# Chapter 275

### 2015 EDITION

## **County Lands**

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275.010 [Repealed by 1983 c.327 §16]

#### MANAGEMENT AND DISPOSITION OF LANDS AND RESOURCES

**275.020 Form and effect of conveyance to county.** All real or personal estate conveyed by any form of conveyance, and duly acknowledged and recorded, to the inhabitants of any county, or to the county treasurer, or to any committee or other persons for the use of such county, shall be deemed the property of such county. All such conveyances shall have the same force and effect as if made to the inhabitants of such county by their corporate name.

275.025 [Repealed by 1983 c.537 §7]

**275.027** Adverse possession of county lands. The rights of any county to public lands are not extinguished by adverse possession. No title or property rights to public lands shall be acquired against the county through operation of a statute of limitations. [1981 c.153 §51]

**275.030 Sale of real estate not in use for county purposes.** (1) Except as otherwise provided by statute, the county governing body may, whenever it deems it to the best interest of the county so to do, sell and convey, in the manner provided for sale of county land under ORS 275.120, 275.140 to 275.160 and 275.180 to 275.260, any real estate owned by the county and not in use for county purposes. The sale shall be directed by an order of the county governing body entered upon the journals.

(2) A county may sell and convey real estate owned by the county in a manner provided in ORS chapter 271 if the real estate was not acquired by foreclosure for nonpayment of real property taxes and the county governing body deems it not to the best interest of the county to sell and convey in the manner provided under ORS 275.120, 275.140 to 275.160 and 275.180 to 275.260. [Amended by 1981 c.602 \$1; 1983 c.537 \$1; 2001 c.649 \$1]

275.040 Conveyance pursuant to ORS 275.030. The conveyance transferring the real estate sold pursuant to ORS 275.030 to the purchaser thereof shall contain the date of the order authorizing such sale and the page and journal where the order is entered. The conveyance shall be signed by the county judge or the chairperson of the board of county commissioners and acknowledged in the manner provided by law for acknowledgment of other conveyances of real estate. A conveyance so made conveys all the interest of the county in the property described therein. [Amended by 1983 c.537 §2]

275.050 [Repealed by 1983 c.537 §7]

**275.060** Authority to exchange lands offered for sale and not sold. (1) Except as otherwise provided by statute, the governing body of a county may exchange county land of any character, which has first been offered for sale but not sold for want of a satisfactory bid, for other lands of equal value to which the owner thereof can give clear title and which are free of all liens and encumbrances.

(2) Exchanges may be effected between the county and an individual, partnership or corporation. Thirty days prior to the consummation of the exchange, notice of intention to exchange, setting forth the legal description of the property to be exchanged, together with the appraised value as recently determined by the governing body of the county and the legal description of the property to be acquired in exchange, shall be published for two successive weeks in a newspaper of general circulation in the county. At any time before an exchange is actually made, written objection thereto may be filed by any interested person and the governing body of the county shall consider any such objection, and at its discretion may conduct hearings thereon. If, after duly considering such objection, the governing body of the county still deems that the proposed exchange is for the best interests of the county, the governing body may proceed with the exchange and its determination in that respect shall be final.

(3) Lands received by the county in exchange may be sold, leased or exchanged the same as might have been done with the lands originally exchanged. [Amended by 2005 c.243 §10]

275.070 Sale or donation to United States, state, government corporation or Indian tribe; procedure. (1) Any county governing body may grant an option to purchase, contract to sell, sell and convey, or donate any real property owned by the county, including real property acquired pursuant to tax foreclosure proceedings, at such price and on such terms as the county governing body may deem to be for the best interests of the county to:

(a) The United States;

(b) The State of Oregon;

(c) A corporation, the majority of whose capital stock is owned by the United States; or

(d) An eligible Indian tribe, as defined in ORS 307.181.

(2) The resolution of the county governing body to grant an option to purchase, contract to sell, sell and convey, or donate described in subsection (1) of this section must be entered by the governing body upon its journal and any option to purchase, contract to sell, sale and conveyance, or donation executed pursuant to this section must be signed on behalf of the county by the county judge or the chairperson of the board of county commissioners and acknowledged in the manner prescribed by law.

(3) The county governing body may receive as partial or full consideration for any sale or conveyance under this section, other real property or stumpage at a value determined by inspection and appraisal made by the county governing body or by a board of three appraisers appointed by the governing body. [Amended by 1983 c.537 §3; 2015 c.354 §1]

275.080 Sale of county lands for public water supply purposes; procedure; title to land and timber. (1) The governing body of a county may sell in the manner provided for sale of county land under ORS 275.120, 275.140 to 275.160 and 275.180 to 275.260, and convey to any person or corporation impounding and selling water to the public, any lands acquired by such county through foreclosure of tax liens or otherwise, when, in the discretion of the governing body of the county, the conveyance is necessary for the preservation or protection of any watershed from which water is being impounded and sold to the public by such person or corporation.

(2) Legal title to timber on such lands shall remain in the county and such timber shall not be removed therefrom except with the express written consent of and under the direct supervision of the State Board of Forestry.

(3) Should any such lands so conveyed cease to be used to preserve and protect the watershed for which it was conveyed, or if the person or corporation does not take water from the watershed for a period of one year, legal title to such land shall immediately revert to and revest in the county without the necessity of reentry. [Amended by 1981 c.602 2; 2005 c.243 1]

275.088 Sale to certain county officers or employees of real property acquired by foreclosure of tax lien; disposition of real property or proceeds of sale of real property acquired by ineligible purchaser. (1) As used in this section:

(a) "Actual conflict of interest" has the meaning given that term under ORS 244.020.

(b) "Bona fide purchaser" means a purchaser of a fee simple interest in a single property who acquires the property in an arm's-length transaction and for fair market value and adequate consideration.

(c) "Discretionary action" means an action committed to the sound judgment and conscience of a county officer or a county employee, acting in the official capacity of the officer or employee.

(d) "Ministerial action" means an action requiring obedience to specific instructions or law and allowing little or no discretion in its implementation.

(2) An elected or appointed county officer as described in ORS 204.005, a family member of the officer or an intermediary of either may not purchase from the county, directly or indirectly, real property obtained by foreclosure of delinquent tax liens.

(3) A county employee not included under subsection (2) of this section, a family member of the county employee or an intermediary of either may not purchase from the county, directly or indirectly, real property obtained by foreclosure of delinquent tax liens if the county employee has an actual conflict of interest related to the real property. An actual conflict of interest may be created under this section by the discretionary action of a county employee related to the foreclosure, sale or transfer of the real property by the county, but is not created by the ministerial action of the county employee.

(4) In addition to and not in lieu of a penalty or sanction that may apply under ORS chapter 244 or otherwise, if real property is purchased in violation of this section, the county officer or employee shall:

(a) Transfer the real property to the county for the amount paid for the property less an amount for expenses incurred by the county; or

(b) If the real property has been transferred by the county officer or employee to a bona fide purchaser, transfer to the county the amount received for the sale to a bona fide purchaser less the amount paid to obtain the property from the county. [2001 c.180 \$2]

275.090 Powers of county as to lands acquired on foreclosure of tax liens, or by exchange, devise or gift. The governing body of each county shall have the following powers and duties with respect to all lands acquired by the county by foreclosure of delinquent tax liens, or by exchange, devise or gift:

(1) To protect such lands from fire, disease and insect pests, to cooperate with the United States of America, the State of Oregon, and with the agencies of both, with persons owning lands within such counties, and with other counties of the State of Oregon in the protection of such county-owned lands and to enter into all agreements necessary or convenient therefor.

(2) To sell, exchange, and lease such lands or any portion of or interest in the same less than the whole fee.

(4) To reforest cut-over or burned-over timberlands and to cooperate with the United States of America, the State of Oregon and the agencies of both, and with other counties of the State of Oregon, and with persons, firms and corporations owning timberlands within such county in such reforestation and to make all agreements necessary or convenient therefor.

(5) To make all rules and regulations, not inconsistent with law, necessary or convenient for the protection, administration, operation, conveyance, leasing and acquisition of lands.

(6) To employ such assistance as may be necessary to carry out the provisions of ORS 275.090 to 275.316 and to cooperate with other counties in this state in such employment. [Amended by 1969 c.595 §10; 2005 c.243 §12]

275.100 [Repealed by 2005 c.243 §33]

275.105 Acquisition by county of 90 percent of the lots in a plat for taxes and purchase of remaining lots; vacation of whole plat. If any county has bid in and acquired for taxes and has received a deed for not less than 90 percent of the number of the lots in any addition or subdivision or plat, and if it considers it wise so to do, the governing body of the county shall, by order duly made and entered, authorize the purchase of such remaining lots from the owners or may exchange for the lots other lots owned by such county. Upon acquiring title to all the lots in any addition or subdivision or plat, it may enter an order vacating the whole of such addition, subdivision or plat. If any remaining lots are purchased by the county pursuant to this section, the purchase price of the lots shall not be greater than the real market value of the lots, and if other lots are exchanged for the remaining lots, those lots shall be accepted in full payment of the purchase price of the lots for which they are exchanged. [Amended by 1981 c.804 §78; 1991 c.459 §372; 2005 c.243 §13]

**275.110 Order to sell certain county lands; exception.** (1) When the governing body of a county considers it to be for the best interests of the county to sell any real property acquired in any manner by such county, or any interest therein less than the whole fee, it shall enter an order upon its records directing the sheriff to make sale thereof, and fix the minimum price for which each interest, parcel or group of parcels may be sold and the conditions and terms of sale. The order may be amended from time to time or revoked as the governing body deems proper.

(2) Subsection (1) of this section and ORS 275.120 to 275.160 do not apply to the sale of any real property to any other public body or to the sale of any real property that is an industrial facility as defined by ORS 271.510. The sale of industrial facilities shall be made in the manner provided by ORS 271.510 to 271.540. [Amended by 1981 c.602 \$3; 1983 c.494 \$2; 1983 c.537 \$4; 1983 c.740 \$72; 1985 c.565 \$43; 2005 c.243 \$14]

**275.120** Sheriff's notice of sale. (1) Upon receipt of a certified copy of the order referred to in ORS 275.110, the sheriff shall publish a notice of the sale of such property in a newspaper of general circulation, printed and published in the county where the land is situated, once each week for four consecutive weeks prior to such sale.

(2) The notice shall state:

(a) The time and place of sale;

(b) The description of the property or interest therein to be sold;

(c) If available from the tax roll, the real market value of the property or interest to be sold as evidenced by the last roll certified under ORS 311.105 on which the property was included;

(d) The minimum price for the property or interest to be sold, as fixed by the governing body of the county, which may be lower than the tax roll value;

(e) The date of the order directing the sale; and

(f) Such other matters as the governing body of the county deems pertinent.

(3) Proof of publication of the notice shall be made in the same manner as proof of publication of summons is made, and shall be filed by the sheriff with the county clerk of the county, and then recorded in the deed record of the county. [Amended by 1981 c.602 §4; 1989 c.223 §1; 1995 c.79 §93; 2005 c.243 §15]

275.130 Claims of municipal corporations against the land to be filed prior to sale. Prior to the date set for the sale of property as indicated in the notice of sale required under ORS 275.120, a municipal corporation may file with the county clerk notice that the municipal corporation has a lien arising out of an assessment for local improvement against the property described in the notice. The notice shall identify each property described in the notice to which a lien for assessment for local improvement has attached and shall state the principal amount of the lien and the interest thereon to date. Upon receipt of the notice, the county clerk shall forward a copy of the notice to the county treasurer and to the county employee responsible for the management of county-owned real property acquired by the foreclosure of delinquent property taxes. A notice filed within the time and in the manner permitted under this section shall preserve the rights of a municipal corporation to a distribution under ORS 275.275 (3)(a)(A). [Amended by 1997 c.805 §3]

**275.140 Time and place of sale.** All sales shall be made in the county in which the land is situated between the hours of 10 a.m. and 4 p.m., and may be adjourned from day to day for not to exceed 30 days by the sheriff, by public announcement made by the sheriff at the time and place designated in the notice of sale or at the time and place to which the sale may be adjourned. [Amended by 1971 c.120 §2]

**275.150 Certificate of sale.** At the time of sale, the sheriff shall give to each purchaser a certificate containing a particular description of the property sold, the whole purchase price, the amount paid in cash and the dates upon which future payments will become due. [Amended by 1997 c.805 §4]

**275.160 Sale return.** Upon the close of such sale, the sheriff shall make due return to the governing body of the county of the proceedings of the sheriff pursuant to the commands of such order of sale. [Amended by 2005 c.243 §16]

 ${\bf 275.170}$  [Amended by 1991 c.249 §21; repealed by 1997 c.805 §7]

**275.180 Sale to record owner or contract purchaser of property; conditions.** (1) The governing body of a county may at any time, without the publication of any notice, sell and convey by deed to the record owner or the contract purchaser of record, any property acquired by the county for delinquent taxes for not less than the amount of taxes and interest accrued and charged against such property at the time of purchase by the county with interest thereon at the rate of six percent per annum from the date of such purchase.

(2) All such sales of any such property to the record owner or the contract purchaser of record shall be subject to all liens or claims arising out of any assessment for a local improvement levied against such property, or any part thereof, by any municipal corporation and remaining unsatisfied, and also shall be subject to any title or equity of the municipal corporation predicated upon or growing out of any such lien or assessment. [Amended by 1973 c.843 §1; 1975 c.657 §1; 2005 c.243 §17]

**275.188 Definitions for ORS 275.110 to 275.250.** (1) As used in ORS 275.110 to 275.250, "purchase agreement" means a purchase money mortgage, a purchase money trust deed, a land sale contract or any other written purchase agreement other than an earnest money agreement that requires payment of an earnest money deposit upon execution and payment of the outstanding balance in one additional payment.

(2) As used in ORS 275.190, "for cash," when used to describe the terms of a sale of county property, includes a sale pursuant to an earnest money agreement that requires payment of an earnest money deposit upon execution and payment of the outstanding balance in one additional payment. [2005 c.243 §2]

**Note:** 275.188 was added to and made a part of 275.110 to 275.250 by legislative action but was not added to any other series in ORS chapter 275. See Preface to Oregon Revised Statutes for further explanation.

275.190 Cash or installment sale; rights and liabilities of installment purchaser. (1) Sales made under ORS 275.110 to 275.250 must be to the highest and best bidder:

(a) For cash; or

(b) For not less than 10 percent of the purchase price in cash with the remainder to be paid under a purchase agreement in equal installments over a term not exceeding 20 years from the date of sale and with deferred payments bearing interest from the date of sale at a rate set by the governing body of the county and payable annually.

(2) In advertising for bids, the county shall state whether the sale will be made for cash or by purchase agreement. If by a purchase agreement that allows for deferred payments, the county shall also state the term and the rate of interest to which the county will agree.

(3) The purchaser shall have the possession of, and the income from the premises so long as the purchaser is not in default in the performance of the purchase agreement with the county, but shall forfeit the purchaser's rights under the agreement and to all payments made pursuant thereto if the purchaser fails to pay the purchase price or any part of the purchase price, principal or interest, or to pay, before delinquency, the taxes thereafter levied against the premises, or commits or suffers any strip or waste of or on the premises, or violates any other reasonable provision of the purchase agreement that the governing body of the county may see fit to require. The purchaser shall have the privilege of prepayment without penalty. The provisions of this subsection must be incorporated in the purchase agreement. [Amended by 1969 c.208 §1; 1981 c.412 §3; 2005 c.243 §3]

**275.200 Sale of land not sold by sheriff.** (1) When the governing body of a county enters an order under ORS 275.110 directing the sheriff to sell real property acquired in any manner by the county, if all or a part of the land remains unsold after the time set for the sale in the sheriff's published notice or after adjournment of a sheriff's sale, the governing body of the county may sell the lands as provided in subsection (2) of this section.

(2) After the sheriff has unsuccessfully attempted to sell real property of the county as provided in ORS 275.120 to 275.160, the governing body of the county may sell all or a part of the land, or an interest in the land less than the whole fee, at private sale without further notice but for not less than the largest amount bid for the land at the sheriff's sale, or, if no bid was made, at a price the governing body of the county deems reasonable, but at a price no less than 15 percent of the minimum bid set under ORS 275.110 for the sheriff's sale.

(3) A sale under this section must be made in the manner provided by ORS 275.190 (1).

(4) Nothing in this section prohibits the governing body of a county from entering an order at any time under ORS 275.110 directing the sheriff to sell real property of the county as provided in ORS 275.120 to 275.160. [Amended by 1981 c.602 \$5; 1989 c.223 \$2; 1989 c.688 \$1; 2005 c.243 \$4]

**275.210 Filing of purchase agreement; assignment.** (1) A purchase agreement made pursuant to ORS 275.190 or 275.200 must be filed with the clerk, accountant or secretary, as the case may be, of the county in which the real property is situated.

(2) An assignment of a purchase agreement, or of an interest in the purchase agreement or of an interest in the property described in the purchase agreement, is not valid unless it is in writing, subscribed by the holder of the purchase agreement and filed with the county clerk of the county in which the land is situated. [Amended by 1983 c.310 §15; 1991 c.67 §65; 2005 c.243 §5]

275.220 Procedure upon default or breach under land sale contract. (1) In case of breach of condition or other default in performance of a land sale contract made pursuant to ORS 275.190 or 275.200, the governing body of a county may, by order made and entered in its records, declare the breach or default and cancel the land sale contract or enter into a new purchase agreement in writing. If the land sale contract is canceled and the holder is found within the county, a certified copy of the order shall be served as a summons is served by the sheriff upon the holder of the canceled land sale contract. If the land sale contract is canceled and the holder is not found within the county, a certified copy of the order shall be served by mailing it to the holder by registered mail or by certified mail with return receipt at the last-known address of the holder. Return of

such service shall be made upon such copy of order.

(2) Within 20 days after the service of the order of cancellation upon the holder, the holder of the canceled land sale contract may appeal from the order to the circuit court for the county in which the land is located. The circuit court shall try the appeal as an action not triable by right to a jury. If appeal is not taken or if it results, upon trial, in an affirmance of the order of cancellation, the order becomes absolute and the real property forfeited may be sold without notice.

(3) In addition to the remedy for breach or default of a land sale contract under this section, a county may pursue any other remedy provided by law for breach or default of a land sale contract including, but not limited to, the remedy provided by ORS 93.905 to 93.940.

(4) In case of breach of condition or other default in performance of a purchase agreement other than a land sale contract, a county may pursue any remedy provided by law for breach or default of a purchase agreement other than a land sale contract. [Amended by 1979 c.284 §128; 1991 c.67 §65; 1991 c.249 §22; 2005 c.243 §6]

275.225 Sale of county land by private sale; conditions; notice; terms. (1) Notwithstanding ORS 275.110 to 275.220, the governing body of a county may authorize the sale of county land by private sale as provided in this section if each parcel of county land to be sold:

(a) Has a real market value of less than \$15,000 on the assessment roll prepared for the county; and

(b) Is unsuited for the construction or placement of a dwelling under applicable zoning ordinances and building codes.

(2) The governing body of the county may publish a notice of the private sale of county land described in subsection (1) of this section in a newspaper of general circulation in the county. The notice must contain a description of the land and must indicate the real market value of the land.

(3) Not earlier than 15 days after publication of the notice, an officer or employee of the county authorized by the governing body of the county to sell the land may sell all or a part of the land, at private sale without further notice, at a price the governing body of the county considers reasonable.

(4) A sale under this section must be made in the manner provided by ORS 275.190 (1). [1989 c.305 \$1; 1997 c.805 \$1; 2005 c.243 \$7; 2007 c.231 \$1; 2007 c.435 \$1]

**Note:** 275.225 was enacted into law by the Legislative Assembly but was not added to or made a part of

ORS chapter 275 or any series therein by legislative action. See Preface to Oregon Revised Statutes for further explanation.

275.230 [1989 c.558 §1; repealed by 2005 c.243 §33]

**275.240 Taxation of county lands sold under purchase agreement.** Land sold under a purchase agreement in accordance with ORS 275.190 (1) is subject to taxation to the same extent as other privately owned real property. When a purchase agreement is canceled, as provided in ORS 275.220, the real property must be removed from taxation and all taxes then unpaid must be canceled. [Amended by 2005 c.243 §8]

275.250 Notice to county assessor of sale or resale. Upon any sale or resale as provided in ORS 275.110 to 275.220, the governing body of the county shall notify the county assessor thereof. [Amended by 2005 c.243 \$18]

275.260 Lands acquired by county on tax foreclosure exempt from taxes of other taxing districts. No claim shall ever be allowed against the county in favor of any municipal corporation, school district, road district or other taxing district for taxes levied on the property heretofore or hereafter acquired by any county by foreclosure of delinquent taxes or otherwise under ORS 275.090 to 275.220, but all taxes shall at the time of the acquisition of the property by such county thereby be canceled.

275.270 [Repealed by 1969 c.595 §17]

**275.275 Distribution of proceeds.** (1)(a) The proceeds arising under ORS 275.090 to 275.290 and 275.296 to 275.310 must be applied:

(A) First, to refund the county general fund for the full amount advanced by the county to pay the state tax upon all properties upon which the county has foreclosed liens for delinquent taxes;

(B) Second, to the county general fund in an amount equal to the penalty and fee described in ORS 312.120 for each property upon which the county has foreclosed a lien for delinquent taxes; and

(C) Third, to refund the county general fund for all the costs and expenses incurred by the county in the maintenance and supervision of the properties and in any suits or proceedings by the county to quiet title to or to defend the county's title to property sold, including suits or land use proceedings to ascertain and determine the actual boundaries of the properties.

(b) The proceeds applied as refunds under paragraph (a)(A) and (C) of this subsection may not amount to more than the tax actually paid and the costs and expenses actually incurred by the county. (c) Except as provided in paragraph (d) of this subsection, after the refunds authorized under paragraph (a) of this subsection are made, the county treasurer shall credit to the county general fund proceeds arising under ORS 275.090 to 275.290 and 275.296 to 275.310 from the sale of real property acquired by the county in a manner other than by foreclosure of delinquent tax liens or by exchange for land originally acquired by foreclosure of delinquent tax liens. The proceeds described in this paragraph include payments for the real property sold under a purchase agreement pursuant to ORS 275.190 or 275.200.

(d) In a county with a population of 650,000 or more, after the refunds authorized under paragraph (a) of this subsection are made, the county treasurer shall credit:

(A) The proceeds arising under ORS 275.090 from the sale of real property acquired by foreclosure of delinquent tax liens or by exchange for land originally acquired by foreclosure of delinquent tax liens to an account or fund, created in the discretion of the county treasurer in or outside the county general fund, for use under ORS 271.330 to provide:

(i) Funds for housing placement and retention support services for youth and families with children;

(ii) Flexible rental assistance to place youth and families with children into housing; or

(iii) Funds to develop new low income housing that is affordable to youth and families with children with 30 percent or lower median family income.

(B) Except as described in subparagraph (A) of this paragraph, the proceeds arising under ORS 275.090 to 275.290 and 275.296 to 275.310 from the sale of real property acquired by the county in any manner, including payments for the real property sold under a purchase agreement pursuant to ORS 275.190 or 275.200, to the county general fund.

(2) The proceeds arising under ORS 275.294:

(a) Must be credited to the county general fund by the county treasurer, if received from a lease or conveyance granting rights to explore, prospect for or remove biogas that is produced by decomposition of solid waste at any land disposal site or former land disposal site owned by the county. As used in this paragraph, "land disposal site" has the meaning given that term in ORS 459.005.

(b) Must be segregated from the portion of the proceeds described in paragraph (a) of this subsection and deposited in a separate account maintained by the county. Interest earned on the segregated portion of the proceeds must be credited to the account established under this paragraph.

(c) May be used, in an amount that does not exceed 10 percent of the proceeds, to reimburse a taxing district within the county for costs and expenses necessarily incurred by the district in providing improved, additional or extraordinary services required on lands in the county as a result of exploration, drilling, mining, logging or other activities authorized under a lease or conveyance under ORS 275.294. As used in this paragraph, "improved, additional or extraordinary services" includes, but is not limited to, fire protection and road construction and maintenance.

(d) May be used to reimburse the county for its actual costs and expenses incurred under this subsection and under ORS 275.294 for:

(A) The maintenance and supervision of a lease or conveyance granting rights to explore, prospect for, mine or remove valuable minerals, oil or gas from the lands;

(B) The maintenance and supervision of a lease or conveyance granting rights to conduct underground storage, as defined in ORS 520.005; and

(C) Litigation resulting from a lease or conveyance described in subparagraph (A) or (B) of this paragraph.

(3)(a) After a portion of the proceeds arising under ORS 275.090 to 275.290 and 275.296 to 275.310 and a portion of the proceeds arising under ORS 275.294 are applied as provided in subsections (1) and (2) of this section, the balance of the proceeds arising under ORS 275.090 to 275.290 and 275.296 to 275.310 and the balance of the proceeds arising under ORS 275.294, including the payments for land sold under contract pursuant to ORS 275.190 or 275.200, must be distributed by the county treasurer as follows:

(A) First, to a municipal corporation that has filed a notice, in accordance with ORS 275.130, relating to a local improvement lien against the property from which the sale proceeds are derived. The amount of the distribution to each municipal corporation must be in the principal amount of the lien, plus the interest and any penalties that accrued to the date of sale of the property.

(B) Second, to governmental units in accordance with the formula provided in ORS 311.390 for the distribution of tax collections. The amount distributed to governmental units must be the amount remaining after the distribution, if any, under subparagraph (A) of this paragraph. (b) Notwithstanding ORS 294.080, as used in this subsection, "balance of the proceeds" includes all accumulated interest earned on the proceeds arising under ORS 275.294 that are segregated pursuant to subsection (2)(b) of this section, unless a court of competent jurisdiction rules otherwise.

(4) Distribution of moneys under subsections (2) and (3) of this section must be made on or before June 30 in each year.

(5) The county treasurer or auditor shall verify the costs and expenses to be reimbursed under subsection (2) of this section.

(6) The county treasurer shall distribute reimbursements under subsection (2) of this section in accordance with an order of the governing body of the county.

(7) Notwithstanding subsection (1) of this section, a county with a population of 650,000 or more may convey real property acquired by foreclosure of delinquent tax liens or by exchange for land originally acquired by foreclosure of delinquent tax liens as provided in ORS 271.330 or 311.796. [1963 c.606 §5; 1969 c.595 §11; 1982 s.s.1 c.19 §1; 1983 c.537 §5; 1985 c.707 §1; 1989 c.833 §78; 1993 c.613 §1; 1997 c.805 §5; 2005 c.243 §9; 2015 c.242 §1]

Note: Section 2, chapter 242, Oregon Laws 2015, provides:

**Sec. 2.** The amendments to ORS 275.275 by section 1 of this 2015 Act apply to proceeds and real property:

(1) Acquired by a county by foreclosure of a delinquent tax lien or by exchange for land originally acquired by foreclosure of delinquent tax liens; and

(2) Received by the county on or after the effective date of this 2015 Act [January 1, 2016]. [2015 c.242 \$2]

**275.280** [Repealed by 1969 c.595 §17]

275.285 [1963 c.606 §6; repealed by 1969 c.595 §17]

**275.290 Sale or lease of timber on county lands.** (1) In any instrument of conveyance or agreement for conveyance of timber upon lands acquired by any county by foreclosure of delinquent tax liens or otherwise under ORS 275.090 to 275.220, the governing body of the county may provide such conditions and regulations of cutting and slash disposal as may be deemed to be for the best interests of the county, which conditions and regulations shall be in addition to the provisions of the state forest fire law.

(2) Any purchaser of such timber may be required to give a bond or undertaking in favor of the county conditioned upon the compliance of the purchaser with all such conditions and regulations and with the provisions of the state forest fire laws, the bond to be in an amount not less than the full purchase price of the timber.

(3) The instrument or agreement for conveyance may be made for a term of years, in which case all rights and interests thereby granted by the county shall revert to and revest in the county upon expiration of the term. [Amended by 2005 c.243 §19]

275.294 Sale or lease of right to prospect for and remove minerals or oil and gas from county lands. (1) Nothing contained in this chapter shall prohibit the governing body of a county, whenever it appears to the best interest of the county, from making or executing a lease or conveyance granting rights to explore or prospect for valuable minerals or oil and gas and for the mining and removal of the same from any lands acquired by such county through foreclosure of tax liens or otherwise.

(2) Except as provided in subsection (3) of this section, any lease or conveyance of minerals or oil and gas or interest in such lands shall be granted to the highest bidder, after an opportunity for competitive bidding is given by advertisement of the proposed sale or lease for not less than once a week for two successive weeks by publication in one or more newspapers having general circulation in the county, and under such terms, conditions and regulations as the governing body of the county provides under ORS 275.300.

(3) The governing body of the county, as to any land which is owned by the county or whereon the mineral rights are reserved by the county, may execute leases and contracts, other than for gas or oil, upon a royalty basis without requiring bids for the mining of gold, silver, copper, lead, cinnabar and valuable minerals or mineral materials from such lands upon terms and conditions agreed upon by the governing body of the county and the lessee. [1955 c.150 §§1,2; 1959 c.603 §1; 1983 c.537 §6; 2005 c.243 §20]

**275.296 Validation of certain conveyances prior to August 3, 1955.** All leases and conveyances granting the right to explore or prospect for minerals or oil and gas and for the mining and removal of the same on or from county-owned lands, executed and delivered by the governing body of a county prior to August 3, 1955, and which might be invalid only because the governing body of the county was not expressly authorized by statute to execute and deliver such leases or conveyances, hereby are validated and declared to be legal and enforceable. [1955 c.150 §3; 2005 c.243 §21]

275.298 Sale of minerals or mineral rights; preferential right of holder of interest less than fee. (1) In any sale hereafter made under ORS 275.110 to 275.250 of minerals or mineral rights heretofore reserved to a county where such minerals or mineral rights were acquired by a county by foreclosure of delinquent tax liens, the holder of an interest less than the fee in the same lands where the mineral rights are lo-

cated shall have the right to purchase such minerals or mineral rights interest by depositing with the sheriff within 60 days from date of sale not less than the high amount bid for the minerals or mineral rights by a third person. If no sale was made at the offering, then such person shall have the right to purchase at whatever price the governing body of the county deems reasonable.

(2) Unless the purchaser at any sale is the owner of some interest less than the fee, the execution of a deed shall be postponed for 60 days from the date of sale in order to give the party granted preferential right under subsection (1) of this section, or the assignee of the party, the right to exercise the preference in the manner set forth in subsection (1) of this section.

(3) The provisions of this section shall not be applicable to the sale of mineral rights on or under any land suitable for the commercial production or development of timber. [1955 c.370 §§1,2,3; 2005 c.243 §22]

275.300 Sale of mineral or other interest in county lands less than fee; conditions and regulations; bond. In any conveyance or agreement for conveyance of any minerals, or other interest, less than the whole fee, in any lands acquired by any county by foreclosure of delinquent tax liens or otherwise under ORS 275.090 to 275.220, the governing body of the county may provide such conditions and regulations as may be deemed to be for the best interests of the county and may require of the purchaser a satisfactory bond or undertaking in the name of the county in an amount not less than the whole purchase price of such minerals or other interests in such lands, conditioned upon the compliance of the purchaser with such conditions and regulations. [Amended by 2005 c.243 §23]

**275.310** Partition of land in which county has acquired interest. Any county which has acquired or shall acquire an undivided interest in real property by foreclosure of delinquent tax liens, shall have the benefit of the statutes of this state providing for the partition of real property owned by tenants in common. Such county may become a purchaser at any sale of such real property upon partition.

275.312 Conveyance by county of reserved or excepted mineral rights. Notwithstanding any other law, in any county where the surface rights to tax-foreclosed lands have been conveyed and the mineral rights on such lands have been reserved or excepted by the governing body of the county making such conveyance, upon written application of the owner of such surface rights, the governing body of the county, whenever it appears to the governing body of the county to be in the best interests of the county, may convey such reserved or excepted mineral rights to the owner of the surface rights in accordance with ORS 275.314 and 275.316. [1967 c.188 §2; 2005 c.243 §24]

275.314 Contents of application; investigation and hearing. Each application presented to the governing body of the county under ORS 275.312 must be accompanied by evidence satisfactory to the governing body of the county showing that the applicant is the owner of the surface rights to the lands described in the application, and also by a cash deposit or an irrevocable letter of credit issued by an insured institution as defined in ORS 706.008 in an amount sufficient to reimburse the county for all costs of such transfer, including but not limited to the costs of investigation and legal work, which shall be paid by the applicant. The governing body of the county then shall cause an investigation to be made by qualified geologists or mining engineers in regard to the probable value of such mineral rights. If the governing body of the county finds that such rights are of little or doubtful value and that it would be in the best interests of the county to transfer such rights to the owner of the surface rights, the governing body of the county may make and enter an order declaring its intention to make such transfer and setting a time and place for hearing objections thereto. The time for the hearing shall be set not earlier than six weeks after the date of the order. [1967 c.188 \$3; 1991 c.331 \$52; 1997 c.631 \$431; 2005 c.243 \$25]

**275.316 Notice of hearing; findings; execution of conveyance.** (1) The county clerk shall give notice of the time and place of the hearing scheduled under ORS 275.314 by publication in a newspaper of general circulation published in such county, once each week for four consecutive weeks prior to the hearing. The notice shall set forth the time and place of the hearing, the name of the applicant and a description of the lands in the proposed transfer. If no newspaper of general circulation is published in the county, notice may be given by the clerk by posting such notice in at least four public places in the county.

(2) Upon such hearing, if the governing body of the county finds that such mineral rights are of little or doubtful value and that it would be in the best interests of the county to convey such rights to the record owner of the surface rights, it may fix a minimum value for such rights and enter an order accordingly. Thereupon the governing body of the county, after receiving payment of such value, may execute and deliver the necessary deeds of conveyance. [1967 c.188 §4; 2005 c.243 §26]

275.318 Sale or lease of land located in industrial use zone; Industrial Development Revolving Fund; use of proceeds of sale. (1) When the governing body of a county sells or leases real property acquired in any manner by the county, if that property is located in an area planned and zoned for industrial use under an acknowledged comprehensive plan of the county, the governing body may order all the moneys paid to the county under the terms of the sale be deposited with the county treasurer and credited to a special fund created by the governing body and designated the Industrial Development Revolving Fund of the county.

(2) The county treasurer shall disburse the moneys in the Industrial Development Revolving Fund of the county only upon the written order of the county governing body and only for the purposes set forth in subsection (3) of this section.

(3) The governing body of a county may expend moneys in an Industrial Development Revolving Fund created under this section only for:

(a) The engineering, improvement, rehabilitation, construction, operation or maintenance, in whole or in part, including the preproject planning costs, of any development project authorized by ORS 271.510 to 271.540 or 280.500 that is located in the county and that could directly result in one of the following activities:

(A) Manufacturing or other industrial production;

(B) Agricultural development or food processing;

(C) Aquacultural development or seafood processing;

(D) Development or improved utilization of natural resources;

(E) Operation of convention facilities or trade centers;

 $({\ensuremath{\mathbf{F}}})$  Operation of transportation or freight facilities; and

(G) Other activities that represent new technology or types of economic enterprise the county governing body determines are needed to diversify the economic base of the county.

(b) Construction of off-site transportation or utility infrastructure that is necessary or appropriate to serve the development project.

(4) If moneys from the sale of county property located in an area planned and zoned for industrial use are not credited to the Industrial Development Revolving Fund of the county, those moneys shall be distributed as provided in ORS 275.275. (5) The governing body of a county may sell, lease or convey the real property described in this section, including any part thereof or interest therein, at public or private sale, with or without advertisement, and do all acts necessary to the accomplishment of the sale, lease or conveyance. [1983 c.494 §1; 2013 c.248 §1]

**Note:** 275.318 was enacted into law by the Legislative Assembly but was not added to or made a part of ORS chapter 275 or any series therein by legislative action. See Preface to Oregon Revised Statutes for further explanation.

#### **COUNTY FORESTS AND PARKS**

**275.320 Designation of county forests, parks and recreational areas.** The governing body of a county may, by order, designate as county forests, public parks or recreational areas any real property heretofore or hereafter acquired by the county for delinquent taxes or otherwise. Where the park or recreational area is situated in whole or in part within the corporate limits of any city the county first shall obtain the consent or approval, by resolution or ordinance adopted by the city consenting or approving the creation of the public park or recreational area. [Amended by 2005 c.243 §27]

275.330 Conveyance of county forests, parks or recreational areas; agreements to manage timber. (1) Upon the entry of an order by the governing body of a county setting aside the real property for county forest, public park or recreational area, the lands shall be set apart for such use. Thereafter such lands may not be alienated by the governing body of the county for any purpose unless authorized by a majority of the electors of the county in a regular or special election, except that:

(a) In counties having 450,000 population or over according to the latest federal decennial census:

(A) The lands may be sold and conveyed by the governing body of a county if it considers the sale to be in the best interests of the county; or

(B) The lands may be conveyed without payment or compensation for park and recreational purposes to any public educational institution, park and recreation district, service district formed under ORS chapter 451 to provide and maintain park and recreational facilities or nonprofit corporation organized under the laws of the State of Oregon for as long as the lands so conveyed are used for such purposes. Any lands conveyed under this subparagraph shall automatically revert to the county if the lands are not used for such purposes or if the in-

stitution, district or corporation to which the lands are conveyed is dissolved. However, lands conveyed under this subparagraph to a nonprofit corporation which is organized for the purpose of promoting the preservation of park and recreational areas may be conveyed without restriction subject to prior approval of the governing body of the county. When lands are conveyed under this subparagraph, the county shall be relieved from any obligation to account for the payment of any taxes, liens or assessments that may have been levied against the lands by any taxing agency, district or municipality authorized to levy against any of the lands.

(b) The governing body of a county may convey the lands to the state, an incorporated city, a park and recreation district or the United States Government for public use. The conveyance may be made without the payment of compensation, and when so made the county shall be relieved from any obligation to account for the payment of any taxes, liens or assessments that may have been levied against the lands by any taxing agency, district or municipality authorized to levy taxes against any of the lands.

(c) The governing body of a county may enter into agreements with the state or the United States for the management of the timber and other forest products on the designated county forestlands.

(2) In addition to the methods described in subsection (1) of this section, lands that have been set aside for county forest, public park or recreational area may be alienated, sold or conveyed, in part or in whole, by the public body upon a finding that it is in the best interest of the public. Upon a determination that an alienation, sale or conveyance is in the public interest, the lands set aside may be sold at public or private sale, or other lands may be taken in exchange and set aside for park or recreational purposes. When a sale, an alienation or conveyance takes place, the proceeds shall be held for maintenance and improvement of existing park and recreation lands or future acquisition of lands to be set aside for park or recreational purposes.

(3) Before making an order for an alienation, sale or conveyance of the property without approval at an election, or before entering into agreements for management of timber and other forest products under subsection (1)(c) of this section, the county governing body shall hold a hearing in the county at which objections to the proposed agreements or alienation, sale or conveyance may be heard. Notice of the hearing shall be given by publication weekly for two consecutive weeks in a newspaper circulated generally within the county, and the notice shall describe particularly the property affected.

275.335 Exchanging land within county forest; reserving rights of way. (1) Notwithstanding the provisions of ORS 275.330 or 275.340, the governing body of a county may provide for the exchange of land within a designated county forest for other land when in the judgment of the governing body of the county, supported as provided in subsection (3) of this section, such exchange is for equal value and is in the best interest of the county. Such exchanges shall be authorized under this section only when the land obtained by the county in exchange is immediately incorporated into the designated county forest.

[Amended by 1959 c.546 §1; 1981 c.482 §1; 1989 c.534 §1;

1993 c.432 §1; 2005 c.243 §28]

(2) Before making an order for exchange of property, the governing body of the county shall hold a hearing at which objections to the proposed exchange of real property may be heard. Notice of the hearing shall be given by publication weekly for two consecutive weeks, or two publications in all, in a newspaper circulated generally within the county, such notice to describe particularly the property affected. The date of hearing shall be not less than five days following the last date of publication of notice.

(3) The exchange authorized in subsection (1) of this section shall be made by order of the governing body of the county and supported by reports of the value of the properties being exchanged submitted by:

(a) The county assessor; and

(b) The county forester or other qualified agent selected by the governing body.

(4) The exchanges authorized in this section may include any timber on the land involved if the value of such timber is established as provided in subsection (3) of this section.

(5) The governing body of the county shall reserve all rights of way in all lands exchanged as provided in subsection (1) of this section to permit proper administration and management of county lands and forests retained or received in exchange by the county. [1961 c.227 §2; 2005 c.243 §29]

275.340 Sale or lease of forest products, minerals or oil and gas from county forestland. Nothing contained in ORS 275.320 and 275.330 shall prohibit the county governing body from selling the timber and other forest products or from leasing the right to prospect for and remove minerals or oil and gas in the manner stated in ORS 275.294 from the designated county forestland when in the judgment of the county governing body the sale or lease is deemed for the best interests of the county. All sales of timber and other forest products in excess of the value of \$5,000 shall be made only after an opportunity for competitive bidding is given by advertisement of the proposed sale for not less than once a week for two successive weeks by publication in one or more newspapers having general circulation in the county. Where more than one bid has been received, or in case of doubt as to which of a number of bids is the highest and most advantageous to the county, the decision of the county governing body shall be final and conclusive and shall not be subject to review by any court. Each bid shall be accompanied either by a certified check, or by a good and sufficient bond furnished by a surety company authorized to do business in the state, in favor of the county, in a sum to be determined by the county governing body. [Amended by 1955 c.119 §1; 1979 c.150 §1; 1979 c.393 §2]

275.350 [Repealed by 1981 c.126 §6]

**275.360 Recording orders of county.** Certified copies of all orders of the governing bodies of the several counties made under ORS 275.320 to 275.340 affecting the title or status of real property shall be recorded in the deed records of the county in which such lands are located. [Amended by 1981 c.126 §4; 1983 c.740 §74; 2005 c.243 §30]

**275.370** Validation of conveyances prior to January 1, 1941. All deeds and conveyances of the governing bodies of the several counties executed and delivered prior to January 1, 1941, conveying real property theretofore set aside by the governing bodies of the several counties as public parks and recreational areas under ORS 275.320 hereby are validated and declared to be legal and of full force and effect, both in law and in equity. [Amended by 2005 c.243 §31]

275.390[Repealed by 1981 c.126 §6]275.400[Repealed by 1981 c.126 §6]275.410[Repealed by 1981 c.126 §6]275.420[Repealed by 1981 c.126 §6]275.430[Repealed by 1981 c.126 §6]275.440[Repealed by 1981 c.126 §6]275.990[Repealed by 1981 c.126 §6]