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191918

Ordinance

Initiate foreclosure action at 6329 SE 86th Ave for the collection of delinquent City Liens placed against the property

Passed

The City of Portland ordains:

Section 1. The Council finds:

1. Portland City Code Chapter 5.30 establishes a process for foreclosing delinquent liens on properties. The foreclosure process is generally used as a last resort, after repeated code violation fines and liens have gone unpaid.
2. Portland City Code section 5.30.100 requires the Revenue Division, Office of Budget & Finance to prepare a proposed foreclosure list and submit the list to the City Council for action.
3. In August 2024, Portland Permitting and Development submitted properties it identified as priority Vacant and Distressed Properties to the Office of Budget and Finance, Revenue Division for foreclosure consideration. After review and analysis of the cases, this property qualified to be added to the foreclosure list and is being submitted to Council based on their potential to help solve public health, safety, or welfare objectives, pursuant of City Code 5.30.100. Additional consideration was given to the number of abatements, whether the property owner had multiple delinquencies and the negative impact the property was causing to the neighborhood.
4. The Office of Budget and Finance mailed notices to the property owners and mortgagees, by certified mail with return receipts required, of pending foreclosure action on the property between August 26 and October 4, 2024, as required by Portland City Code section 5.30.050 (D).

NOW, THEREFORE, the Council directs:

- A. The City Council approves Foreclosure List 2024-03, as attached as Exhibit A, and directs the City Treasurer to begin foreclosure

Introduced by

[Mayor Ted Wheeler](#)

City department

[Revenue Division](#)

Contact

Kevin Foster

Foreclosure Prevention
Manager (Coordinator III)

✉ kevin.foster@portlandoregon.gov

Include property address in the subject line of emails.

📞 [503-823-5186](tel:503-823-5186)

Monday - Friday 7:30am - 4:30pm

Requested Agenda Type

Regular

Date and Time Information

Requested Council Date

October 16, 2024

proceedings to sell the following property:

1. 6329 SE 86th Ave, John K & Vera E McDonald Trust, owner of record. Tax no. R036801190.

B. The City Council accepts the Foreclosure Reports, attached as Exhibit B.

C. Pursuant to Portland City Code Chapter 5.30 and 5.30.210, the owner or any person having an interest in the property, or their legal representative, may redeem the property by paying the redemption price to the City Treasurer at any time within 90 days from the date of the foreclosure sale.

Exhibits and Attachments

 [Exhibit A](#) 425.65 KB

 [Exhibit B](#) 251.09 KB

An ordinance when passed by the Council shall be signed by the Auditor. It shall be carefully filed and preserved in the custody of the Auditor (City Charter Chapter 2 Article 1 Section 2-122)

Passed by Council
October 16, 2024

Auditor of the City of Portland
Simone Rede

Impact Statement

Purpose of Proposed Legislation and Background Information

This ordinance begins foreclosure proceedings on this property with delinquent City liens that are eligible for foreclosure under City Code 5.30. The liens were placed against the property by Permitting and Development for code enforcement and nuisance. The liens are delinquent, and the violations have not been corrected.

This property comes before Council as part of a coordinated effort by the Mayor's Office, Permitting and Development and the Office of Budget and Finance, Revenue Division to actively pursue remedies, including foreclosure, for vacant and distressed properties. The property has been identified as causing significant problems for neighbors and are the subject of multiple and frequent police calls and numerous enforcement activities.

The Foreclosure Prevention Manager in the Revenue Division has reviewed each case to ensure it meets criteria for foreclosure. The Foreclosure Prevention Manager has also reviewed whether any aggravating or

mitigating conditions exist within the case history that would prevent the City from moving forward with foreclosure or warrant an adjustment of lien amounts. Each of the properties on this foreclosure list has received notification of pending foreclosure action.

Financial and Budgetary Impacts

Once the City forecloses on the property, proceeds generated by the sale will recover the cost of conducting the sale, the amount owed on the outstanding liens, and collection and foreclosure costs for the Revenue Division, the City Treasurer, and Permitting and Development.

Based on the number and amount of the lien, as of September 25, 2024, the amount expected to be recovered is \$146,350.27. Actual cost recovery may differ.

There is not a budgetary impact.

Economic and Real Estate Development Impacts

N/A

Community Impacts and Community Involvement

The neighbors have been dealing with the negative impacts this property is causing for over ten years. There is a friend of the property owner's living in the backyard in an RV. The property is uninhabitable and the owner has not made the necessary repairs, as he agreed to do earlier this year. There has also been an increase in police calls to the residence in the last six months. Moving forward with the foreclosure will allow the opportunity for new ownership that will potentially redevelop the property and put it back to a productive use.

100% Renewable Goal

N/A

Financial and Budget Analysis

This action authorizes initiation of foreclosure proceedings on property with delinquent City liens at 6329 SE 86th Ave. Proceeds generated by the sale will recover the cost of conducting the sale, the amount owed on liens, and collection and foreclosure costs for the Revenue Division, the City Treasurer, and Permitting and Development. The amount estimated to be recovered is approximately \$146,350.27.

Document History

Item 860 Regular Agenda in [October 9-10, 2024 Council Agenda](https://www.portland.gov/council/agenda/2024/10/9)
(<https://www.portland.gov/council/agenda/2024/10/9>)

City Council

Passed to second reading

Passed to second reading October 16, 2024 at 9:30 a.m.

Item 885 Regular Agenda in [October 16, 2024 Council Agenda](https://www.portland.gov/council/agenda/2024/10/16)
(<https://www.portland.gov/council/agenda/2024/10/16>)

City Council

Passed

Aye (4): Mingus Mapps, Carmen Rubio, Dan Ryan, Rene Gonzalez

Absent (1): Ted Wheeler