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## AGENDA COVER MEMORANDUM

**Agenda Date:** September April 30, 2003

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**DATE:** April 16, 2003

**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 LAWRENCE AND LANSING LAUGHLIN, FORMER OWNERS OF RECORD (MAP #17-03-33-43-01100, ADJACENT TO 1642 RIVERVIEW STREET, EUGENE)

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1. **PROPOSED MOTION:** THE BOARD OF COUNTY COMMISSIONERS MOVES TO AUTHORIZE THE SALE OF SURPLUS COUNTY OWNED REAL PROPERTY TO LAWRENCE AND LANSING LAUGHLIN, FORMER OWNERS OF RECORD (MAP #17-03-33-43-01100, ADJACENT TO 1642 RIVERVIEW STREET, EUGENE)
2. **ISSUE/PROBLEM:** Lawrence and Lansing Laughlin (brothers) are the former owners of record of the subject property which adjoins property owned by Lansing Laughlin. The subject property was acquired through tax foreclosure and the Laughlins wish to repurchase the property pursuant to ORS 275.180. The proposed purchase price is \$5,125 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.

The sale would be an exception to LM 21.425(4).

### 3. **DISCUSSION:**

#### 3.1 Background

The County acquired title to the subject property in September 2001. The subject is a 60' x 150' unimproved lot. It has an assessed value of \$22,800.

Lansing Laughlin owns the adjoining property at 1642 Riverview St which is improved with a house. Both the house and the subject property were given to the brothers by their mother. The properties have been in the family since 1950 and is where the brothers were raised.

In 1979, Lawrence Laughlin transferred his interest in the property with the house to Lansing which Lansing was using as his family's residence. Lawrence's interest in the subject property was never transferred to Lansing.

In the mid 1990's Lansing's son was living in the house and took over responsibility for the tax payments. Also during this time Lansing refinanced the property. According to Lansing Laughlin after conducting some research, there apparently was a mix up in the address to where the tax statements for the subject were being sent and an incorrect assumption that tax payments for both properties were being paid through escrow. As a separate tax statement was sent for each property taxes were not paid on the subject (taxes have always been current on the property with the house).

At the time the county completed the foreclosure and acquired title to the vacant lot the adjoining house owned by Lansing Laughlin was being used as a rental and not being used by anyone in the Laughlin family as their residence.

#### 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. The subject property does not meet any of the provisions of Lane Manual and a sale back to the former owners would be an exception to those provisions.

Up until 1989, the provisions of Lane Manual mirrored state statutes for a sale back to the former owner. Lane Manual was amended to its current provisions in response to property developers who were not paying property taxes as the interest rate on delinquent taxes was less than general market rates. Those who lost property would then petition the county to sell it back to them. The intent of the change to Lane Manual was to discourage commercial developers from using the tax system to finance their endeavors by not making a sale back to the former owner relatively automatic.

The county is not obligated to sell the property back to the former owner nor is it required to sell it for the minimum amount required by statute - the Board can sell it for any price it deems appropriate. The subject is a lot in a platted subdivision with city services available and is likely suitable for development with a dwelling. It has an estimated market value of \$30,000.

### 3.3 Alternatives/Options

1. Sell the property to the Laughlins for the minimum amount pursuant to ORS. 275.180 plus taxes which would have been owed for the current year plus 10% thereon for a total of \$5,1250.
2. Sell the property for an amount greater than #1 above.
3. Reject selling the property back to the former owners and offer the property at a Sheriff's sale which would yield greater consideration.

### 3.4 Recommendation

It is recommended that alternative #1 be implemented. This is consistent with past Board actions in similar circumstances.

### 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.
5. **ATTACHMENTS:**  
Board Order  
Quitclaim Deed  
Plat Map



**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:

**Lawrence Benson Laughlin and Lansing Atwood Laughlin**

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

*Lot 2, Block 8, FIRST ADDITON TO KINCAID PARK, as platted and recorded in Volume 4, Page 8, Lane County Oregon Plat Records, in Lane County, Oregon (map # 17-03-33-43-01100)*

**THIS INSTRUMENT WILL 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 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.**

The true and actual consideration for this transfer is \$5,125.00

**LANE COUNTY BOARD OF COMMISSIONERS**

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\_\_\_\_\_  
\_\_\_\_\_

**STATE OF OREGON     )**  
                                  **) ss**  
**COUNTY OF LANE     )**

On \_\_\_\_\_, 2003 personally appeared \_\_\_\_\_,

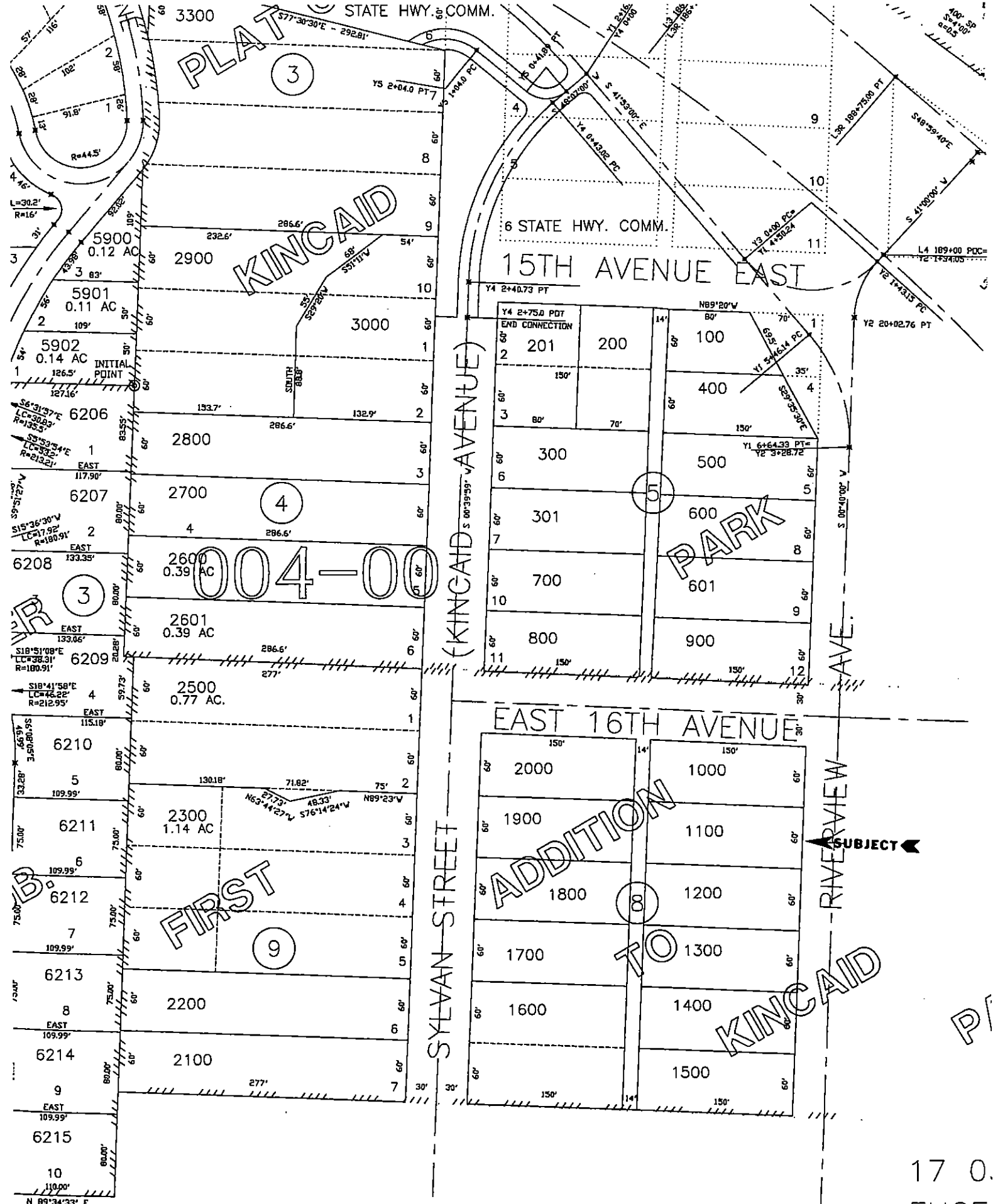
\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_,

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

\_\_\_\_\_  
Notary Public for Oregon

My Commission Expires \_\_\_\_\_

After recording, return to/taxes to:  
Lansing Laughlin  
94832 Kelso Ln.  
Marcola, OR 97454



SEE MAP 18 03 04 12

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