

IMPACT STATEMENT

Legislation title: *Amend Collection and Foreclosure Code to clarify aspects of the redemption process. (Ordinance; amend Code Chapter 5.30)

Contact name: Jennifer Cooperman

Contact phone: 503-823-6851

Presenter name: Jennifer Cooperman

Purpose of proposed legislation and background information:

The City is engaged in a concerted effort to address problems with vacant and distressed properties that are causing health, safety, and livability concerns across the city. Foreclosure is one tool that is being brought to bear on the problem.

Because current City Code severely limits the rights and abilities of purchasers of foreclosed properties during the one-year redemption period that follows a foreclosure sale, there is a concern that, unless these code changes are made, these properties may not attract bidders nor will successful purchasers address the properties' health, safety and livability concerns until the one-year redemption period has expired.

These code changes will give purchasers the right to possess, maintain, and improve the property during the one-year redemption period. Additionally, if a property is redeemed, the Treasurer will be allowed to use all or some of the redemption penalty to reimburse a purchaser for costs incurred during the redemption period.

These code changes will align City Code with ORS 223.

Financial and budgetary impacts:

Foreclosures will bring revenue to the City, but there are too many unknown factors to provide an estimate of how much.

Community impacts and community involvement:

Community members who live near these vacant and distressed properties have expressed significant livability concerns that these code changes are designed to address. These code changes are expected to attract bidders to the City's foreclosure sales, and to give purchasers an incentive to improve and maintain their property immediately, rather than wait for the one-year redemption period to expire.

Budgetary Impact Worksheet

Does this action change appropriations?

- YES: Please complete the information below.
- NO: Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount