



**Program #72066 - DCM Tax Title Reserve Fund** FY 2026 Proposed

**Department:** County Management **Program Contact:** Jeffrey Brown  
**Program Offer Type:** Operating **Program Offer Stage:** Proposed  
**Related Programs:**  
**Program Characteristics:** One-Time-Only Request

**Program Description**

The DCM Tax Title Reserve Fund program will carry over \$1,000,000 in General Funds to compensate those who make qualified claims for surplus proceeds from public or private sales from 2016 to 2021, those years that the law changed to allow the County to use surplus funds for low income housing support. Claims will likely come in over several years as continued outreach efforts are made in an attempt to locate former owners, heirs, or devisees. The \$1,000,000 will be utilized to cover outstanding claims. Surplus proceeds from sales in years 2022 & 2023 were already set aside when Multnomah County became aware of the law change.

**Performance Measures**

Measure Type	Performance Measure	FY24 Actual	FY25 Budgeted	FY25 Estimate	FY26 Target
Output	Claims processed for payment	0	10	10	15
Outcome	Amount of legal claims to be paid (in percentage)	0	100	100	100

**Performance Measures Descriptions**

The output is estimated at approximately 10% of the properties sold from 2016 to 2021, for the years that the law changed to allow surplus proceeds to be utilized for low income housing support. We expect to process 100% of valid claims in FY 2026

## Legal / Contractual Obligation

The May 25, 2023 US Supreme Court ruling in Tyler v. Hennepin County requires a return of excess proceeds from county tax foreclosed property public sales to former owners, heirs or devisees. The US Supreme Court found that a County keeping the excess proceeds could constitute a governmental taking without just compensation, in violation of the 5th Amendment Takings Clause. Oregon Revised Statutes and county code have yet to be amended to reflect the decision, with still to be determined operational impacts. There is a legal obligation to compensate qualified claims made for surplus proceeds from public and private sales.

## Revenue/Expense Detail

	Adopted General Fund	Adopted Other Funds	Proposed General Fund	Proposed Other Funds
Program Expenses	2025	2025	2026	2026
Materials & Supplies	\$5,000,000	\$0	\$1,000,000	\$0
<b>Total GF/non-GF</b>	<b>\$5,000,000</b>	<b>\$0</b>	<b>\$1,000,000</b>	<b>\$0</b>
<b>Program Total:</b>	<b>\$5,000,000</b>		<b>\$1,000,000</b>	
<b>Program FTE</b>	0.00	0.00	0.00	0.00

Program Revenues				
Beginning Working Capital	\$5,000,000	\$0	\$1,000,000	\$0
<b>Total Revenue</b>	<b>\$5,000,000</b>	<b>\$0</b>	<b>\$1,000,000</b>	<b>\$0</b>

## Explanation of Revenues

This program is supported by a one-time allocation of County General Fund and is expected to carry over fiscal years as claims arise over time.

## Significant Program Changes

Last Year this program was: FY 2025: 72066 DCM Tax Title Reserve Fund