W9BI

AGENDA COVER MEMORANDUM

Agenda Date: May 18, 2005

DATE:

May 3, 2005

TO:

Board of County Commissioners

DEPARTMENT:

Management Services

PRESENTED BY:

Jeff Turk, Property Management Officer 2

SUBJECT: ORDER/IN THE MATTER OF AUTHORIZING A SHERIFF'S SALE OF SURPLUS COUNTY OWNED REAL PROPERTY AND DELEGATING AUTHORITY TO THE PROPERTY MANAGEMENT OFFICER TO REMOVE ANY PARTICULAR PROPERTY FROM SAID SALE IF DETERMINED TO BE IN THE COUNTY'S BEST INTEREST

- 1. **PROPOSED MOTION:** THE BOARD OF COUNTY COMMISSIONERS MOVES TO AUTHORIZE A SHERIFF'S SALE OF SURPLUS COUNTY OWNED REAL PROPERTY AND DELEGATING AUTHORITY TO THE PROPERTY MANAGEMENT OFFICER TO REMOVE ANY PARTICULAR PROPERTY FROM SAID SALE IF DETERMINED TO BE IN THE COUNTY'S BEST INTEREST.
- 2. **ISSUE/PROBLEM:** The Property Management division has identified properties as being surplus to the county's needs and is recommending that they be disposed of through a Sheriff's sale. Pursuant to ORS 275.110, the Board is required to authorize the sale, set the terms and conditions and affix the minimum prices for which the parcels will be sold (Sheriff sales are typically an oral auction format). A sale date of June 20, 2005 is proposed.

3. **DISCUSSION:**

3.1 Background

The parcels proposed for sale were acquired through tax foreclosure. Parcel #s 8, 9, 10 and 13 on the attached list have been offered at previous Sheriff sales. These parcels do not have documented legal access and present other development obstacles due to topography.

Parcels 3, 11, 15, 16, 23, 24, and 26 have improvements on them. Parcel #3 is improved with a 1600 sq. ft. manufactured home in very poor condition. Parcel 11 has a 1500 sq. ft.

house in poor condition (parcels 11 & 12 are adjoining and are being offered as one unit). Parcel 15 contains a 672 sq. ft house in very poor condition (the property is adjacent to the mill in Vaughn). Parcel 16 is improved with a 728 sq. ft. manufactured dwelling in fair condition (Greentrees subdivision, Florence). The property has a tenant in the property under a rental agreement with the county (who has been notified of the pending auction). Parcel 23 is a 650 sq. ft. house in Westfir in very poor condition. Parcel 24, also in Westfir is improved with an 830 sq. ft. house in poor condition. Parcel 26 is an 860 sq. ft. house in Oakridge in poor condition.

Pursuant to Lane Manual 21.430, The St. Vincent de Paul Society of Lane County (SVDP) and the Neighborhood Economic Development Corporation (NEDCO) have requested that a county owned property at 115 E. Hillcrest, Eugene, be withheld from a Sheriff's for use for affordable housing purposes. SVDP and NEDCO will discuss the property at the next meeting of the Housing Policy Board in June. The property is comprised of a 1900 sq. ft. house built in 1925 residing on a ½ acre lot. The property is in fair to good condition but will require substantial renovation and updating of the exterior and interior. It has an assessed value of \$160,000 and it is estimated that it would sell for at least that amount at an auction.

Also pursuant to Lane Manual 21.430, the Florence chapter of Habitat for Humanity has requested that property located at 4605 and 4613 Falcon St., Florence be withheld pending a request to be used for affordable housing purposes. The property is improved with two small homes (624 & 288 sq. ft) in very poor condition and has a failed septic system. The property has an assessed value of \$90,000.

A list of proposed sale properties was given to the Surveyor's office, Transportation Planning office, Real Estate office and Parks division of the County's Public Works Department for review and comment. The Transportation Planning and Real Estate offices have requested that three properties be withheld from sale at this time and that easements be reserved for right of way and/or conservation purposes on four others.

Properties asked to be withheld for future right of way needs are (these are not on the attached proposed sale list):

17-02-21-00-00100 — This is a 6.5 acre parcel on Camp Creek Rd. and is part of an old channel of the McKenzie River. It is zoned EFU, and is predominantly wetlands. The parcel can be used as a wetland mitigation sight for future road projects in the area. The property has an assessed value of \$19,000 but market value is estimated to be between \$5.000 and \$10,000 as it cannot be developed with a dwelling.

17-02-22-00-00100 - This parcel is .22 acres, triangular shaped and is located at the junction of Camp Creek and Oak Pt. Roads. It has an assessed value of \$550 and is not buildable.

17-06-26-40-01200 – The parcel is .5 acres, zoned RR5 and located on Noti Loop Rd. in Noti. It is adjacent to the Long Tom river and will provide wetland mitigation opportunities for road projects in the area. The property has an assessed value of \$5,250 and is not buildable due to access and wetland issues.

Properties for which retention of easements are requested:

16-02-24-12-01700 (parcel #1 on the sale list) – the parcel is a private roadway along Marcola Rd. Ten feet is being requested to be reserved along Marcola Rd. for additional right of way.

18-04-04-00-01300 (parcel # 11) — the parcel is 2.5 acres with frontage on Willow Creek Rd. in Eugene. Willow Creek runs through the property near the road. Transportation Planning has identified the parcel as having significant wetland mitigation potential and can be used as a conservation easement for future road projects. Transportation Planning has identified the North 300 feet of the property (1.1 acres) for the retention of a conservation easement. This portion of the property has been identified by the City of Eugene as wetlands and therefore has limited development potential. The parcel is being sold together with parcel # 16 which has a dwelling on it.

18-06-08-00-00400 (parcel #14) - the parcel is .33 acres, zoned industrial and is adjacent to Vaughn Rd. (across from the mill). Retention of a 10 ft. right of way easement is requested.

21-35-07-30-01100 (parcel # 24) – the parcel fronts Westfir Rd. and retention of a 10 ft. right of way easement is being requested.

Proposed terms of the sale are attached. The following is a brief summary:

Properties will be sold "as is" with no warranties or guaranties as to their ability to be used for any purpose or condition of title.

Conveyance will be by Quitclaim deed.

A 25% deposit of the sale price will be required at the time of the sale for successful bidders.

Sales under \$20,000 will be for cash only. Contract terms to be offered for sales over \$20,000 with interest set at the prime rate +3%.

3.2 Analysis

Minimum bids were set using assessed values as a benchmark. Deviations from the assessed value were made based on further review of the parcels concerning condition of the parcels, potential uses, access, legal lot status and other factors determining value.

Contract installment sales are recommended as they increase the marketability of the properties and provide an income stream to the county. Many of the properties being offered would not be able to obtain traditional financing due to their condition. Financing offered by the county is generally short term and allows a buyer time to qualify a property for private financing (payments to be amortized over 7 years with entire balance to be paid off within 2 years). In addition, lending institutions generally will not offer financing to improve unimproved properties without first insuring that the county has been paid off.

Delegating authority to the Property Management Officer to remove any of the parcels from the sale after it has been authorized by the Board allows for their expeditious removal should it be warranted due to advertising mistakes, boundary/ownership conflicts which may arise, problems with title and other similar circumstances.

3.4 Recommendation

It is recommended that the Sheriff's sale be authorized as presented and that the Property Management Officer be delegated authority to remove any particular parcel from the sale if deemed to be in the best interests of the county.

3.5 Timing

A sale date of June 20th requires public notice of the sale to be published no later than May 29th.

- 4. **IMPLEMENTATION/FOLLOW-UP:** Upon approval by the Board of County Commissioners, preparation for the sale will continue. Such preparation will include publishing the required notice in the Register-Guard, mailing sale notices to those who have requested one and mailing sale notices to adjoining owners of the parcels being offered.
 - 5. ATTACHMENTS: Board Order; List of properties to be offered; Sale notice to be published; Plat Maps.

IN THE BOARD OF COUNTY COMMISSIONERS OF LANE COUNTY, OREGON

ORDER NO.

IN THE MATTER OF AUTHORIZING A SHERIFF'S SALE OF SURPLUS COUNTY OWNED REAL PROPERTY AND DELEGATING AUTHORITY TO THE PROPERTY MANAGEMENT OFFICER TO REMOVE ANY PARTICULAR PARCEL FROM SAID SALE IF DETERMINED TO BE IN THE BEST INTEREST

OF THE COUNTY

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 real property which was acquired through tax foreclosure and other means and has been deemed surplus to the needs of Lane County and

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 ORS 275.110 - 275.160 and 275.190 dictate the procedures for said sale

IT IS HEREBY ORDERED that, pursuant to ORS 275.110 - 275.160 and 275.190, the Sheriff conduct a sale of surplus. County owned real property on June 20, 2005 at the hour of 10:30 AM in Harris Hall, that the minimum bids for the property be established as set forth in attached Exhibit "A" and that other terms of the sale he established as set forth in attached Exhibits "B" and "C"

IT IS FURTHER ORDERED that the Property Management Officer is authorized to remove any particular parcel from said sale if determined to be in the best interests of Lane County

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, 20	<u>.</u>
	Anna Morrison, Chair, Board of County Commissioners

APPROVED AS TO FORM

OFFICE OF LEGAL COUNSEL

lane county

IN THE MATTER OF AUTHORIZING A SHERIFF'S SALE OF SURPLUS COUNTY OWNED REAL PROPERTY AND DELEGATING AUTHORITY TO THE PROPERTY MANAGEMENT OFFICER TO REMOVE ANY PARTICULAR PARCEL FROM SAID SALE IF DETERMINED TO BE IN THE BEST INTEREST OF THE COUNTY

EXHIBIT "A"

Property Management Division List of Properties For 6/20/05 Auction

20 21 22 23 24 25	18 15 15 15 15 15 15 15 15 15 15 15 15 15	12 11	10 8 7 10 10	N -
N N N N N	18-04-12-14-01100 18-06-08-00-00400 18-06-09-00-00600 18-12-27-21-10300 19-03-14-32-12000 19-12-02-31-00203	Parcels 13 & 14 will 18-04-04-00-01300 18-04-04-00-01313	16-05-28-00-00700 16-07-18-42-00-400 17-03-26-21-06301 17-07-27-00-00508 18-03-07-42-03700 18-03-17-12-03900 18-03-17-12-04000 18-03-17-12-04200	MAP/ΤΑΧ LOT # Parcels 1 & 2 will be 16-02-24-12-01700 16-02-24-13-00300
750 750 100 22,000 37,000 15,000 20,000	9,000 3,000 35,000 70,000 100 1,000	be sold together 85,000 (25,000 4,000 250 3,000 1,300 5,000 10,000	MINIMUM ASS BID V sold as one unit 200
891 1,590 500 34,645 53,366 19,561 39,055	18,946 7,953 52,224 58,893 500 2,335	her 51,753 80,545	31,446 4,341 500 7,651 1,350 17,194 39,193 57,141	ASSESSED VALUE unit 500 500
25x135' 50x135' .32 Acre .29 Acre .43 Acre .13 acre 44x100'	70'x100' .33 Acre .93 Acre 60'x115' .03 Acre 85'x110' 2 07 Acre	2.5 Acres .6 Acres	0.66 Acre 0.15 Acre 85220' .85 Acre .04 Acre .22 Acre .64 Acre	SIZE/ ACREAGE 0.27 Acre 0.37 Acre
F2 F2 R1 RR5 Residential RR5	R-1 Indust. Indust. Res Res RR2	RR1	RR1 RR2 RR10 R-1 R-1 R-1	ZONING RR1 RR1
Unimproved lot in Glenada area (Florence). No developed access to property. Unimproved lot in Glenada area (Florence). No developed access to property. Private Road in Fenneran Estates Subdivision, Cottage Grove (Taylor Ave. & 13 St.) 76710 LaDuke Rd., Westfir. 650 sq. ft. House, very poor condition. 830 sq. ft. HOUSE at 47164 Westfir. Rd., Westfir. Poor condition. A 10 ft. right of way easement will be reserved. S. of 47938 Westoak Rd., Westfir. 860 sq. ft. HOUSE at 76475 Cedar St., Oakridge. Poor condition.	S. of 3375 Van Buren, Eugene. NO LEGAL ACCESS TO PROPERTY Adjacent to 22639 Vaughn Rd., Veneta. A 10 FT. right of way easement will be retained. 87268 Hayes Rd., Veneta (in Vaughn, by the mill). 672 sq. ft. house in very poor condition 1600-293 Rhododendron Dr., Florence. 728 sq. ft. manufactured dwelling located in Greentrees subdivision, space 293. Fair condition. S. of 411 Holbrook Ln., Creswell. Small triangular strip. Unimproved lot across from 85217 Hemlock, Florence (Glenada area) Fast & across from 05386 Grand Ave. Glenada (Florence area)	87275 Mt. Val -Vue Lane, Eugene. 1500 sq. ft. house on property. Built 1940. Poor condition No well. Property has water right to spring (condition unknown). Property outside city limits but within urban growth boundary A CONSERVATION EASEMENT UP TO 300 FT. OF THE NORHTERLY PORTION WILL BE RESERVED (approximately 1 acre)	91999 Territorial Hwy., (Franklin). 1600 sf Mobile Home in poor condition. W. of 19575 Hwy. 36, Blachly Strip between 370 & 392 "T" St., Springfield. Will be sold only to an adjoining owner S. of 20545 Hwy. 126, Noti. NOT A LEGAL LOT OF RECORD Inbetween 275 & 329 W. 37th Ave., Eugene. NO LEGAL ACCESS. Drainage ditch runs through property Triangular shaped lot South of 4340 N. Shasta Loop, Eugene. No legal access. E. of 4225 Kincaid, Eugene. Hillside lot. NO LEGAL ACCESS E. of 4221 Kincaid, Eugene. Hillside lot. NO LEGAL ACCESS	PROPERTY DESCRIPTION W. of 92095 Farkas Ln., Springfield. Access road. Portion will be retained for Marcola Rd. Access Rd. east of 92037 Farkas Ln., Spr

Exhibit "B"

NOTICE OF SALE OF SURPLUS LANE COUNTY-OWNED REAL PROPERTY

NOTICE IS HEREBY GIVEN in accordance with the provisions of ORS 275.110 and 275.120 and pursuant to an Order made on the 18th day of May, 2005 the Board of Commissioners of Lane County, Oregon, directed the sale of real property acquired by Lane County through foreclosure, purchase or otherwise. The Board of Commissioners fixed the minimum price for which said property shall be sold, and directed me, as Sheriff of Lane County, to sell said real property in accordance with the provisions of the Order on the 20th day of June, 2005 at the hour of 10:30 a.m. at Harris Hall, Lane County Courthouse/Public Service Building, 125 East Eighth Avenue, Eugene, Oregon. The parcels of real property described will be sold for not less than the minimum price set opposite each piece and/or parcel of real property. All sales will be considered final and no refunds will be made. Terms of the sale are as follows:

Properties are sold on an AS IS, WHERE IS, WITH ALL FAULTS basis without warranty or guarantee, expressed or implied as to the physical/environmental condition of the property, location of property boundaries, condition of title, whether lots were legally created according to Oregon Land Use law, existence of legal access or the ability to acquire permits for building, subsurface, sewerage or other development rights under Oregon Land Use law. Conveyance will be by QUITCLAIM DEED. Each parcel may be subject to claims or liens of a municipal corporation or other liens of record. Accordingly, each parcel should be thoroughly investigated by prospective bidders to judge the condition of the property, seeking professional help if necessary. The Board of Commissioners reserves the right to withdraw any of the properties from the sale at any time prior to the sale. Also, the Board of Commissioners reserves the right to accept or reject any or all bids. All information is presumed from reliable sources. If an error is detected, the parcel may be removed on the day of the sale and offered again at a later date. Title insurance, if any, will be at the option and expense of the purchaser. This notice will be published for four consecutive weeks prior to the date of sale in the Register-Guard, a newspaper of general circulation in Lane County.

ADDITIONAL TERMS

	SALE PRICE	TERMS*
1.	Up to \$19,999	Cash Only. 25% of sale price due at time of sale. Balance payable at closing.
2.	\$20,000 - \$49,999	Cash/Contract Terms: 25% down at time of sale, balance payable at closing or in equal monthly installments including interest at the rate of prime plus 3% per annum (fixed rate) amortized over a period not to exceed 72 months. Entire contract balance will be due and payable within 24 months of contract execution.
3.	\$50,000 +	Cash/Contract Terms: 25% down at time of sale, balance payable at closing or in equal monthly installments including interest at the rate of prime plus 3% per annum (fixed rate) amortized over a period not to exceed 84 months. Entire contract balance will be due and payable within 24 months of contract execution.

PAYMENT MUST BE MADE WITH CASH, CASHIER'S CHECKS OR CERTIFIED BANK CHECK PAYABLE TO LANE COUNTY. NO PERSONAL CHECKS, BUSINESS CHECKS OR CREDIT CARDS WILL BE ACCEPTED.

All bidders shall register prior to bidding.

For parcels which sell above the minimum bid, a 25% deposit of the minimum bid will be due at the time of sale with the balance of the required 25% deposit due by 5:00 p.m. of the day of sale. If the 25% deposit of the minimum bid has not been remitted for any particular parcel prior to the closing of the sale by the Sheriff, said parcel shall be considered as not receiving a bid and may be reoffered for bid by the Sheriff before closing the sale.

*The balance of cash or first payment on contract will be due within thirty days after approval of sale by the Board of County Commissioners. Said approval shall take approximately thirty days. A timber acceleration clause will be included in all contracts as well as a personal guaranty if purchaser is a business entity or Trust.

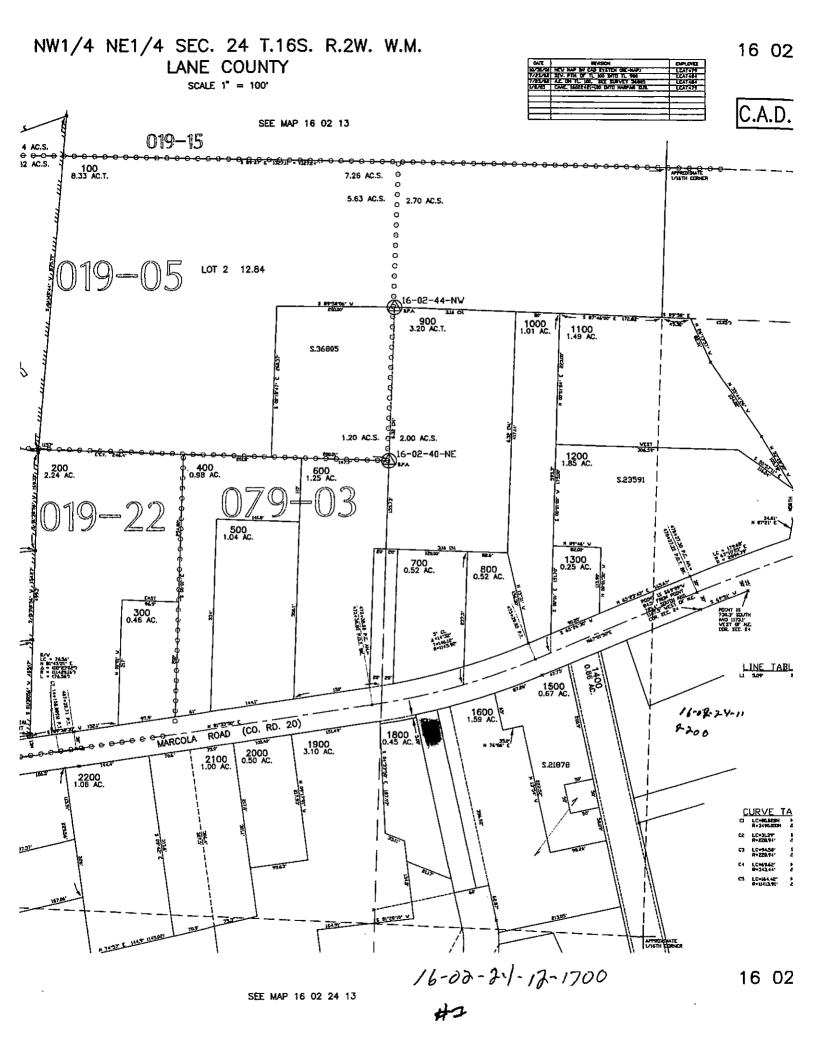
For questions or further assistance, contact Lane County Property Management Division at (541) 682-4174.

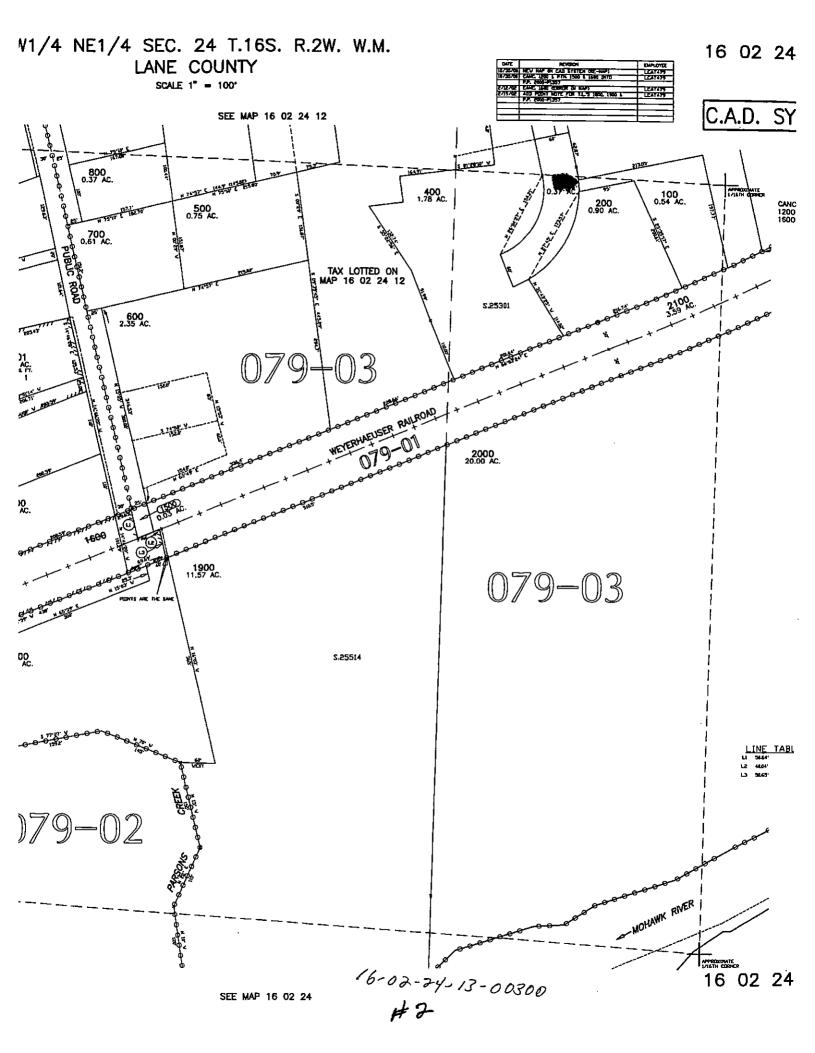
Russel Burger, Lane County Sheriff

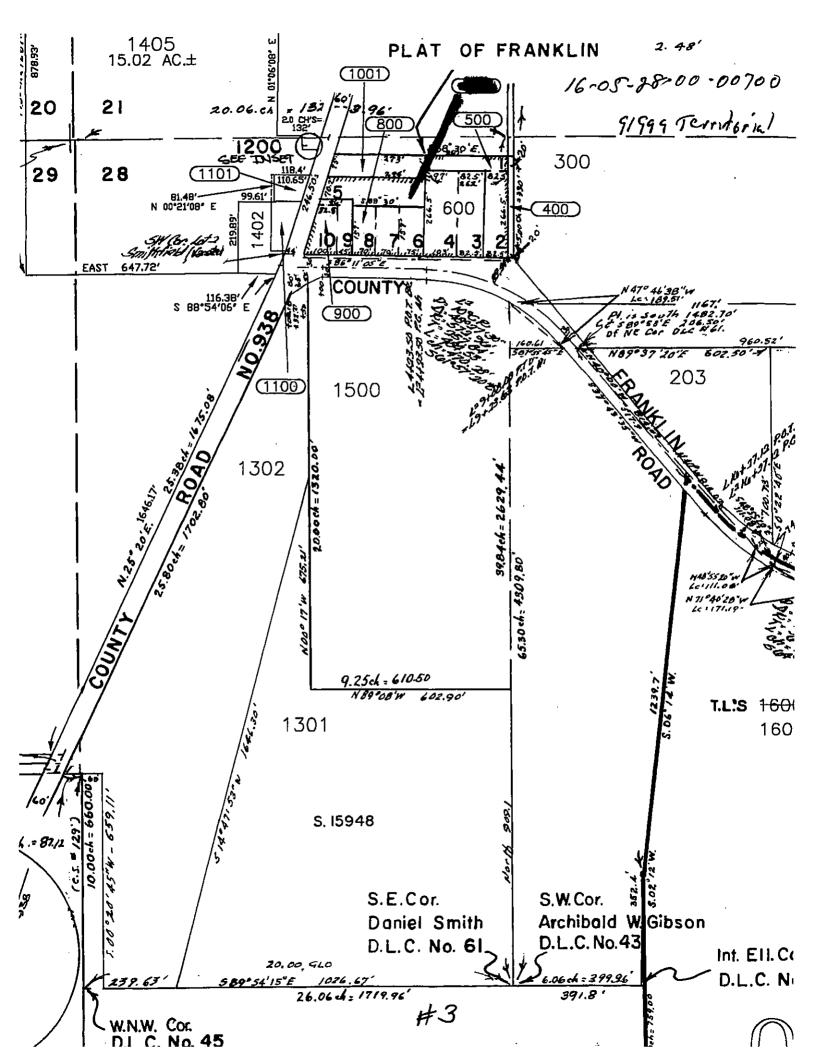
Exhibit "C"

ADDITIONAL TERMS AND INFORMATION ABOUT THE SALE OF SURPLUS COUNTY-OWNED REAL PROPERTY

- 1. These parcels were acquired by foreclosure resulting from delinquency in payment of real property taxes, and other means of acquisition.
- No survey has been or will be made by Lane County to establish property lines. Properties described
 may have portions dedicated to public bodies for use as roads, easements or other use. All bidders
 should inspect the sites to be aware of the conditions.
- 3. Certain parcels are small strips or irregular pieces which would be of no value to anyone except the owners of the adjacent property and are now being offered for sale as the law requires such sale to be public. It is the policy of Lane County to sell these parcels to an adjoining owner.
- 4. Parcels will be sold in the order they appear in the Notice of Sale published in the Register-Guard, a newspaper of general circulation in Lane County. Oregon.
- 5. Oral bidding for each parcel will start at the minimum bid shown in the published notice. All raises must be in increments of \$50 or more.
- 6. The full purchase price must be paid in the form of cash, cashier's check or certified bank check for parcels that are sold for less than \$20,000. Terms are available for purchases of \$20,000 or greater, as per the schedule in the legal advertisement in the Register-Guard. A 25% deposit is required at the time of sale for all parcels. For parcels which sell above the minimum bid, a 25% deposit of the minimum bid will be due at the time of sale with the balance of the required 25% deposit due by 5:00 p.m. of the sale day. No personal or business checks or credit cards will be accepted. Cashier's checks or bank checks must be made payable to Lane County.
- 7. A certificate of sale, subject to approval of the Lane County Board of Commissioners, will be issued to the purchaser on the day of sale. A Quitclaim Deed or Agreement to Sell will be processed after approval by the Board of Commissioners.
- 8. CAUTION: On occasion, some parcels have proven to be only errors in descriptions, gaps where surveys do not coincide or where only a partial interest may be held, and conflicts of ownership have thus arisen. No warranty as to title is made. Any interest that Lane County may have will be conveyed by Quitclaim Deed. It is strongly suggested that bidders secure title reports prior to the sale date for parcels they are interested in.
- 9. **CAUTION:** The properties may not be developable under Oregon Land Use Regulations. It is strongly advised that prospective bidders check with the jurisdiction(s) responsible for issuing development permits for the property they are interested in regarding allowable uses and development criteria.
- 10. Please read additional provisions in the Legal Advertisement, Notice of Sheriff's Sale of Surplus County Owned Property which is attached and believed to be correct. However, Lane County does not assume liability for errors or omissions in said Legal Advertisement.





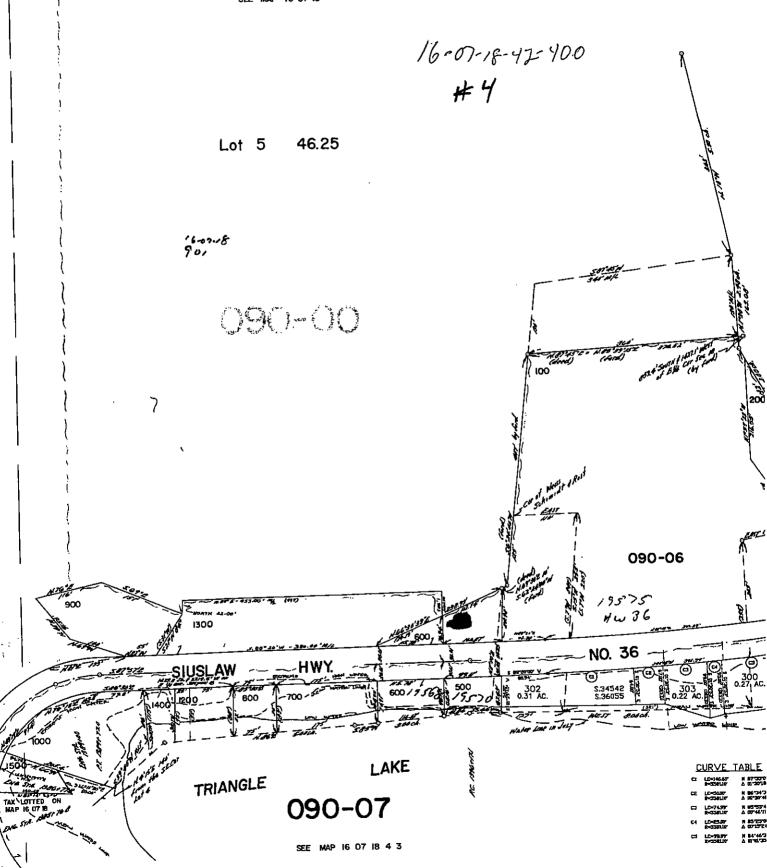


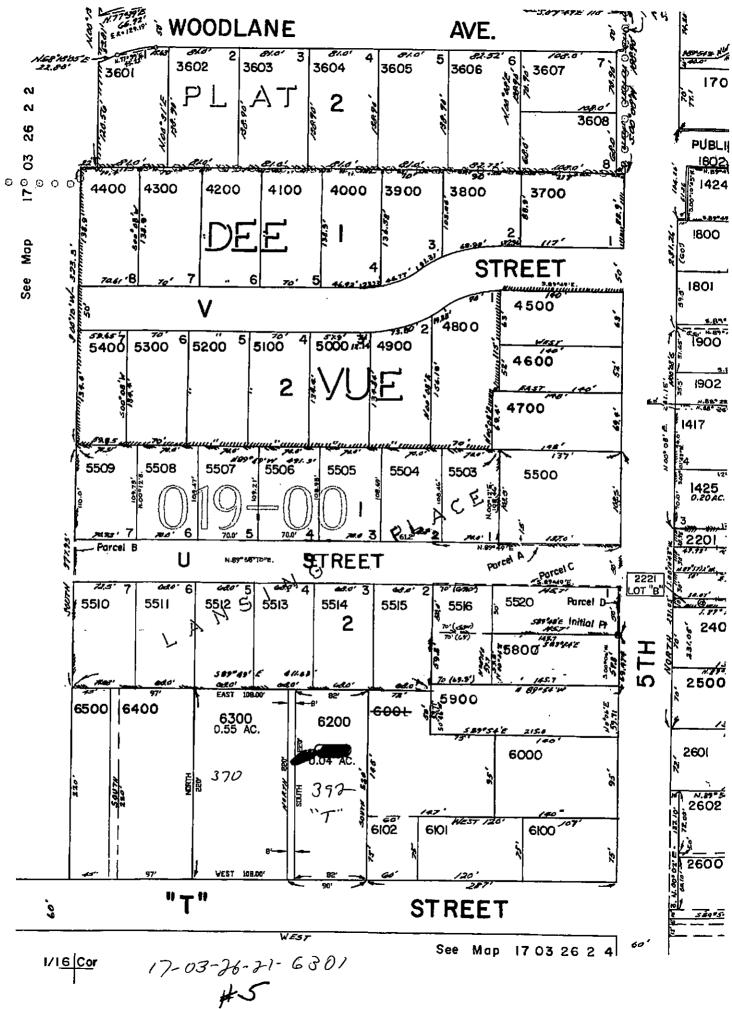
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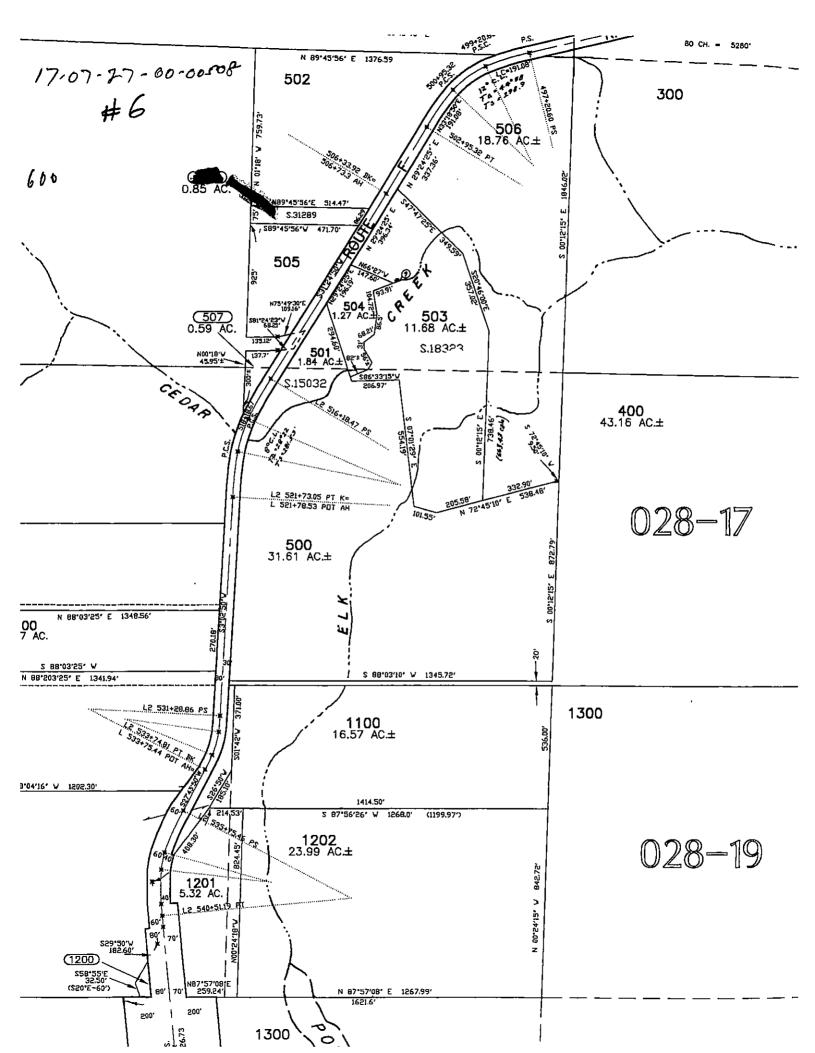
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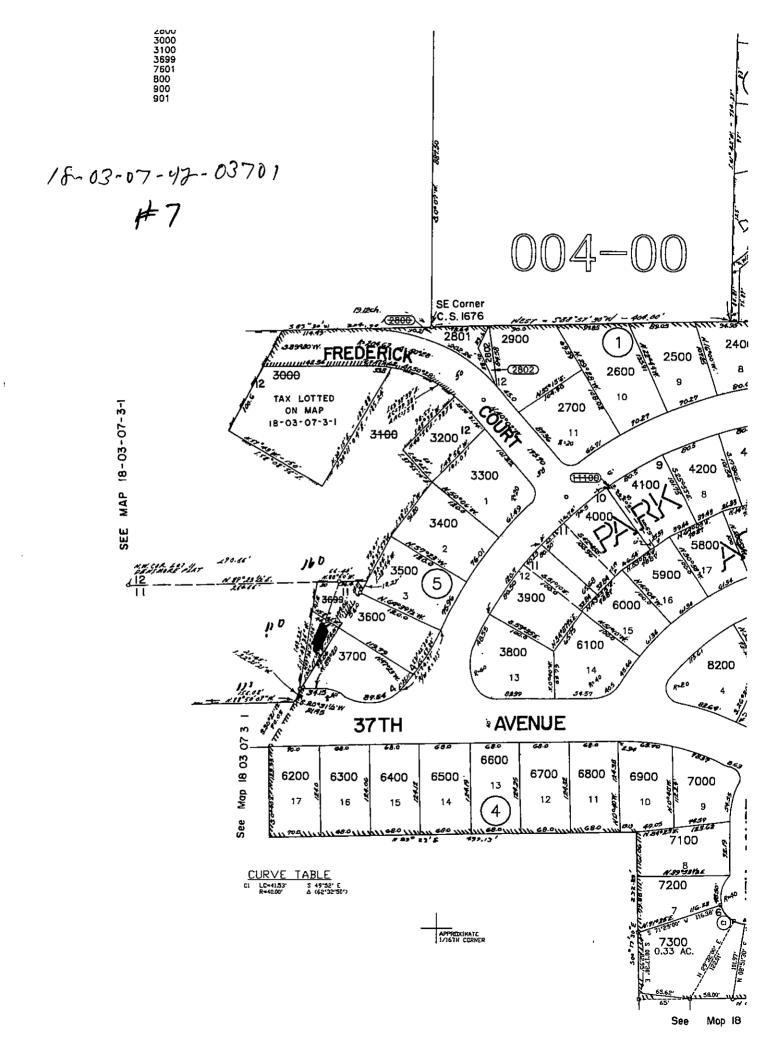
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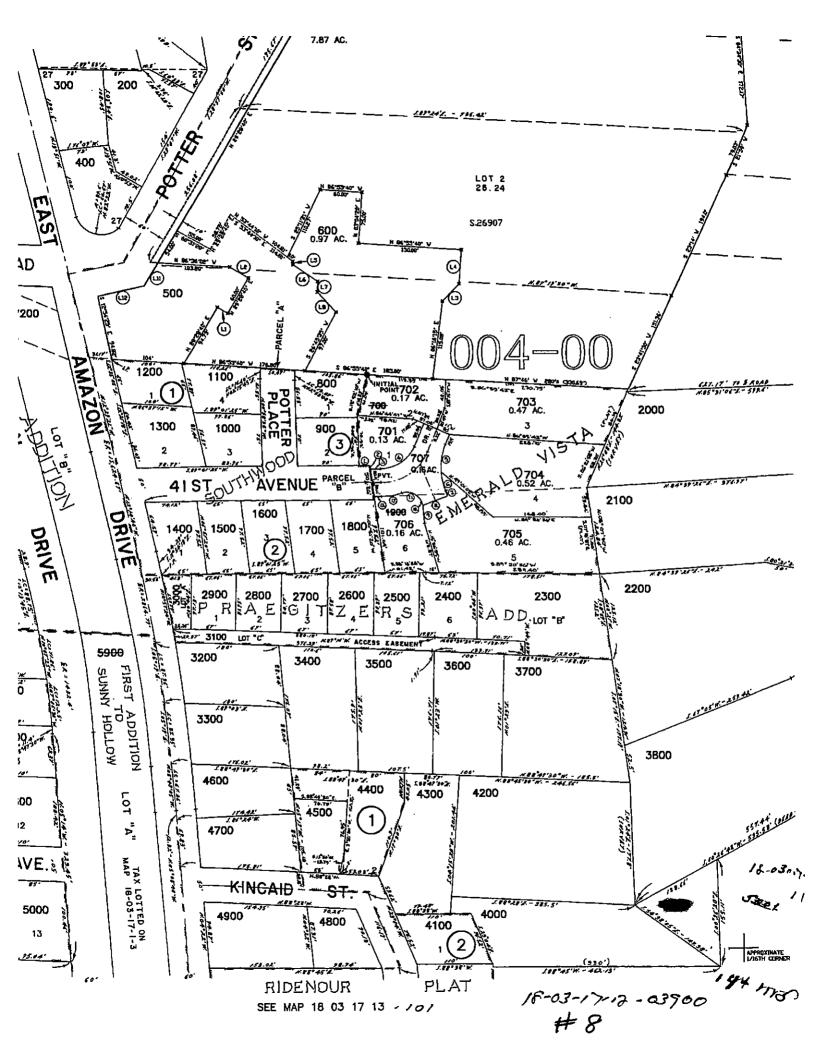
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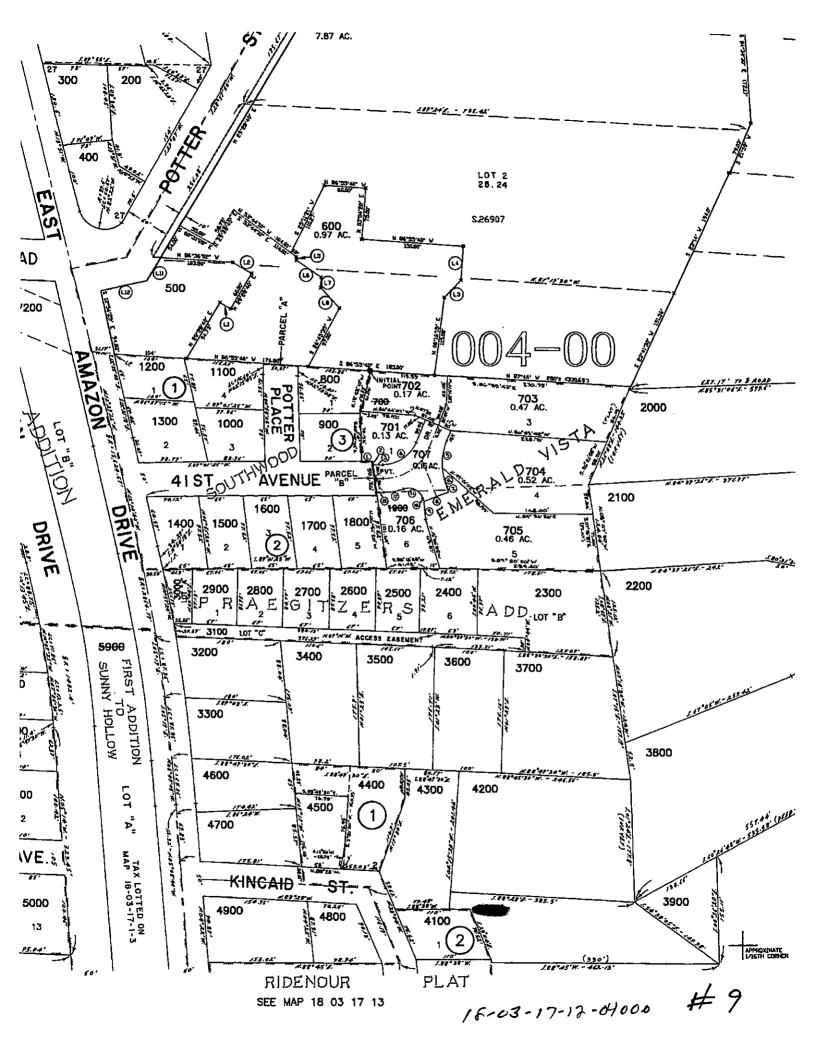


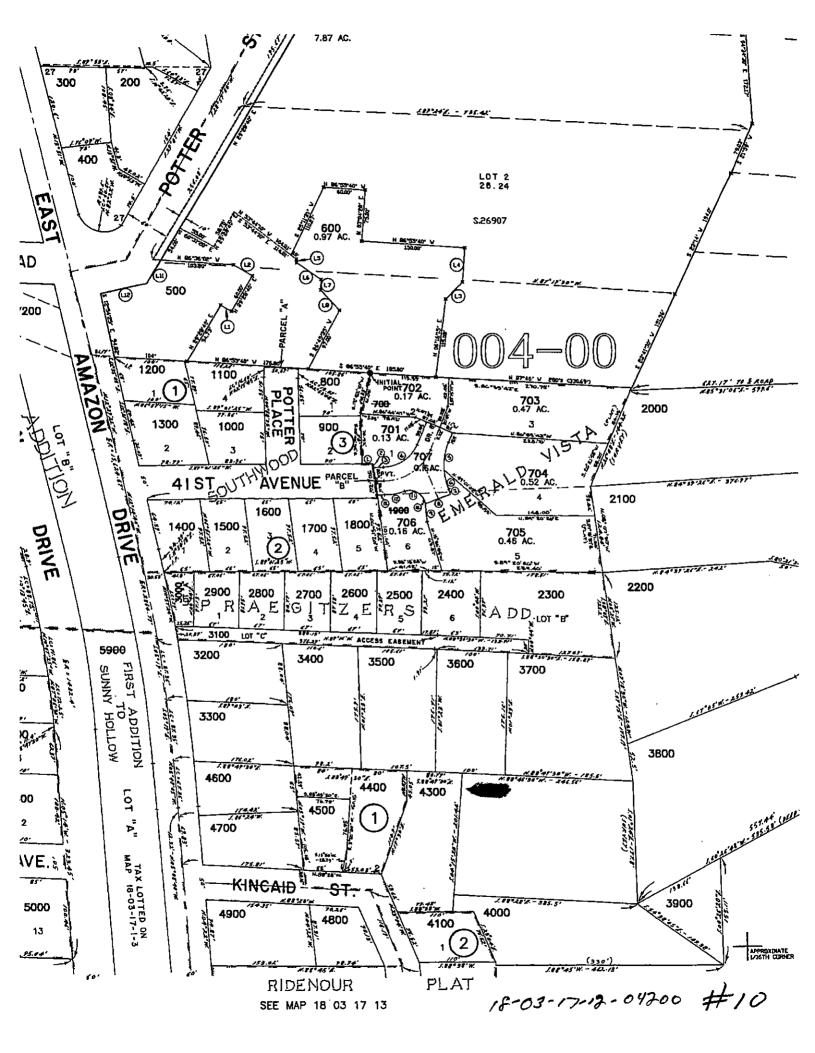


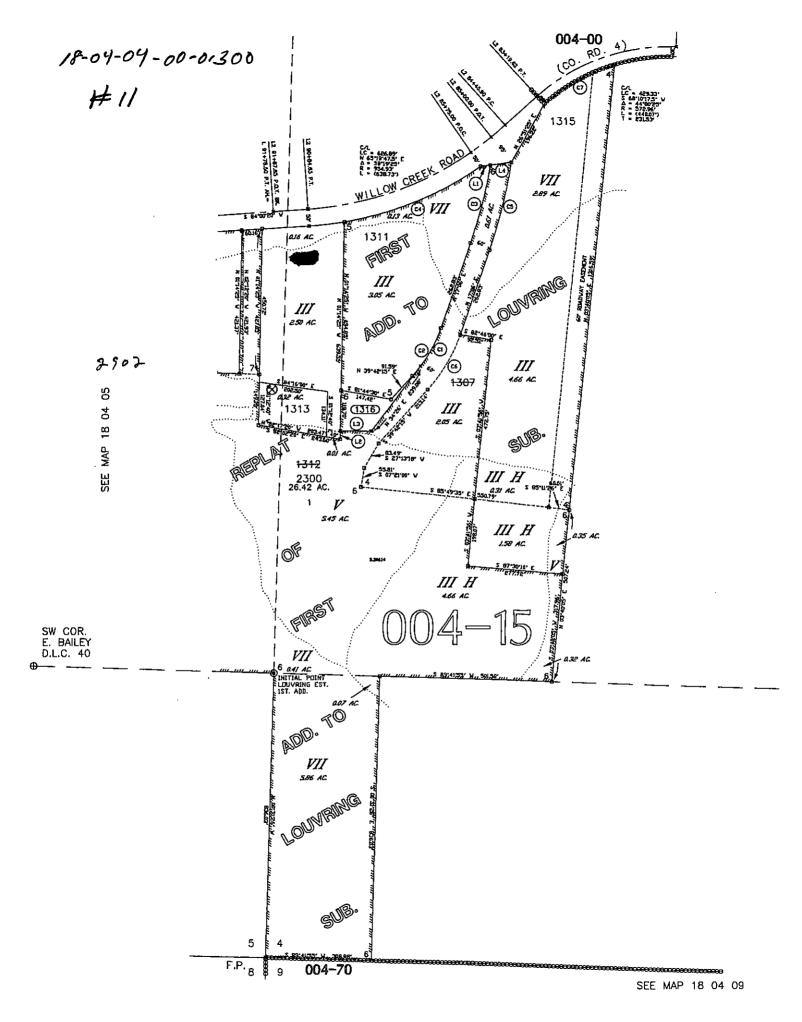


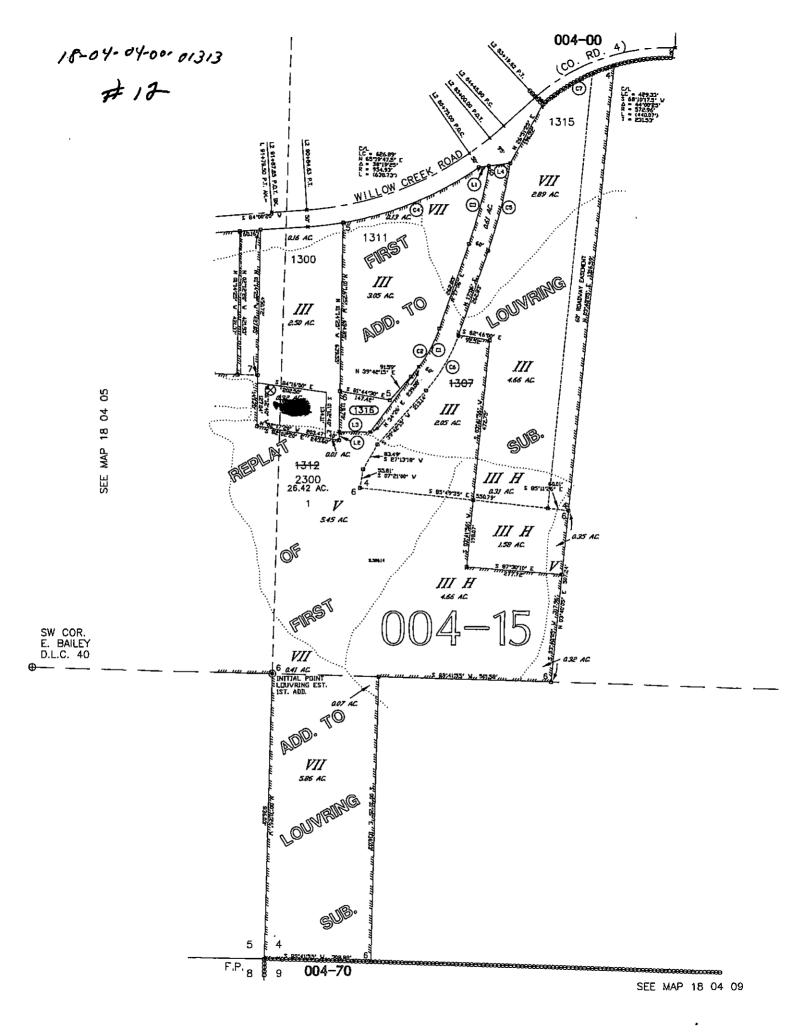


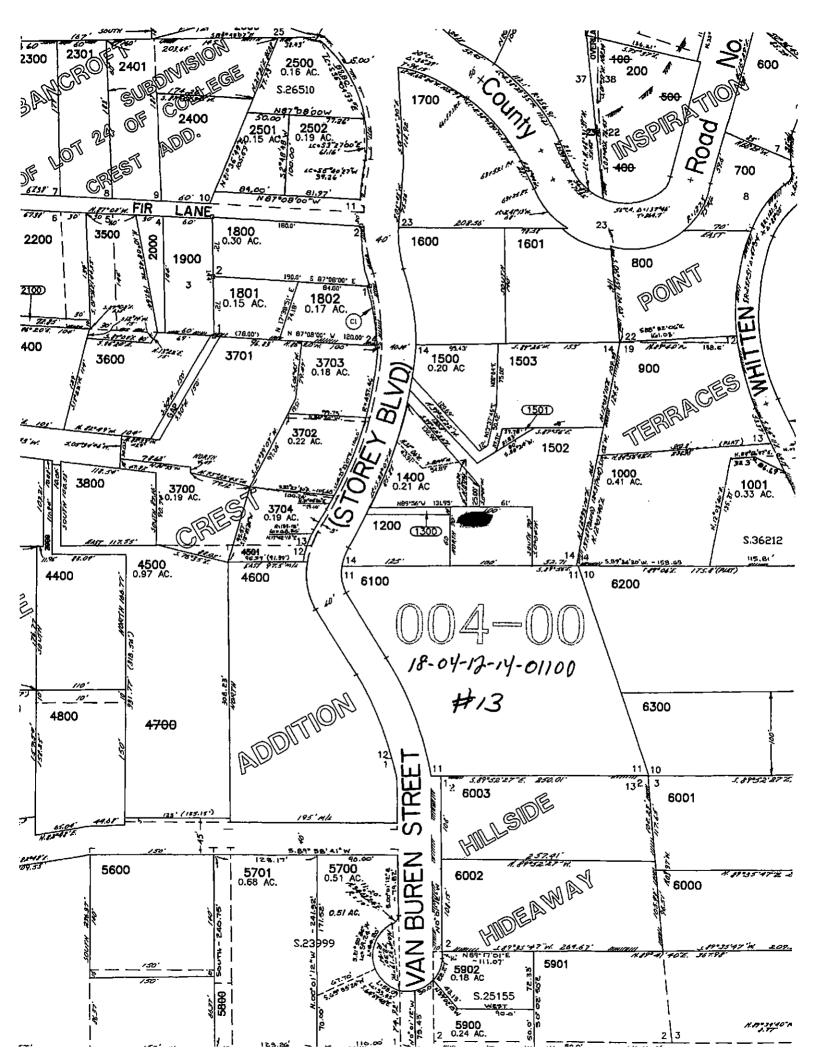


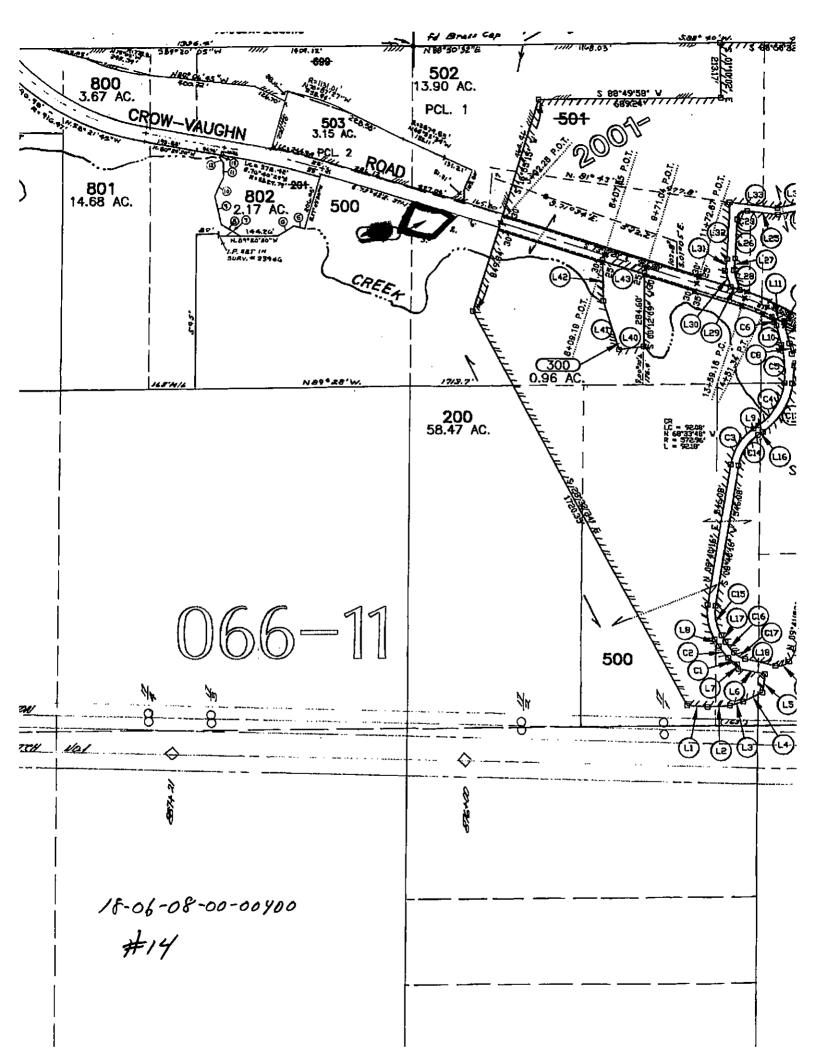


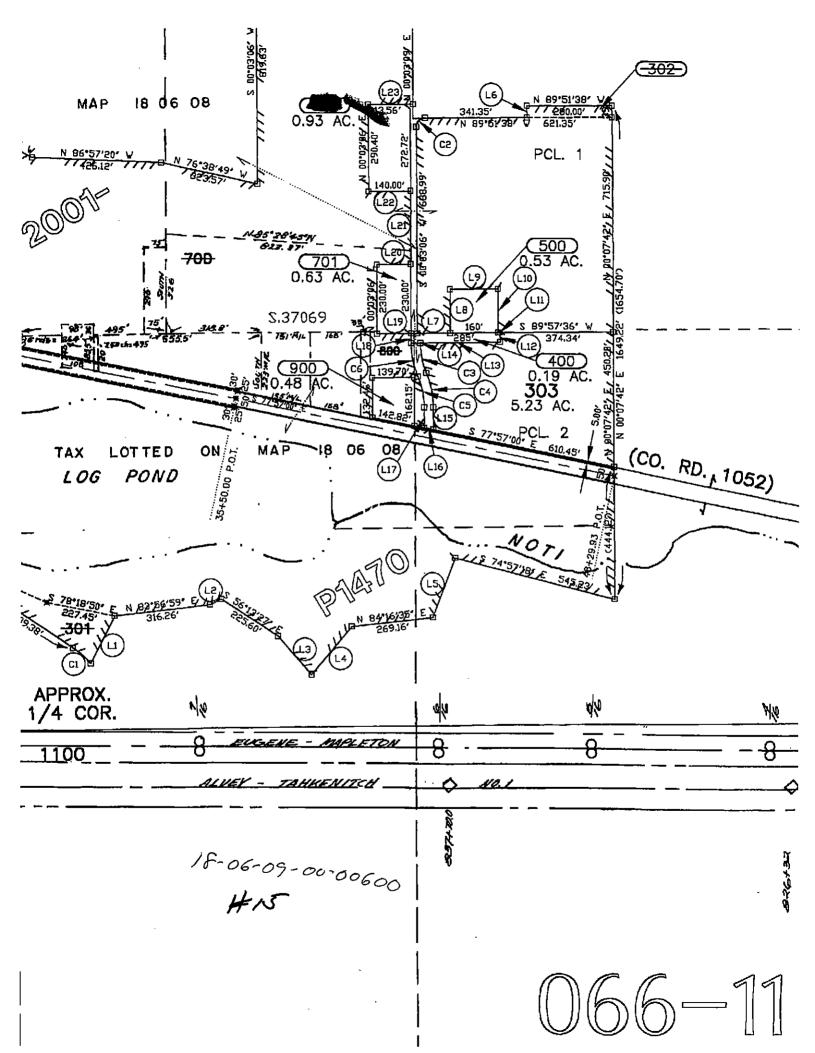


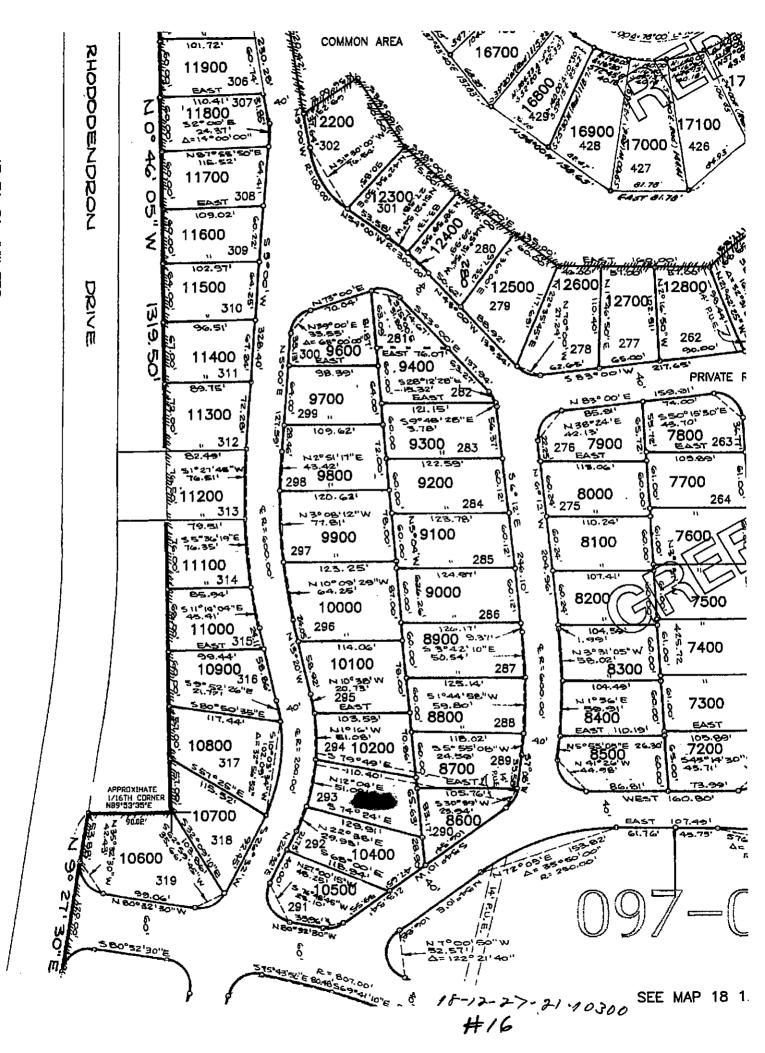


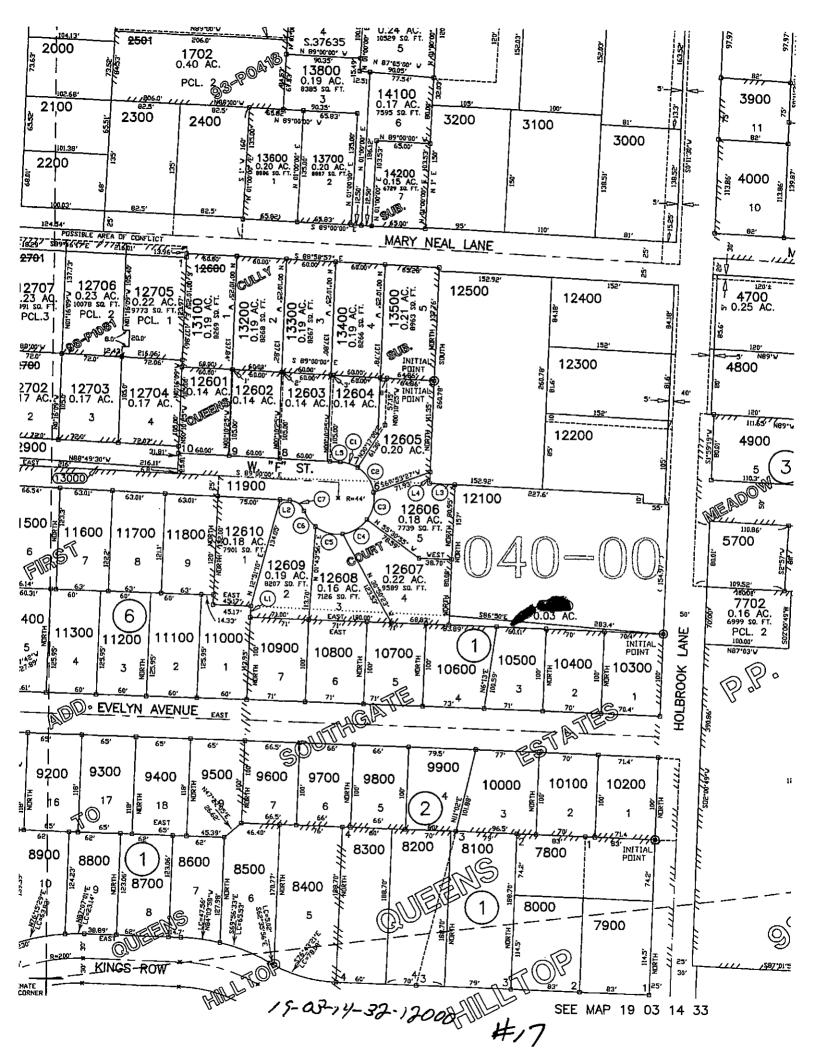


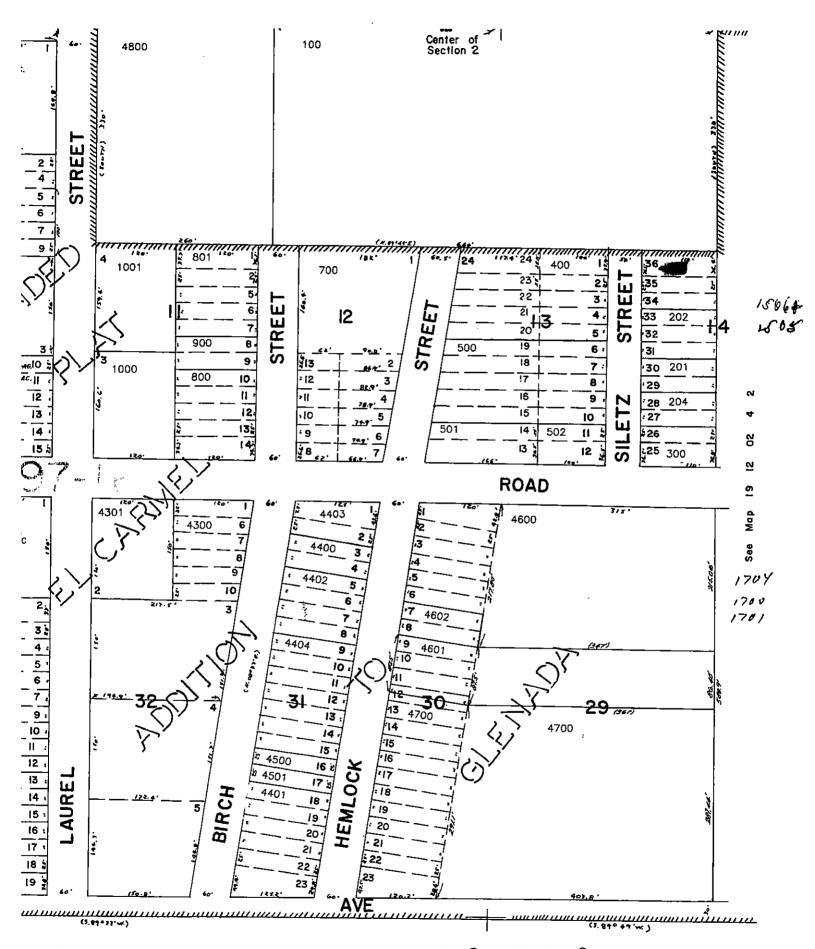










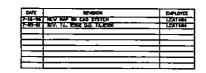


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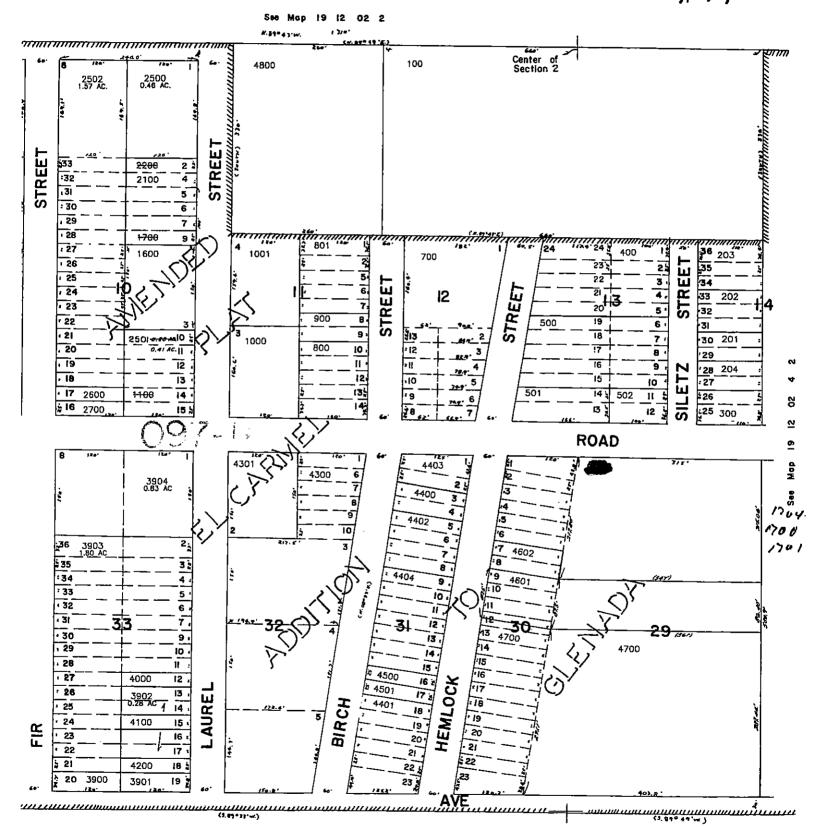
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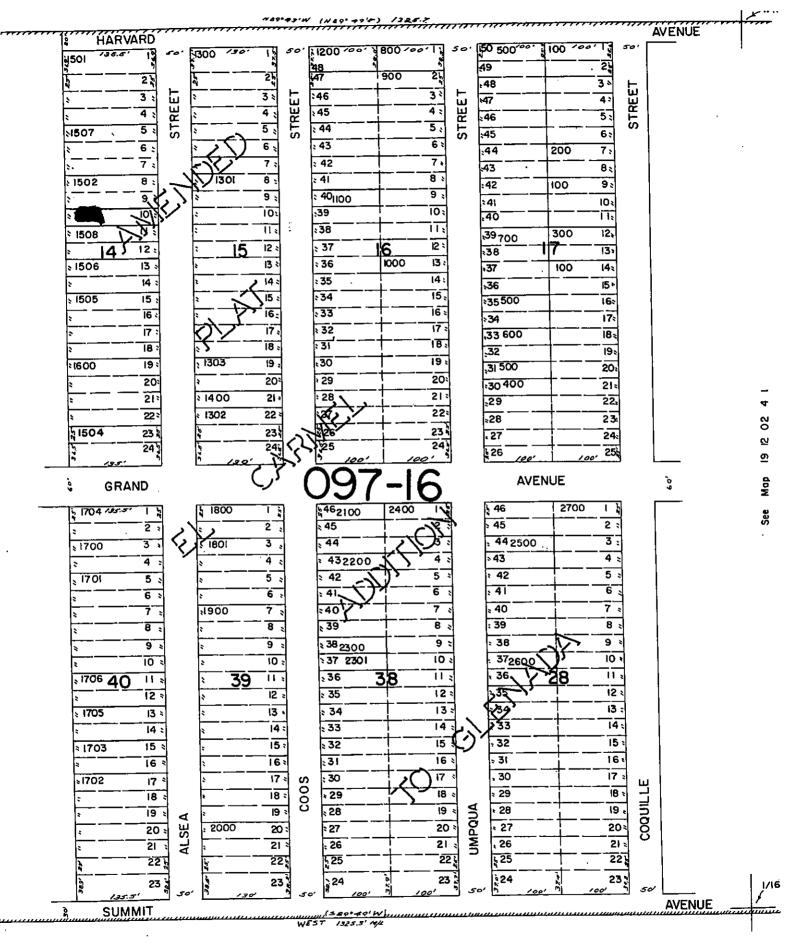
LANE COUNTY

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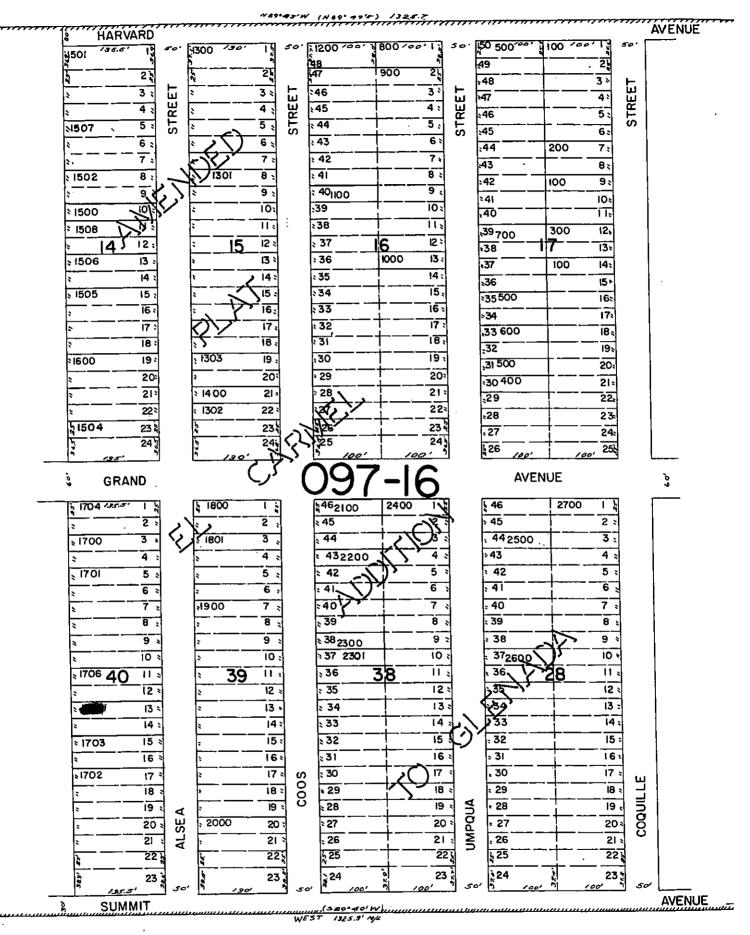
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See Map 19 12 02

19-17-02-47-1500 # 20

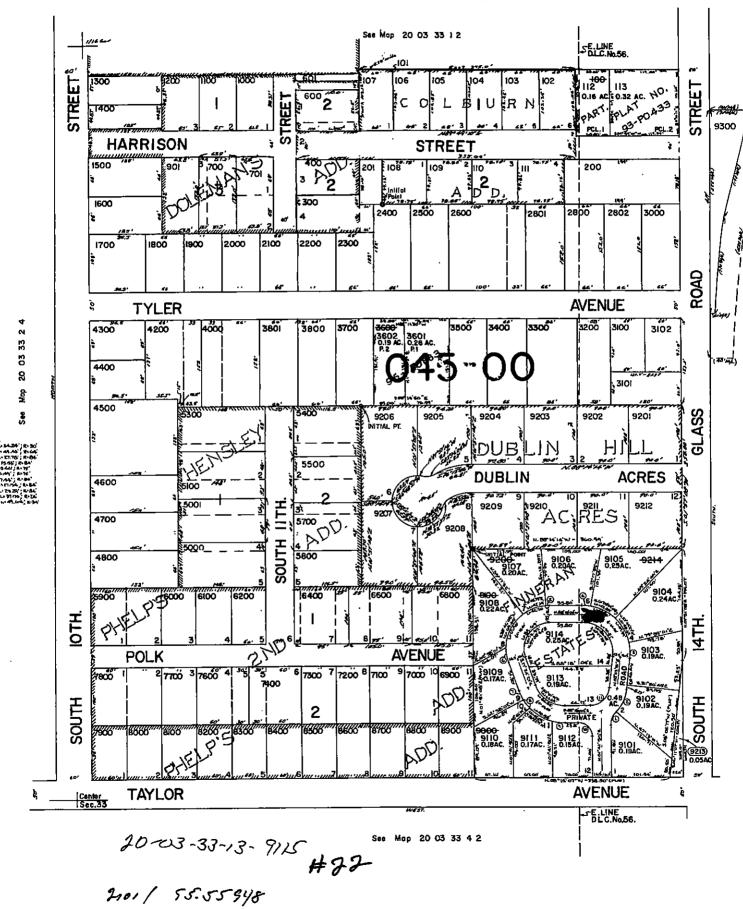


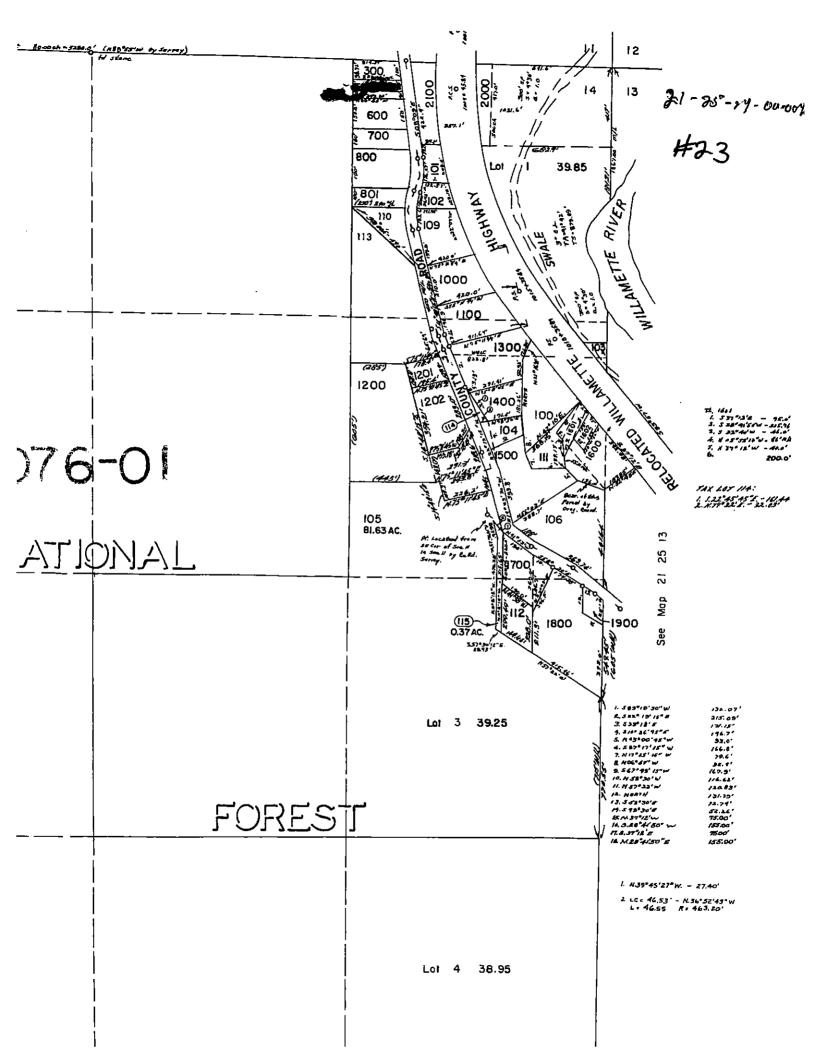
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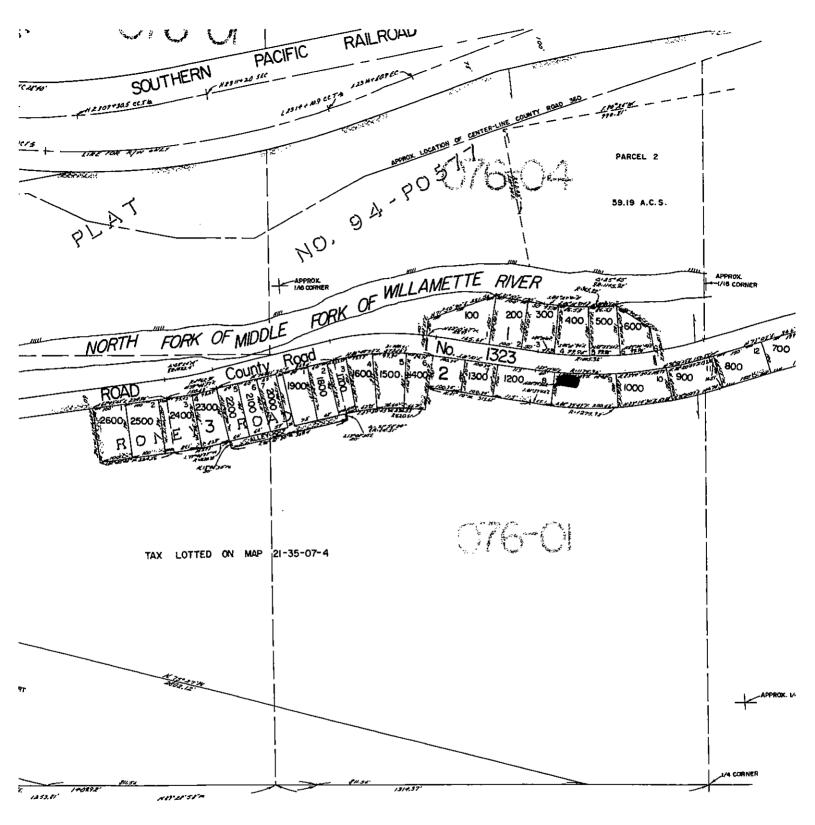
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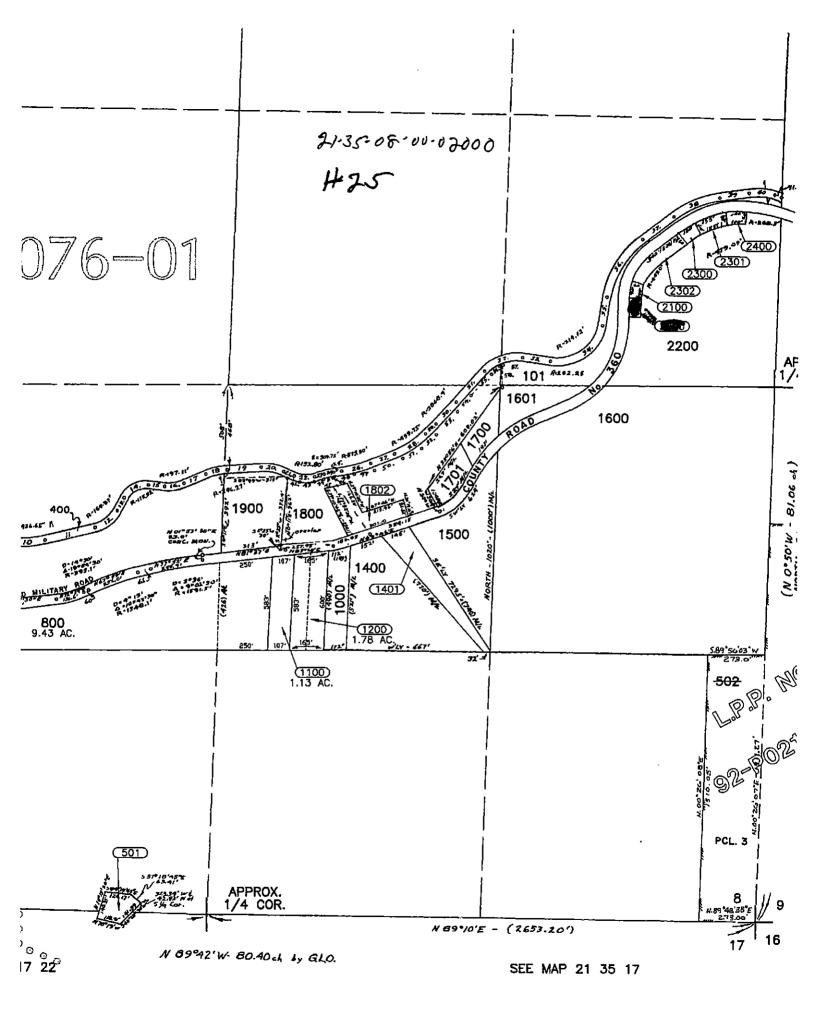


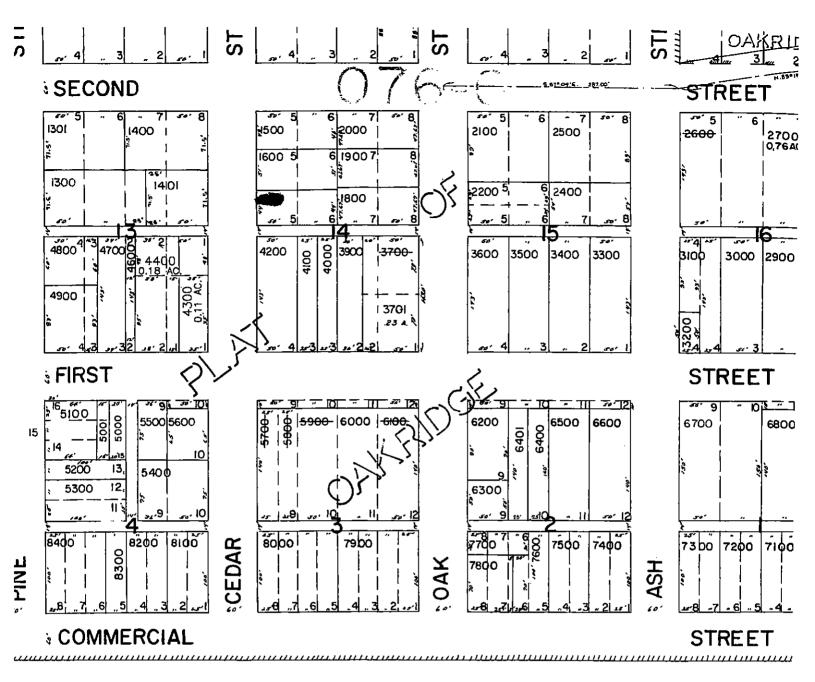




SEE MAP 21-35-18

21-35-07-30-01100 47164 westfir Rd. #24





See Map 21 35 16 4 2

91-35-16-13-01700 #26