

Town of North Yarmouth



Select Board

NOTICE OF PUBLIC HEARING

Tuesday, April 19, 2022

7:00 PM

Wescustogo Hall & North Yarmouth Community
Center

RE: Management of Tax Acquired Property
Ordinance

TOWN OF NORTH YARMOUTH
Management of Tax Acquired Property Ordinance

Article 1. Purpose

1.1 The purpose of this ordinance is to establish procedures/guidelines for the management, administration and disposition of real property acquired for nonpayment of taxes by the Town of North Yarmouth in accordance with Title 36 M.R.S, § 942 and 943, as amended.

Article 2. Analysis of Potentially Acquirable Property for Unacceptable Liabilities

2.1 Annually, thirty (30) days before Notices of Foreclosure are sent, an evaluation of those potential liabilities that might be assumed by the Town shall be conducted with special attention to situations involving hazardous waste, public safety problems, and landlord responsibilities so that waiver of foreclosure recommendations (that conforms to all laws) can be acted upon by the Tax Collector/Treasurer with the consultation of the Select Board.

Article 3. Management of Tax Acquired Property Pending Final Disposition

3.1 Following the foreclosure of the tax lien mortgage, the Tax Collector/Treasurer by certified mail return-receipt, shall notify the last known owner of record that his or her right to redeem the property has expired. The notification shall advise the last known owner of record that the property will be disposed of in accordance with this ordinance, a copy of which shall be included with the notification.

3.2 The Tax Collector/Treasurer shall prepare a list of properties acquired and submit a copy to the Select Board. The list will include:

A. A fact sheet on all properties identifying current use, assessed value, size, location, zoning, and other relevant data, and

B. A recommendation on each tax acquired property based on the following substance:

1. Retain the property for town purposes.

a) The property has or will have recreational value or economic value to the Town;

b) The property has or will have potential for public facility or additions to public facilities;

c) The property has or will have potential use for the inhabitants of North Yarmouth as determined by the Select Board (i.e., forest land, park land, etc.)

2. Retain the property and lease it.

3. Donate the property to some appropriate non-profit organization whose mission benefits North Yarmouth citizens in general.

4. Other uses.

3.3 The responsibility for the management of tax acquired property rests with the Select Board. The Select Board's decision regarding the action plan for the final disposition of property shall:

A. Determine whether the Town's best interest would be served by immediately disposing of the property (consider potential liability interest in owning the property);

TOWN OF NORTH YARMOUTH
Management of Tax Acquired Property Ordinance

- B. Determine and obtain, if necessary, a level of insurance required to protect the town's interest in the property and to protect the Town from liability;
 - C. Determine if and when any occupants of tax acquired property shall be required to vacate the property;
 - D. Determine whether a rental fee should be charged to any occupants of the property. A rental fee shall not be imposed unless the Town has acquired sufficient liability insurance;
 - E. Notwithstanding the provisions of Article 6, Property to be Sold, the Select Board shall determine any special conditions, if any, for property sales. Title 14 M.R.S, 8104-A.
- 3.4 In the event the taxpayer in possession or taxpayer lessee possession has ceased for sixty (60) consecutive days, the Town Manager shall obtain liability coverage for the property.

Article 4. Review of Tax Acquired Properties

- 4.1 The Town Manager may also recommend that the Town retain the property on a temporary basis if, in his or her judgment, the immediate sale would cause the occupants to be placed on public assistance.
- 4.2 The Town Manager shall forward the recommendations to the Select Board who shall make the final determination regarding property disposition.

Article 5. Repurchase of Tax Acquired Property

- 5.1 The party from whom the property was acquired may repurchase the property by paying all outstanding property taxes, including the total amount of all delinquent property taxes, plus the total taxes for the current tax year (and an estimated amount for the next year after commitment) plus accrued interest, lien costs and any other costs relating to the property including, but not limited to, insurance, noticing and other related costs. The Town may also require the payment of any other delinquent taxes or obligations due to the Town
- 5.2 The party from whom the property was acquired may, upon approval of the Town Manager, enter into a written agreement to make reasonable payments to satisfy the obligations set forth in section 5.1 above, pursuant to the conditions set forth in Title 33 M.R.S, § 481 and 482, in exchange for a promise of the Town to give a municipal quit claim deed if all of the terms and conditions of the payment agreement are fulfilled by the obligor.

Article 6. Property to be Sold

- 6.1 If the Town Manager and the Select Board decide to sell the property by advertised sale, the Select Board shall establish a sale date. Except that the Municipal Officers shall use the special sale process by 36 M.R.S. § 943-C for qualifying homestead property if they choose to sell it to anyone than the former owner (s). The Town Manager shall publish a notice of the sale of the tax-acquired property in a local newspaper. Said notice shall be published at least three (3) times with the last publication at least fourteen (14) days prior to the sale. The notice shall be posted in the Municipal Office and at least two other conspicuous places within North Yarmouth. The notice shall specify the time and date bids are due and the general terms of the bid. It shall also contain the following information for each piece of property:

TOWN OF NORTH YARMOUTH
Management of Tax Acquired Property Ordinance

- A. Brief description of the property, i.e., land, building, mobile home, etc.;
 - B. Location of the property including Map and Lot numbers;
 - C. Brief description of the conditions of the sale;
 - D. Minimum bid; and
 - E. Required deposit.
- 6.2 The Select Board will determine the minimum bid for any tax acquired property. The minimum bid shall be at least, but not limited to, the total of all outstanding taxes, including estimated taxes for the current year if the conveyance is prior to commitment and the actual amount of taxes for the current year is not yet known, interest, lien costs, and any other actual costs, such as legal and insurance costs.
- 6.3 Bids shall be publicly opened and read on the date and at the time specified.
- 6.4 The Town Manager shall review all bids and make recommendations to the Select Board. The Select Board shall determine the successful bidder.
- 6.5 The Town Manager shall notify the successful bidder by certified mail.
- 6.6 The Town of North Yarmouth reserves the right to reject any or all bids, accept any bid (not necessarily the highest) and waive any of the requirements of this policy should the Select Board, in its sole determination, judge such actions to be in the best interest of the Town of North Yarmouth. Instances, where this right may be invoked, include but are not limited to determining if the town would benefit greater by a use proposed by a party other than the highest bidder.
- 6.7 Should the Select Board reject all bids; the property may again be offered for public sale without notification to the prior owner.
- 6.8 The bid deposit of the successful bidder shall be retained as a credit towards the purchase price. All other deposits shall be returned to the bidders.
- 6.9 The Select Board shall require payment in full from the successful bidder within thirty (30) days from the date the bids are opened. Should the bidder fail to pay the full price within thirty (30) days, the Town shall retain the bid deposit and title to the property. The Select Board may offer the property to the next highest bidder who shall also have thirty (30) days to make payments in full.
- 6.10 Title to tax acquired property shall be transferred only by means of a Municipal Quit Claim Deed.
- 6.11 The successful bidder shall be responsible for the removal of any and all occupants and contents of purchased tax acquired property.