



**Program #72038 - DART Tax Title** **FY 2025 Department Requested**

**Department:** County Management **Program Contact:** Jeffrey Brown  
**Program Offer Type:** Operating **Program Offer Stage:** Department Requested  
**Related Programs:**  
**Program Characteristics:** In Target

**Executive Summary**

The Tax Title Program, within the Division of Assessment, Recording and Taxation (DART), is responsible for project management, maintenance, supervision, portfolio strategy, and final disposition of the County's tax foreclosed property. The Program's highest priority is foreclosure avoidance prior to County ownership as well as occupant support throughout the process. Vulnerable populations and historically disadvantaged groups are supported with appropriate resources using best practices. Property dispositions are through public and private sales, government transfers, and in exceptional circumstances, donations to nonprofits.

**Program Description**

Management of property while in county ownership is detailed in Multnomah County Code Chapter 7 and Oregon Revised Statutes. Tax foreclosed properties are deeded to the County in the September/October time frame each year at which time collaboration with County departments and community agencies for housing, services, and support for occupants of tax foreclosed properties takes place. Also, work with qualified former owners of record which may, upon the County Board's approval, be repurchased. Special considerations may be considered based on health, safety, housing, and economic conditions. The program also manages a portfolio of approximately 205 long-held, vacant, unimproved parcels of land. Maintenance of properties is carried out through agreements and reimbursement to the Department of County Assets Facilities and Property Management Division. Property disposition includes public sales, private sales, or donation to governments/nonprofits, at the discretion of County management.

Note: The May 25, 2023, US Supreme Court Ruling in Tyler v. Hennepin County will have a yet to be determined operational impact to the program.

**Performance Measures**

| Measure Type | Performance Measure   | FY23 Actual | FY24 Budgeted | FY24 Estimate | FY25 Target |
|--------------|---|-------------|---------------|---------------|-------------|
| Output       | Properties remaining in Tax Title Inventory                 | 208         | 205           | 205           | 203         |
| Outcome      | Properties placed back on the tax roll & into community use | 15          | 15            | 10            | 10          |

**Performance Measures Descriptions**

The goal of the program is to first apply rigorous foreclosure avoidance measures and, if deeded, reinstate tax foreclosed properties to the tax roll. Each year approximately 10 to 15 properties are placed back onto the tax rolls by way of sale. In addition, the program manages a large inventory of approximately 205 long-held, undeveloped properties. These consist of small strips, irregular lots along roadways, survey remnants and similar. Purchase and donation requests occasionally arise and the properties are sold when legal descriptions are re-established enabling them to legally transact.

## 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. ORS 271 provides guidance concerning the transfer of foreclosed properties to nonprofits & government agencies. ORS 98 details procedures concerning abandoned property & vehicles at foreclosed property. County Code Chapter 7 states how tax foreclosures are to be managed and disposed of. NOTE: The May 25, 2023 US Supreme Court ruling in Tyler v. Hennepin County, and ongoing Oregon Revised Statute creation to conform to the decision, will have a vet to be determined operational impact to the program.

## Revenue/Expense Detail

|                         | Adopted<br>General Fund | Adopted<br>Other Funds | Department<br>Requested<br>General Fund | Department<br>Requested<br>Other Funds |
|-------------------------|-------------------------|------------------------|---|--|
| <b>Program Expenses</b> | <b>2024</b>             | <b>2024</b>            | <b>2025</b>                             | <b>2025</b>                            |
| Personnel               | \$255,612               | \$0                    | \$268,136                               | \$0                                    |
| Contractual Services    | \$378,000               | \$0                    | \$357,135                               | \$0                                    |
| Materials & Supplies    | \$17,118                | \$0                    | \$14,245                                | \$0                                    |
| Internal Services       | \$99,929                | \$0                    | \$110,484                               | \$0                                    |
| <b>Total GF/non-GF</b>  | <b>\$750,659</b>        | <b>\$0</b>             | <b>\$750,000</b>                        | <b>\$0</b>                             |
| <b>Program Total:</b>   | <b>\$750,659</b>        |                        | <b>\$750,000</b>                        |  |
| <b>Program FTE</b>      | 1.60                    | 0.00                   | 1.60                                    | 0.00                                   |

| <b>Program Revenues</b> |                  |            |                  |            |
|-------------------------|------------------|------------|------------------|------------|
| Other / Miscellaneous   | \$750,000        | \$0        | \$750,000        | \$0        |
| <b>Total Revenue</b>    | <b>\$750,000</b> | <b>\$0</b> | <b>\$750,000</b> | <b>\$0</b> |

## Explanation of Revenues

Total sales of Tax Foreclosed Properties (public sales, auctions, repurchases, and private sales) are estimated to be approximately \$750,000 for FY 2025. Prior to deeding property to Multnomah County, the program directs a rigorous foreclosure avoidance outreach. If foreclosure avoidance efforts are successful it can significantly reduce the number of properties deeded to, and subsequently sold by, Multnomah County. Prior to Tyler v. Hennepin County, if the program's revenues exceeded the operating costs, the excess would be distributed in accordance with ORS 275.275, and per the formula provided in ORS 311.390. Net revenues will not be distributed in the same manner for FY 2025 pending statutory and regulatory mandated changes, in light of Tyler v. Hennepin County.

## Significant Program Changes

**Last Year this program was:** FY 2024: 72038 DART Tax Title

As referenced throughout this Program Offer, the May 25, 2023 United States Supreme Court Ruling in Tyler v Hennepin County has affected the manner in which tax foreclosed property revenues are to be dispersed. The ruling is recent therefore Oregon Revised Statutes, as well as Multnomah County Code Chapter 7, have yet to be amended to reflect the changes.