

**Department:** County Management

**Program Contact:** Rick Teague

**Program Offer Type:** Existing Operating Program

**Program Offer Stage:** As Adopted

**Related Programs:**
**Program Characteristics:**
**Executive Summary**

The Tax Title Program, within the Division of Assessment, Recording and Taxation (DART), is responsible for the management, maintenance and disposition of the County's tax foreclosed property portfolio. The County's current inventory portfolio consists of approximately 230 properties. Less than 10% are properties with improvements or structures. Properties are disposed of at public sales, private sales, government transfers and donations to non-profits.

**Program Summary**

The County comes into ownership of real property generally once a year through the foreclosure of delinquent property tax liens. The tax foreclosed properties are deeded into the Tax Title Program portfolio and are managed and disposed of pursuant to Multnomah County Code, Chapter 7. Shortly after the properties are deeded to the County they may become available for repurchase by qualified former owners of record. The program consults with other County departments and community agencies for housing, services and support for occupants of tax foreclosed properties. Maintenance of the properties is performed through agreement and reimbursement to Department of County Assets, Facilities and Property Management Division.

The Tax Title Program researches and inspects properties received to determine their highest and best use. The program will identify property to be sold at public sale in cooperation with the Multnomah County Sheriff's Office, a private sale or to made available for donation to governments or non-profits. Effective January 1, 2016, ORS 275.275 was amended to redirect the distribution of proceeds from sales, net of approved expenses. All net proceeds will be credited to the General Fund, Sub-Fund 10030 Tax Title: Affordable Housing, for the following purposes: (i) Funds for housing placement and retention support services for youth and families with children; (ii) Flexible rental assistance to place youth and families with children into housing; or (iii) Funds to develop new low income housing that is affordable to youth and families with children with 30 percent or lower median family income.

**Performance Measures**

Measure Type	Primary Measure	FY17 Actual	FY18 Purchased	FY18 Estimate	FY19 Offer
Output	Properties remaining in Tax Title Inventory	222	200	215	205
Outcome	Properties placed back on the tax roll & into community use	27	30	20	25
Outcome	Revenue credited to General Fund, Sub-Fund	\$1,562,637	\$1,275,000	\$1,050,000	\$423,944

**Performance Measures Descriptions**

The goal of the program is to reinstate tax foreclosed properties to the tax roll or into public use. At the end of every budget year the tax foreclosed property revenues are totaled, operating expenses and pass-through payments are accounted for, and the balance of revenue will be disbursed to Multnomah County General Fund, Sub-Fund 10030 Tax Title: Affordable Housing.

## Legal / Contractual Obligation

Oregon Revised Statutes (ORS) 275 details how counties are to manage and dispose of tax foreclosed properties. ORS 312 details the foreclosure process & responsibilities of the county including guidance on how the redemption period can be reduced when there is evidence of waste and abandonment. ORS 271 provides information concerning the transfer of foreclosed properties to non-profits & government agencies. ORS 98 details procedures concerning abandoned property & vehicles at foreclosed property. Multnomah County Code Chapter 7 specifically states how tax foreclosed properties are to be managed and the process to be used for disposition.

## Revenue/Expense Detail

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
Program Expenses	2018	2018	2019	2019
Personnel	\$247,867	\$0	\$209,293	\$0
Contractual Services	\$1,424,200	\$0	\$574,144	\$0
Materials & Supplies	\$102,707	\$0	\$95,780	\$0
Internal Services	\$36,784	\$0	\$30,823	\$0
<b>Total GF/non-GF</b>	<b>\$1,811,558</b>	<b>\$0</b>	<b>\$910,040</b>	<b>\$0</b>
<b>Program Total:</b>	<b>\$1,811,558</b>		<b>\$910,040</b>	
<b>Program FTE</b>	2.10	0.00	1.60	0.00

Program Revenues				
Fees, Permits & Charges	\$50	\$0	\$50	\$0
Taxes	\$8,974	\$0	\$8,322	\$0
Other / Miscellaneous	\$1,800,000	\$0	\$900,000	\$0
Interest	\$2,534	\$0	\$1,668	\$0
<b>Total Revenue</b>	<b>\$1,811,558</b>	<b>\$0</b>	<b>\$910,040</b>	<b>\$0</b>

## Explanation of Revenues

The Program is financially self sustaining. Program revenues include contract principle \$8,322 and interest estimated \$1,668 from contracts and repurchases of tax foreclosed properties. Sales of Tax Foreclosed Properties (public sales, auctions, repurchases, and private sales) are estimated at \$900,000 for FY19. Fees of \$50 are for late fees on contract payments per County Fee Ordinance. When program actual revenues exceed the program's operating costs, the excess is distributed to Multnomah County Fund 10030 Tax Title: Affordable Housing, in accordance with ORS 275.275, and per formula provided in ORS 311.390.

## Significant Program Changes

**Last Year this program was:** FY 2018: 72038 DART Tax Title

Transferred 0.50 FTE from Program 72038 DART Tax Title to Program 72023 Div of Assessment Recording & Taxation Administration for FY 2019