W. C. C. 1.

AGENDA COVER MEMORANDUM

Agenda Date: August 2, 2006

DATE:

July 19, 2006

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 DELEGATES 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 September 11, 2006 is proposed.

3. **DISCUSSION:**

3.1 Background

Except for parcel no. 5, the parcels proposed for sale were acquired through tax foreclosure with most acquired in September, 2005. Parcel no. 5 is a lot on Polk St. in Eugene which was purchased by the Fairgrounds in 1978 and has been under Fair Board management since that time. The Fair Board deemed the property surplus and the County Board of Commissioners, at their June 7, 2006 meeting, directed Property Management staff to offer

the parcel at the next Sheriff's sale. A list of the properties proposed for sale is attached as Exhibit "A".

Parcel # 8 is a 1.3 acre lot on West Amazon Dr. in Eugene. The parcel has been in inventory since 1995 (it was offered at a Sheriff's sale at that time). The parcel has remained in inventory due to title issues (which have been resolved) and legal access issues. The legal access issue concerned whether an undeveloped road (Canyon Drive) noted in a 1949 survey was a legal right-of-way. The City of Eugene filed legal action with the courts to affirm right-of-way status for the road (the county assisted in the action). The Circuit Court ruled in the City's favor. The ruling was appealed by an adjoining owner and the Court of Appeals has upheld the Circuit Court's ruling.

Parcel # 15 is a 1,060 sq. ft. house in Westfir. The house is in fair condition.

Parcels 1, 7, & 11 have been offered at previous sales. Minimum bids have been lowered for these parcels.

Parcel #12 was previously foreclosed upon by the county (1987) and sold to an adjoining owner in 1997. The 1997 deed included a restriction requiring the parcel to remain as open space. The county again foreclosed on the property in 2005 and also acquired the adjoining parcel from the same owner. The parcels are steep and have large power lines running across them with easements restricting development. While it may not be possible to develop the parcels with a dwelling, the county should remove its open space deed restriction if they are sold (an adjoining owner may wish to purchase and erect a shop building).

Pursuant to Lane Manual 21.430, the parcels proposed for sale were presented to the Housing Policy Board to see if members had an interest in acquiring any of the properties for affordable housing purposes. No requests to transfer any of the parcels have been received.

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. None of the divisions has requested retention of any of the properties for county purposes or retention of an easement

The Parks Dept. and Property Management Division did review the properties for possible designation as park land prior to them being offered for sale. None of the properties were deemed suitable as they were either located within the corporate limits of a city or did not have sufficient value to warrant a transfer.

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 \$15,000 will be for cash only. Contract terms to be offered for sales over \$15,000 with interest set at the prime rate + 3%. Contracts will be amortized for a period between 72 - 120 months but the entire balance will be required to be paid within 24 months.

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. The properties being offered that qualify for a contract may not be able to obtain traditional financing due to their condition. Financing offered by the county is short term and allows a buyer time to qualify a property for private financing. 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 September 11, 2006 requires public notice of the sale to begin being published no later than August 14th (statute requires notice to be published once each week for four weeks prior to the sale).

- 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 September 11, 2006 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 be 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		
		Bill Dwyer, Chair,	. Board of County Co	mmissioners

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

APPROVED AS TO FORM

Date | County | Co

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EXHIBIT "A"

For September 11, 2006 Auction Property Management Division List of Properties

	0-00100 1,500 11,129 0.73 Acre E40 Across Rd. from, and N. of, 93865 Territorial Hwy., Junction City 3-00503 5,000 25,813 74'x140' MD S. of 233 S. 59th, Springfield. Possible wetland issues impeding development.	Parcels 3 & 4 will be sold together
MINIMUM ASSESSED MAP/TAX LOT # BID VALUE	1 16-05-03-00-00100 1,5 2 17-02-34-33-00503 5,0	Parcels 3 & 4 will be so

3 17-02-34-43-00703 4 17-02-34-43-00704	2,000	10,501 10,501	0.24	MD OM	Behind 6385/6387 Main St., Springfield. Wetland issues impeding development Behind 6385/6387 Main St., Springfield. Wetland issues impeding development
5 17-04-36-41-12500 85,000	85,000	21,798	53'x160'	9	Lot S. of 1351 Polk St., Eugene
5 17-10-25-21-03001	200	538	0.25	RR2	Behind 89285 Hwy. 36, Swisshome. Access Rd. Not buildable. Sell to adjoining owner.
7 18-02-02-21-08300	15,000	14,129	.15 Acre	9	Behind 614/616 S. 71st St., Springfield. Access not developed.
8 18-03-20-00-02001	130,000	54,781	1.30 Acre	R-1/WR	Behind (S. of) 5215 West Amazon Dr., Eugene. Access not developed.
9 18-10-02-12-00500	300	200	0.1	RR5	Access strip between 1178 Alder & 88246 Chestnut, Mapleton. Sell to adjoiner only
0 18-11-30-20-01000	2,000	5,439	.32 Acre	RR5	3 lots W. of 06475 Hwy. 126 Florence. Very steep
1 19-12-02-31-04600	15,000	32,846	2.00 Acres	RR2	E. & across from 05386 Grand Ave., Glenada (Florence area). Steep

Parcels 12 & 13 wil be sold together

K1 N. of 80 Bangle Ct., Cottage Grove. County will remove its deed restriction.	Large power lines through parcels. Subject to power line easement.	RR10 W. of 80010 Haselton Rd., Cottage Grove (parcel located on Loraine Hwy)	CR 47072 Westfir Rd., Westfir. 1,060 sq. ft. house in fair condition (+420 sq. ft. of attic area)
ž	Σ	RR10	꼾
.17 Acre	.15 Acre	.37 Acre	57'x160'
18,880	17,603	200	66,398
2,000		200	75,000
12 20-03-27-33-02510 7,000	13 20-03-27-33-02511	14 20-04-14-00-01300	15 21-35-07-30-02000 75,000

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 2nd day of August, 2006 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 11th day of September, 2006 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, or at the time of, 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 at the time 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 \$14,999	Cash Only. 25% of sale price due at time of sale. Balance payable at closing.
2.	\$15,000 - \$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 120 months. Entire contract balance will be due and payable within 24 months of contract execution.
4.	Parcel # 5	(17-04-36-41-12500) will be sold for cash only. No contract terms offered.

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 re-offered for bid by the Sheriff before closing the sale.

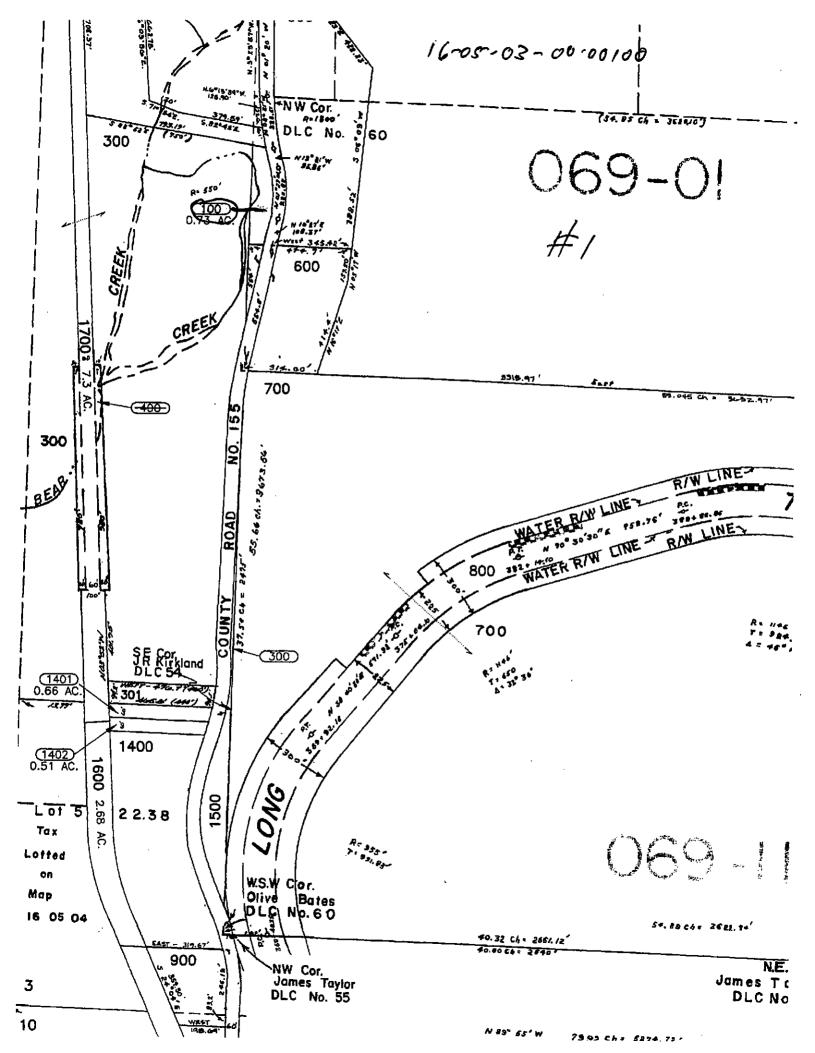
*The balance of cash or first payment on contract will be due within thirty days after approval of sale by the Board of County Commissioners. Said approval shall take approximately thirty days. A timber acceleration clause will be included in all contracts as well as a personal guaranty if purchaser 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.
- 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. 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.
- 5. 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 \$15,000. Terms are available for purchases of \$15,000 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.
- 6. A certificate of sale, subject to final 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.
- 7. 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.
- 8. 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.



FOR ASSESSMENT AND TAXATION ONLY

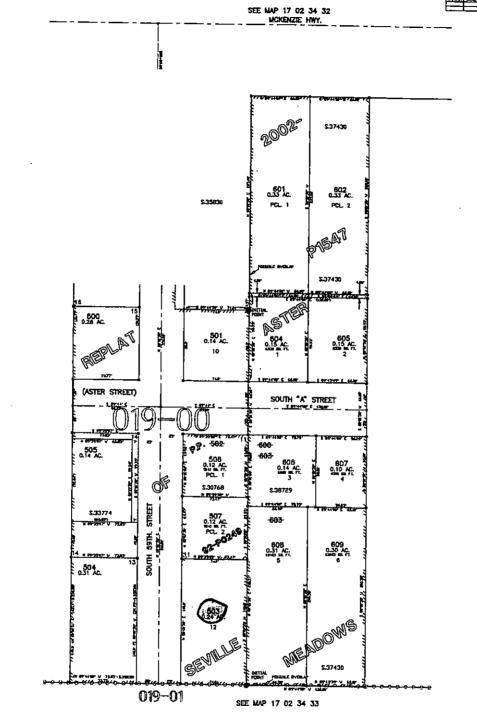
S.W.1/4 S.W.1/4 SEC.34, T.17S. R.2 W.W.M. DETAIL MAP NO. 1 LANE COUNTY

SCALE 1" = 50"



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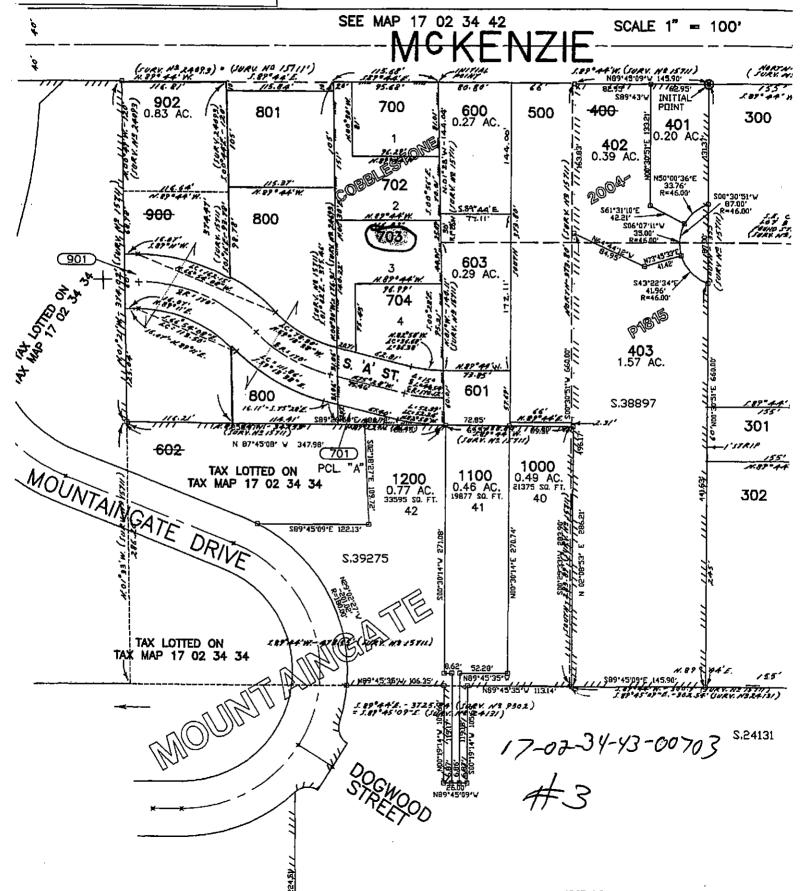
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17-02-34-33-00503 HJ

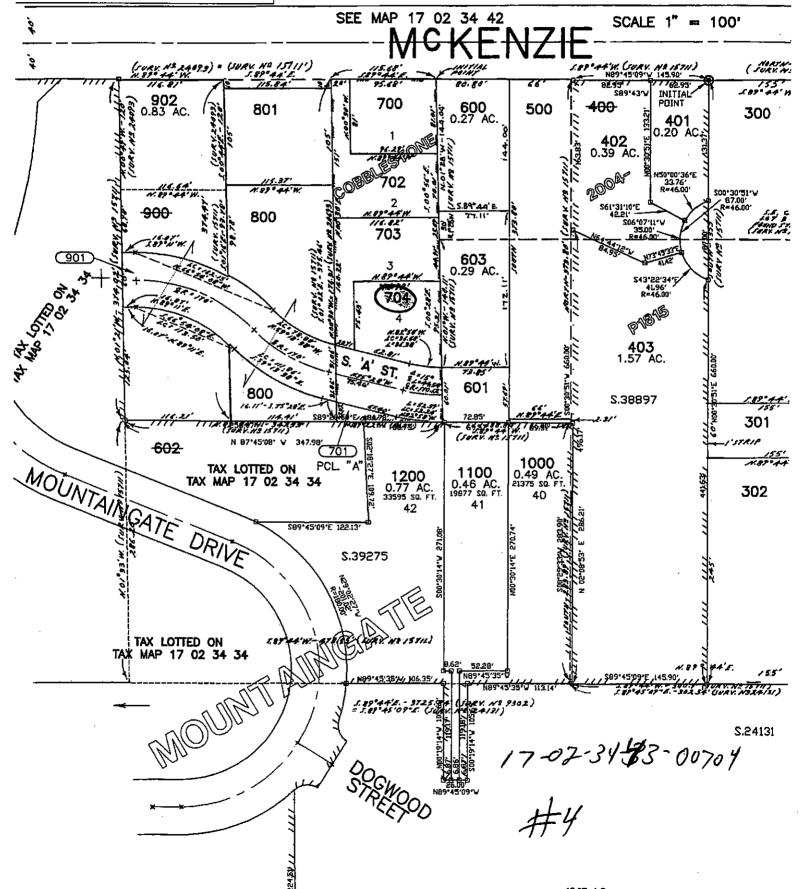
RASSESSMENT ND TAXATION ONLY

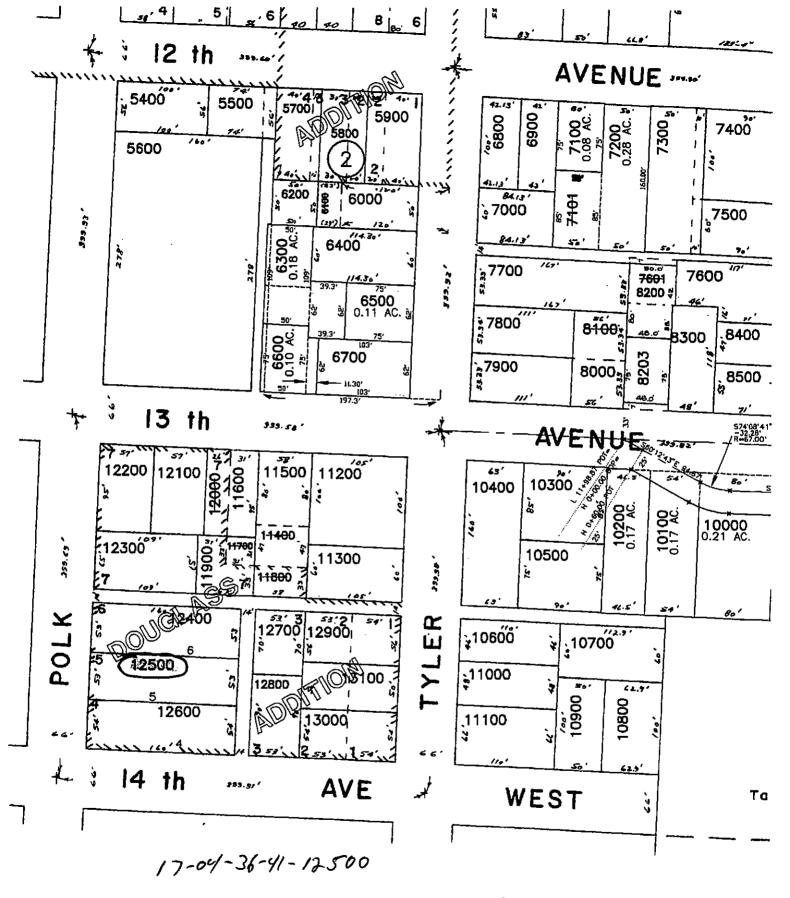
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R ASSESSMENT ND TAXATION ONLY

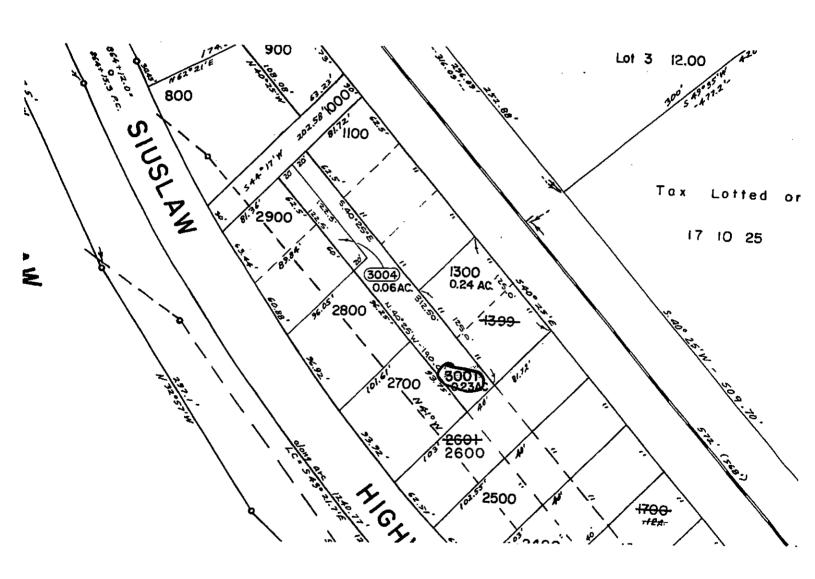
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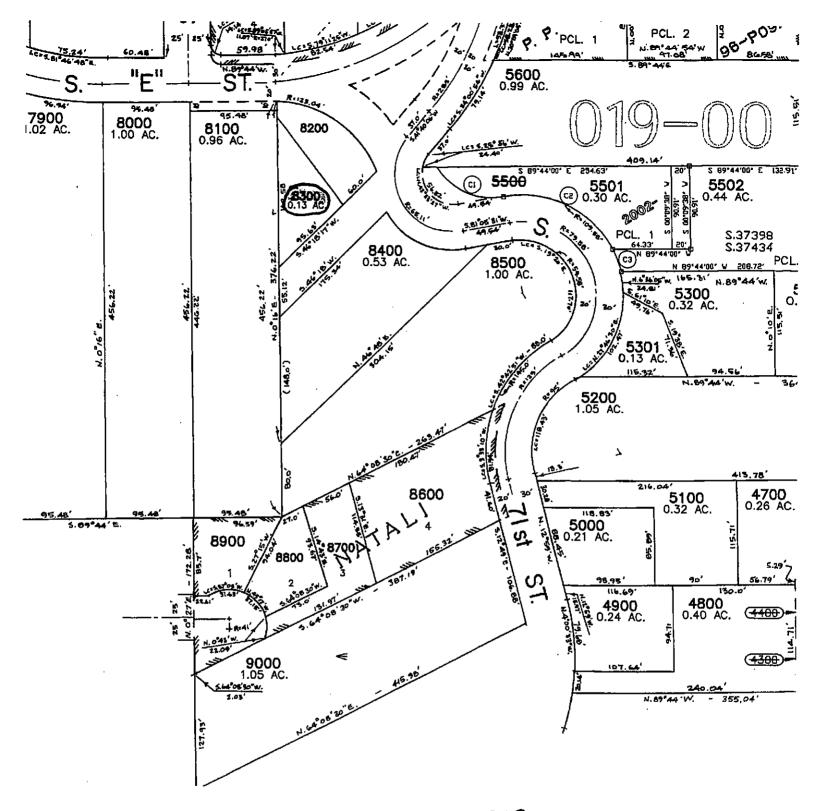


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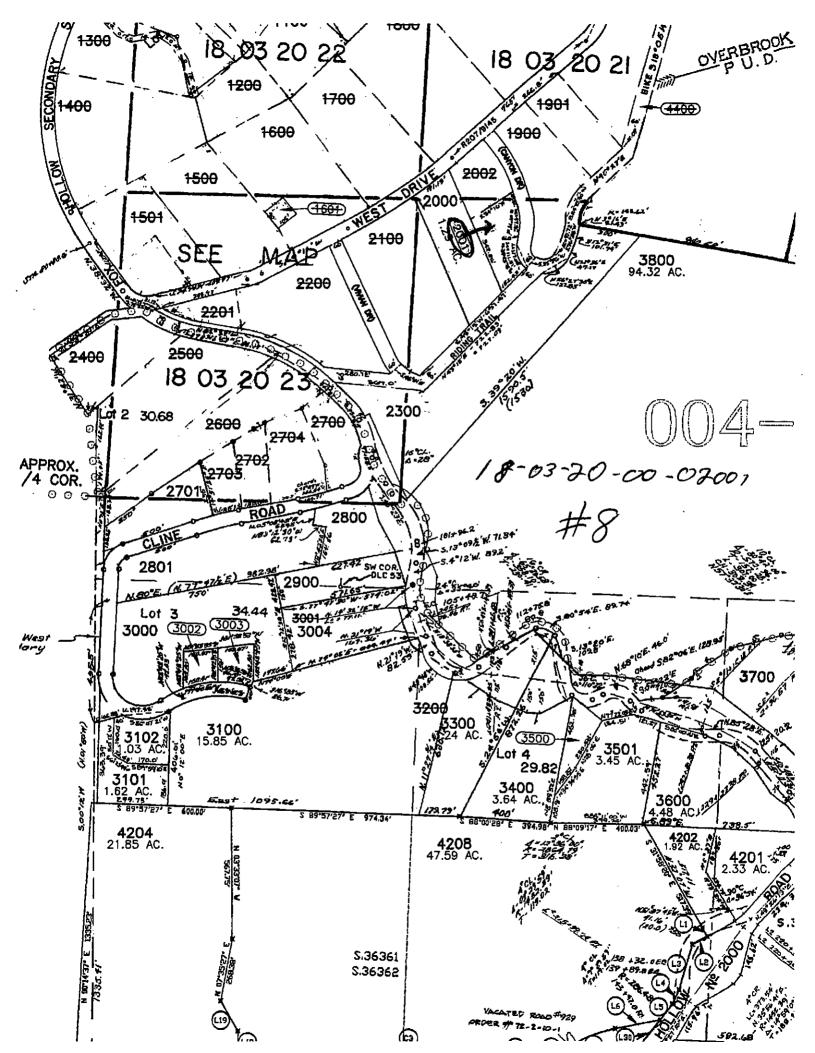
SEE MAP 17 '



#6



18-02-02-21-05300 #7

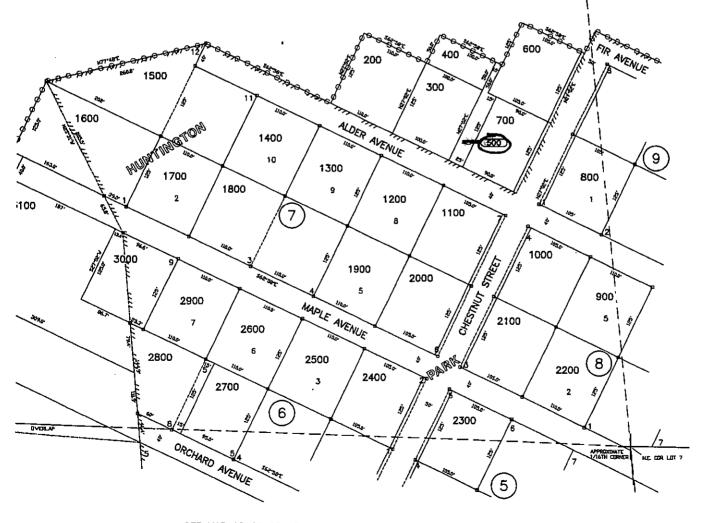


H2369* (GLD.)

18-10-02-12-00500 #9

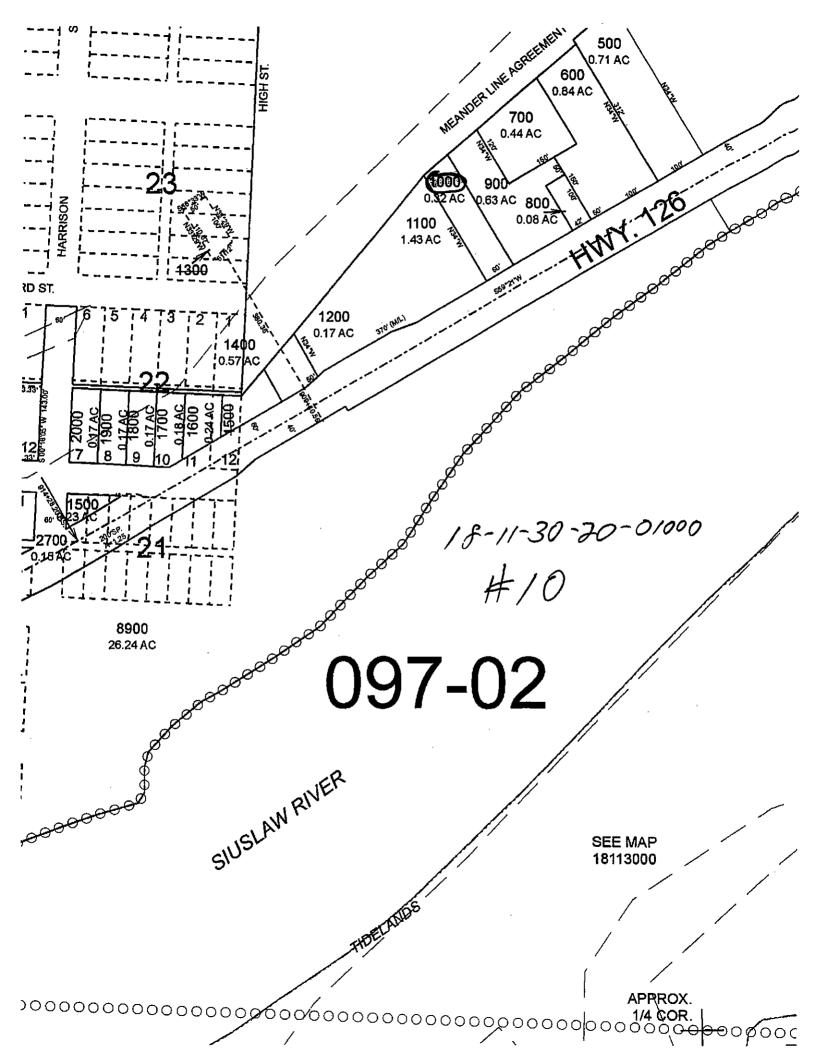
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LOT 2



SEE MAP 18 10 02 13

18 10 MAPLET



NE1/4 SW1/4 SEC. 2 T.19S R.12W.W.M. LANE COUNTY

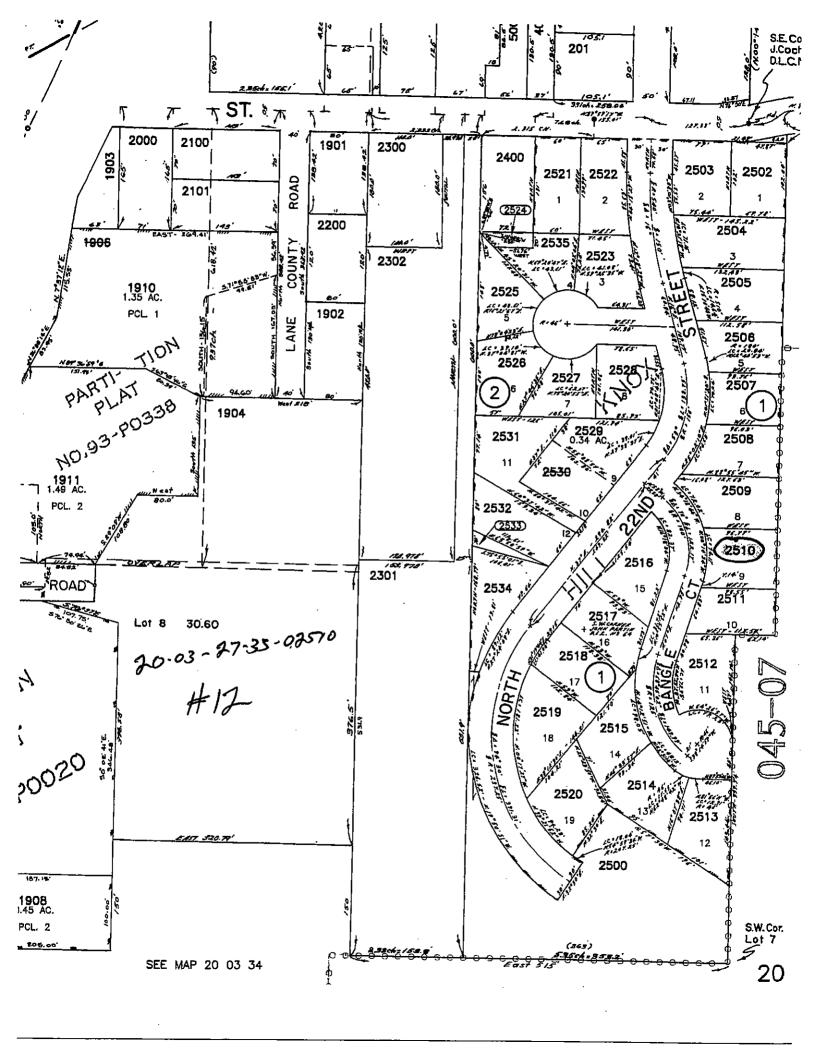
SCALE 1" = 100"

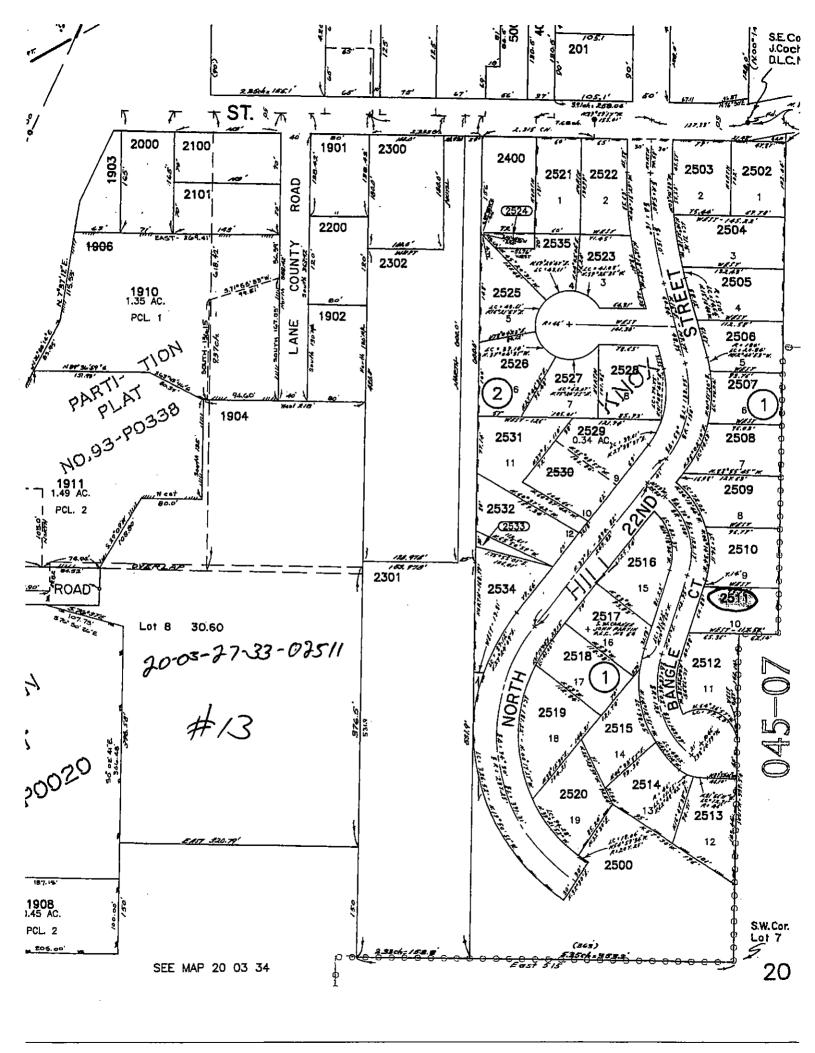
SEE MAP 19 12 02 2

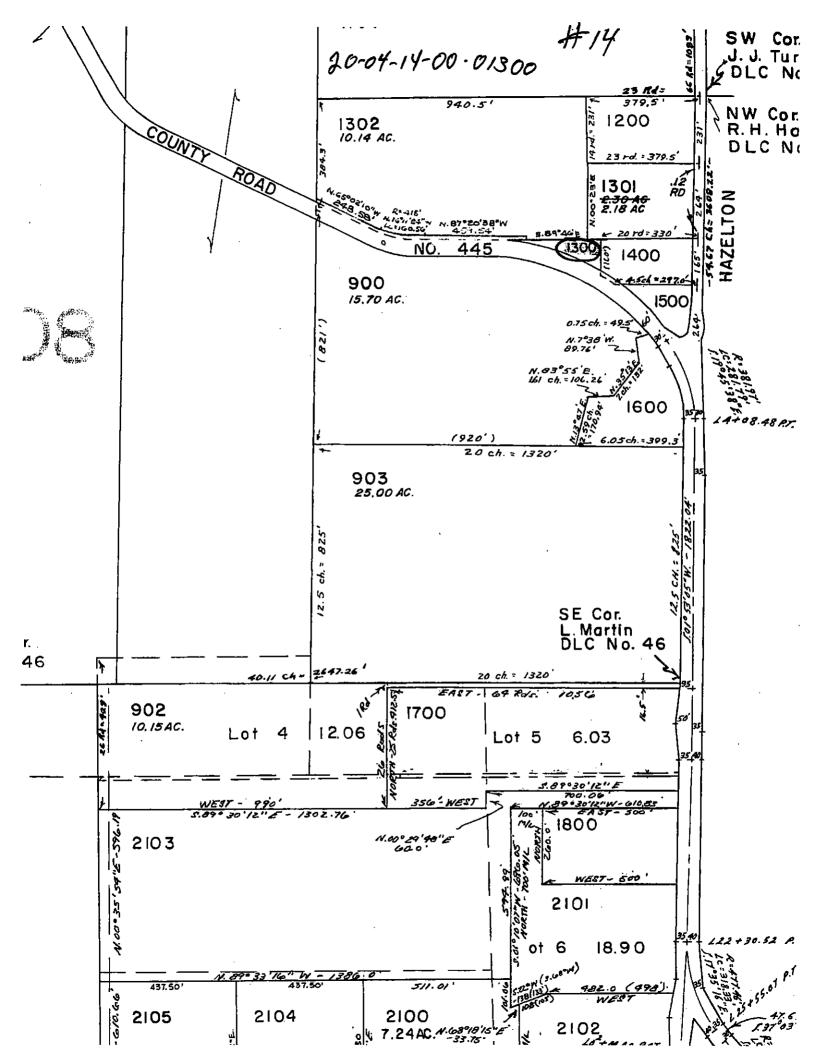


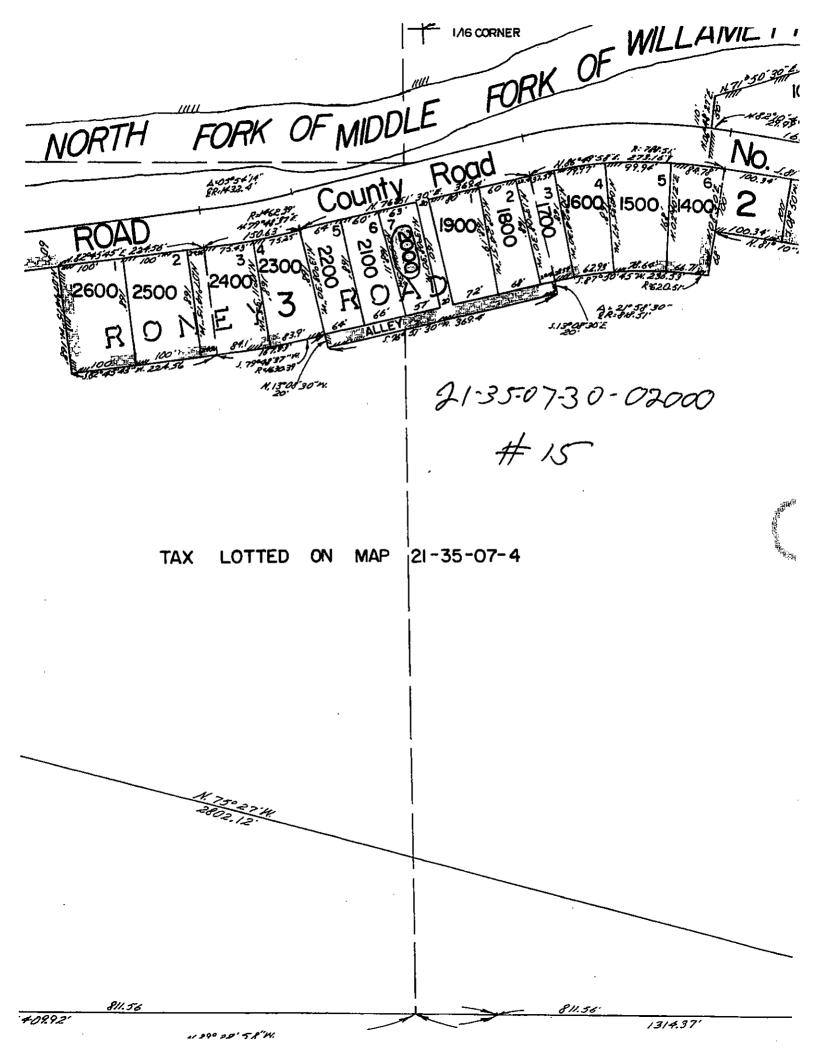
NAD B

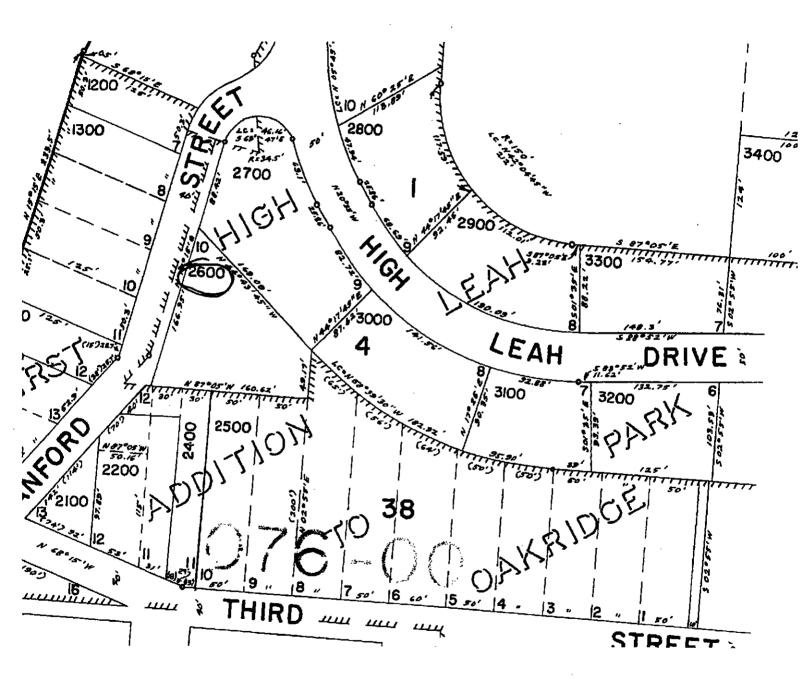
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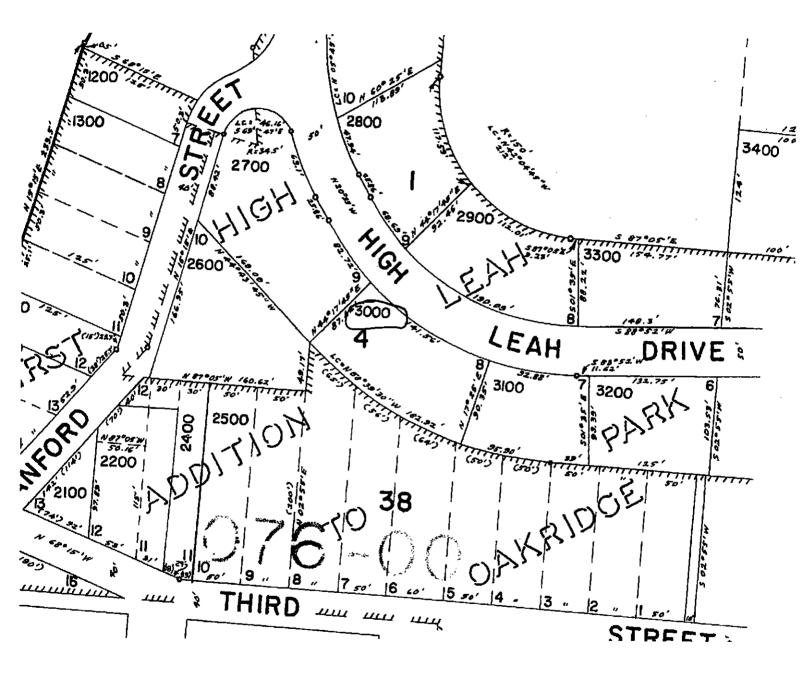








11-35-16-12-09606 #16



91-35-16-12-03000 #17