

**TOWN OF DURHAM
POLICY FOR
DISPOSITION OF TAX ACQUIRED PROPERTY**

Article 1. General

- 1.1 The purpose of this Policy is to establish procedures for the efficient and fair management, administration and disposition of real property acquired under the tax lien procedures set forth in Title 36 M.R.S.A. Sections 942. Nothing in this policy shall be interpreted to give additional substantive or procedural rights to owners or former owners of properties forfeited for non-payment of taxes.

Article 2. Actions Concerning Tax-Acquired Property Pending Final Disposition

- 2.1 Following the foreclosure of any tax lien mortgage, the Town Treasurer or designee shall by first class mail notify the last known owner of record that his or her right to redeem the tax lien mortgage securing the collection of property taxes has expired. The notification shall also advise that the property will be disposed of in accordance with this policy, a copy of which shall be included with the notification.
- 2.2 Each year the Treasurer shall prepare a list of properties acquired due to non-payment of property taxes and foreclosure of tax liens.
- 2.3 The Administrative Assistant to the Board (Town Administrator), and as necessary in consultation with the Town Attorney, shall review each property identified on the list and determine:
- A. The potential liabilities (environmental, structural safety, health or other hazards associated with the property) that the Town might assume by taking possession or by operating the property and whether the Town's interests in light of such potential liabilities would be best served by immediately disposing of the property or retaining it;
 - B. The level of insurance required to protect the Town's interest in the property and to protect the Town from liability in the event that the property is retained; and
 - C. Whether the property is currently occupied and the likelihood of requiring legal assistance (and estimated costs of the same) to require the occupants to quit the premises.
- 2.4 In the event that a tax-acquired property remains or becomes vacant for 60 consecutive days following the date of foreclosure of the tax liens under which the Town becomes the owner of a property, the Administrative Assistant to the Board (Town Administrator) shall obtain liability coverage for the property.

Article 3. Review and Disposition of Tax-Acquired Properties

3.1 The Administrative Assistant to the Board (Town Administrator) shall summarize the results of his or her review of each such property as per Section 2.3 of this Policy and make one of the following recommendations to the Board of Selectmen:

A. For all non-residential, commercial, or residential property, to:

1. Retain the property for a particular purpose. The Administrative Assistant to the Board (Town Administrator), in consultation with the Town Attorney shall review and pursue, if appropriate or required, judicial confirmation of the Town's right, title or interests in the subject property under 36 M.R.S.A. section 946; or
2. Sell the property with or without conditions.

3.2 The Administrative Assistant to the Board (Town Administrator) shall forward his or her reviews, recommendations and determinations regarding each property to the Board of Selectmen. The Board of Selectmen will make the final decision to retain a property or direct that the property be processed in conformance with the terms of this Policy.

3.3 Any sale of tax-acquired property shall be through a public sale. A notice of intent to sell such property shall be published in a newspaper of general circulation, on the town channel and the town website at least three weeks prior to such sale, inviting interested parties to submit sealed bids thereon.

The Board of Selectmen shall oversee the exact terms and conditions of such sale. Minimum bid price must include, but is not limited to, all unpaid taxes on said property, plus interest, lien costs, and the cost of the publication of the notice plus the cost of the quitclaim deed.

The parties from whom the property has been taken for non-payment of taxes thereon may purchase said real estate from the Town by submitting only the minimum bid price. In the event the parties whom the real estate was taken from by the Town for unpaid taxes fail to redeem the property as provided above, the Board of Selectmen may sell the property to the highest sealed bidder. The Board of Selectmen will have the right to accept or reject any and all bids.

If bids are not received, the Board may dispose of real estate as they may deem advisable.

The winning bidder will have thirty (30) days after notice of decision to complete transaction. In the event that a successful bidder fails, for any reason, to complete the purchase in the time stated, the bid acceptance is void and the Board of Selectmen may thereafter negotiate a sale of the property with any or all unsuccessful bidders.

Adopted by the Durham Board of Selectmen on September 22, 2015.