



CITY OF PORTLAND

BUDGET & FINANCE

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Foreclosure Recommendation Report

The Office of Budget & Finance recommends foreclosure on **8040 SE Knight St** for delinquent City Liens. The lien accounts meet delinquency requirements for foreclosure and no mitigating factors were discovered that would prevent foreclosure or indicate that an adjustment of the lien amount is in order.

Summary Information

Site Address: 8040 SE Knight St
Recorded Property Owner: 8042 SE Knight St LLC
Property ID: R112331
Lien Account Numbers: 174561
Type of Liens: Code Enforcement
Use of Property: Vacant Land
Amount of Delinquent Liens: **\$18,780.80**
Payoff Amount Recommended: **\$18,780.80**

General Information

This property is included on the list of “Distressed Vacant Properties” provided by Portland Permitting & Development and identified as priority for foreclosure. Portland Permitting & Development and in some instances the Portland Police Bureau have expressed concerns that these properties are nuisances to the neighborhoods where they are located. In many instances, the Police Bureau is called to disturbances at these properties frequently. Neighbors complain that many of these properties are inhabited by unlawful occupants and there are commonly drug activities taking place, which jeopardizes the public health, safety, and welfare of the neighborhood.

Many of these properties are investment properties owned by financial institutions or absent owners who have no vested interest in the neighborhood effects such distressed properties have on the community. They are demonstrated hazards and magnets for crime. For these reasons, the Office of Budget & Finance recommendation is for these distressed and egregious properties are concise and generally maintain the amount owed as is with no recommended reduction in lien amount, except in cases where mitigating circumstances point toward improved property owner compliance with a reduced lien amount.

Lien Details

Liens No.	Assessment Date	Lien Type	Balance
174561	11/1/2022	Code Enforcement	\$18,780.80
Total amount due as of September 25, 2024			\$18,789.80

Please note the balance will be recalculated on the sale date.

Property Summary

A triplex was being built on this property. The property owners did start the project and there is a foundation for a triplex on site. The work has not been completed as the investor ran out of funds during the pandemic. The permits have since expired. The site is unfenced and has been for quite some time. The housing inspector has asked the property owner several times to put a fence around the property, so they can look at closing this case. The owner has not complied. The site unfenced and open is a danger to public safety as well as an insurance risk for the property owner. The sidewalk right of way is in disrepair rendering it impassable for mobility devices.

Police Involvement

Between November 1, 2022, and September 9, 2024, there were 14 calls for service at this address. The majority of the calls were for disorder. Outside of the listed address there were 14 calls made within 200 feet of this property.

Evaluation Criteria

City Code 5.3.060 states that “the Revenue Division may evaluate individual delinquent open liens to develop recommendations on revising the payment amount of the lien and the payment terms.

Criteria (City Code 5.30.060)	Yes	No	Unknown
Property owner has committed prior City Code violations or has a delinquent account	✓		
Property owner has taken steps to correct violation or resolve any delinquency		✓	
Property owner’s financial condition allows to resolve the problem			✓
Violation of high gravity and magnitude	✓		
Violation was intentional or negligent caused by the property owner	✓		
Violation was repeated or continuous	✓		
High degree of difficulty to correct the violation or delinquency	✓		
Economic or financial benefit accrued to property owner as a result of the violation			✓
Property owner is cooperative and making an effort to correct the violation		✓	
Cost to the City to investigate and correct the violation	✓		
Any other relevant factor	✓		

Communication between the Owner and the Liens Team

I have spoken with the owner who says the property is listed for sale, but currently no offers. The owner is aware the case is open, and the steps needed to get the case resolved and closed. He has not complied with putting the fence around the property. There are two required Notice of Foreclosure letters that must be mailed to the property owner and parties with interest in the property. These letters were sent between 8/26/2024 - 9/30/2024.