVE PROCEDURE

SECTION: Facility and Property Management	PROCEDURE #: 703-A
TITLE: Real Property Management Procedures	IMPLEMENTS POLICY #: 703
SPONSORING DEPARTMENT/DIV: Support Services/Facilities and Parks Services	
EFFECTIVE DATE: 10/26/2021	REVIEWED:

OBJECTIVE:

The purpose of the Real Property Management program is to maintain a complete and accurate inventory of County-owned properties and to ensure the disposition of surplus properties as expeditiously as possible through a fair and equitable manner following the rules and regulations as outlined in Oregon Revised Statutes (ORS) 271 and 275. The procedures contained in this document apply only to the disposition of real property that has been deemed surplus and is found to have no further County need. The method of disposition will determine which procedure to follow.

In the case of Tax Foreclosures, Real Property receives a list of pending foreclosure properties approximately one year prior to the final filing. Staff makes all efforts to contact property owners to provide services and/or options in order to avoid the foreclosure process. Other inventory is added by Land Use and Transportation as remnants and strip properties from various road projects within the County.

PROCEDURES:

1. TRANSFER TO GOVERNMENT AGENCIES

Surplus Property Acquired Via Tax Foreclosure

If criteria outlined in the Real Property Policy is met, the transfer of tax foreclosed real property acquired by the County to other government agencies will proceed in the following manner (ORS 271.330):

- 1.1 Real Property staff shall notify adjacent property owners of the potential transfer prior to any transfer considered by the Board of Commissioners.
 - 1.1.1 The notice will specify the time and place the matter will be considered by the Board of Commissioners.
 - 1.1.2 The notice will contain contact information where additional questions and/or concerns can be directed.
 - 1.1.3 The notice will contain the location, Tax ID number and real market value determined by Assessment and Taxation of the property subject to transfer.

- 1.2 The County's intention to transfer any tax-foreclosed property to other government agencies requires two successive weeks of advertisement in a newspaper of general circulation in the County. *See ORS 271.330 (6).*
 - 1.2.1 The notice must specifically describe the property intended to be transferred and must state when the County will hear objections to the transfer.

- 1.3 Prepare agenda item for the Board of Commissioners recommending the transfer of the real property to the requesting jurisdiction.
 - 1.3.1 The agenda item will include the history and purpose of acquisition, past use and method of acquisition for each parcel of real property recommended for transfer. The agenda item will include the applicable statute(s) and policy citations.
 - 1.3.2 The agenda item will also provide any known information relative to commitments made at the time of acquisition such as open space, parks, and sale to homeowner's association, etc.
 - 1.3.3 After the hearing for objections is held, the Board of Commissioners may proceed with the transfer to the requesting government agency.

- 1.4 If the real property is within 100 feet of a railroad right of way or is within 500 feet of an at-grade rail crossing, Support Services must notify Oregon Department of Transportation of its intent to sell or transfer the property at least 30 days before listing the real property for transfer, required under ORS 271.310 (3).

- 1.5 Transfer by quitclaim deed. The receiving government agency shall pay for recording fees, notice fees, carrying costs and maintenance management unless otherwise agreed upon by County and agency.

Other Surplus Property

If criteria outlined in the Real Property Policy is met, the transfer of surplus property acquired by the County in manner other than tax foreclosure to other government agencies will proceed in the same manner outlined above except the notice and hearing required in 1.2 will not be required.

2. TRANSFER TO NONPROFIT COMMUNITY-BASED ORGANIZATIONS

Surplus Property Acquired Via Tax Foreclosure

If criteria outlined in the Real Property Policy is met, the transfer of tax foreclosed real property acquired by the County to nonprofit community-based organizations will proceed in the following manner:

- 2.1 Real Property staff shall notify adjacent property owners of the potential transfer prior to any transfer considered by the Board of Commissioners.
 - 2.1.1 The notice will specify the time and place the matter will be considered by the Board of Commissioners.
 - 2.1.2 The notice will contain contact information where additional questions and/or concerns can be directed.
 - 2.1.3 The notice will contain location, Tax ID number and real market value, determined by Assessment and Taxation.
- 2.2 The County's intention to transfer any tax-foreclosed property to a qualifying community-based and local non-profit organization specializing in low income and/or affordable housing will have two successive weeks of advertisement in a newspaper of general circulation in the County.
 - 2.2.1 The notice must specifically describe the property intended to be transferred and must state when the County will hear objections to the transfer.
- 2.3 Prepare agenda item for the Board of Commissioners recommending the transfer of the real property to the requesting organization.
 - 2.3.1 The agenda item will include the history and purpose of acquisition, past use and method of acquisition for each parcel of real property recommended for transfer. The agenda item will include the applicable statute(s) and policy citations.

- 2.3.2 The agenda item will also provide any known information relative to commitments made at the time of acquisition such as open space, parks, and sale to homeowner's association, etc.
- 2.3.3 After the hearing for objections is held, the Board of Commissioners may proceed with the transfer to the requesting qualified organization.

2.4 If the real property proposed for transfer is within 100 feet of a railroad right of way or is within 500 feet of an at-grade rail crossing, Support Services, Real Property, must notify Oregon Department of Transportation of its intent to sell or transfer the property at least 30 days before listing the real property for transfer, as required under ORS 271.310(3).

2.5 At the direction of the Board of Commissioners, Real Property staff shall prepare a quitclaim deed for transfer of the property and will include any restrictions of use and a reversionary clause as required by ORS 271.330(3).

2.6 Transfer by quitclaim deed. The receiving agency shall pay for recording fees, notice fees, carrying costs and maintenance management unless otherwise agreed upon by County and agency.

Other Surplus Property

If criteria outlined in the Real Property Policy is met, the transfer of surplus property acquired by the County in manner other than tax foreclosure to nonprofit community-based organizations will proceed in the same manner outlined above except the notice and hearing required in 2.2 will not be required.

3. PUBLIC AUCTION

When the public auction option is used for disposition of surplus real property, Real Property staff will proceed in the following manner:

- 3.1 Assemble a preliminary list of County-owned properties that are deemed surplus to recommend for disposition.

3.2 Engage with Land Use & Transportation/Survey/Planning to review proposed auction list and support the disposition of each property listed.

3.3 Brief Support Services Director on list of properties for auction.

3.4 Engage with Assessment & Taxation to determine real market value and minimum bids. The suggested minimum bid of each tax foreclosed parcel will not be less than 70% of the Department of Assessment & Taxation's real market value.

3.5 Circulate the list of properties to other County Departments, governmental jurisdictions, and qualifying community-based local non-profit organizations specializing in low income and/or affordable housing

3.5.1 Interested entities must respond by the due date listed in the notice.

3.5.2 Interested entities are required to complete a form that includes details on the intended use of the property if transferred and any fiscal consideration that will be given to acquire the property.

3.5.3 Review responses received. with Support Services Director. If more than one response is received for a particular property, the decision on who the property is awarded to will be up to the County Administrative Office.

3.5.4 Remove properties from public auction list that will be recommended for transfer to other government agencies or non-profit organizations for authorized uses.

3.5.5 Any property proposed to be transferred to a non-profit or government agency will be transferred by separate agenda item and after required notice. **See section above.**

3.6 Real Property staff will make written request to be deputized by the Washington County Sheriff and upon being deputized will implement a public auction for those properties that remain on the list, as outlined in and required under ORS 275.120 - ORS 275.160.

3.7 Prepare agenda item for Board of Commissioners to declare the properties surplus and set minimum price, and terms of public auction.

3.8 Approximately 30 days prior, specific notice will be provided to property owners adjacent to the properties on the auction list and those individuals who have signed up for auction notification.

- 3.9 Approximately 30 days prior, install signage at each property providing notice of pending public auction.
- 3.10 Prepare auction books for public viewing. The public auction book shall contain general information on the property.
- 3.11 Publish a notice of the sale of property in a newspaper of general circulation in the county once each week for four consecutive weeks prior to the sale. The notice shall contain the information required under ORS 275.120 and shall be filed with the county clerk and recorded in the deed record of the county. Upon first week publication, staff will review publication to ensure and confirm all information is correctly and completely printed in newspaper.
- 3.12 Once the notice has been published, record the affidavit provided by the publication on each property and file with the County Clerk, as required under ORS 275.120(3).
- 3.13 Hold public auction, collect a non-refundable deposit in certified funds, and provide certificate of sales to each winning bidder.
- 3.14 Prepare Quitclaim Deeds
 - 3.14.1 Before the deed is executed, the entire balance of the purchase price must be paid with cash or certified funds made payable to Washington County no later than 30 days after the auction.
 - 3.14.2 Recording fees made payable to Washington County will be paid by the purchaser
- 3.15 Provide Summary of auction results to Facilities and Parks Services Manager, Support Services Director, and Board of Commissioners.
- 3.16 Proceeds of sale will be distributed by the Finance Division, as directed by the ORS.

4. PRIVATE SALE

When the private sale option is authorized for disposition of surplus real property, it will proceed in the following manner:

4.1 SLIVER PROPERTIES

Pursuant to ORS 275.225 to be considered a Sliver Property the property must (1) have a real market value of less than \$15,000, and (2) be unsuitable for construction or placement of a dwelling under applicable zoning ordinances and building codes. Real Property staff will proceed in the following manner with properties qualifying as sliver properties:

- 4.1.1 Review the inventory of County-owned property and assemble a list of qualifying sliver properties.
- 4.1.2 Engage with Assessment & Taxation to verify properties have real market value of less than \$15,000.
- 4.1.3 Engage with Land Use & Transportation/Survey/Planning to review proposed list and support the disposition of the property.
- 4.1.4 Provide notice to all adjacent property owners of available sliver property for purchase through the private sale process.
- 4.1.5 Notice to adjacent property owners will be made by written letter and will contain the following information:
 - 4.1.5.1 Description of the property by map and tax lot; and
 - 4.1.5.2 Current real market value of the property; and
 - 4.1.5.3 Deadline for submission of offer to acquire; and
 - 4.1.5.4 Notice that the cost of recording fees and advertisement fees will be paid by purchaser; and
 - 4.1.5.5 Requirement that winning bidder must consolidate the new parcel with their current parcel.
- 4.1.6 Adjacent property owners will be given 30-days to respond to letter.
- 4.1.7 If more than one of the adjacent property owners makes an offer to acquire the parcel, staff will research the history of ownership and past use of the property to determine what parcel the sliver originally came from to determine whom it should be sold to. If the original ownership or past use cannot be determined with reasonable certainty, the interested property owners must submit compelling information to the County on why they should be sold the property. In this instance, the Facilities and Parks Services Manager will

consider the information submitted and make the final decision on which offer to accept.

4.1.8 After all offers have been received, reviewed, and determined acceptable by staff, notice of the private sale must be advertised in the newspaper of general circulation in the County, as required under ORS 275.225

4.1.8.1 Not earlier than fifteen (15) days after publication of the notice, a Board of Commissioners agenda item will be considered that will request approval to sell all or a part of the land at private sale at a price the Board of Commissioners considers reasonable and in the best interest of the County.

4.1.9 Once the Board of Commissioners approves the sale of the property, an e-mail of acceptance will be sent to the purchaser indicating acceptance of their offer and requesting the following:

4.1.9.1 Certified funds for the full acquisition price and advertising fees in the form of a cashier's check made payable to Washington County or cash.

4.1.9.2 The recording fee made payable to Washington County.

4.1.9.3 These fees must be returned to the Real Property staff within 30 days or the acceptance of the offer to purchase will expire and the County may accept another offer or pursue another disposition method.

4.1.10 Upon receipt of payment, a quitclaim deed will be prepared to complete the conveyance.

4.1.10.1 The name on the deed must be the same as the existing adjacent parcel of land.

4.1.10.2 The deed must be approved by County Counsel, executed by the Board of Commissioners, and recorded.

4.1.10.3 A copy of the deed shall be forwarded to the Department of Assessment & Taxation, Cartography Division, for consolidation of the two tax lots (for taxing purposes only).

4.2 PROPERTIES THAT DID NOT SELL AT PUBLIC AUCTION

Properties that did not sale or receive an acceptable bid at public auction may be dispositioned through Private Sale or held in County inventory until the next public auction. ORS 275.200 authorizes the private sale of real property not sold at public auction for a price no less than 15 percent of the minimum bid set at the public auction.

4.2.1 When an offer is received by Real Property staff, the offer will be reviewed to determine if the offer meets the requirement outlined above in ORS 275.200.

4.2.2 If the real property was purchased with MSTIP or Road Fund monies, the offer will be shared with the Department of Land Use & Transportation to determine if the offer is acceptable.

4.2.3 Once the offer has been deemed acceptable, an agenda item will be prepared by Real Property staff and placed on the Board of Commissioners next available meeting for consideration and approval of the offer to purchase the real property.

4.2.3.1 There is no requirement for publication in the newspaper for sale of these properties.

4.2.4 Upon approval of the offer to purchase by the Board of Commissioners, Real Property staff will prepare the appropriate deed for conveyance. A quit claim deed will be used unless the circumstance justify another type of deed.

4.2.5 The deed must be approved by County Counsel, executed by the Board of Commissioners, and recorded.

4.2.6 All recording fees will be paid for by the purchaser.