Town of Wayne
Ordinance Regarding Tax Acquired Property

This Ordinance is adopted under authority of 30-A M.R.S.A. Sections 3001 et seq., and shall govern the maintenance, administration, and disposition of Tax Acquired Property in the Town of Wayne.

ARTICLE 1. General

1.1 Purpose: The purpose of the Ordinance is to establish and direct the procedures for the management and disposition of real estate acquired under the real estate tax lien procedures set forth in 36 M.R.S.A. Sections 942 and 943, as amended.

1.2 Definitions. For the purposes of this Ordinance, the following definitions shall apply:

1.2.1 "Foreclosed Tax Lien" means a tax lien mortgage that has automatically foreclosed pursuant to 36 M.R.S.A Sections 942 and 943.

1.2.2 "Just Value for the Current Year and Past Year Taxes not Assessed" means the amount of real estate taxes that would have been assessed to a property if not owned by the Town of Wayne on April 1st of the year in which it is sold or transferred by the Town. The intent of this definition and its application herein is to establish the amount of taxes which would have been assessed to the property if it had been subject to tax on each April 1st of the years in which the property is or has been owned by the Town as tax acquired property so when the property is sold or transferred, the Town will be reimbursed for taxes that would otherwise have accrued but for the Town's ownership at the time of a sale or transfer.

1.2.3 "Land or Lands" mean real property interests in land as also included as part of the definition and term "Real Estate" below.

1.2.4 "Mail" means the use of the regular, first class and certified mail return receipt requested mail services through any U.S. Post Office.

1.2.5 "Manufactured Real Estate Property" means any structure, building or dwelling, constructed or fabricated elsewhere and then transported, in whole or in part, to and placed, set or installed permanently or temporarily upon land within the Town. For the purpose of the Ordinance, Manufactured Real Estate Property is also included as part of the definition and term "Real Estate" below.

1.2.6 "Minimum Bid Price" means the sum total of all outstanding taxes, interest and related charges assessed and taxed against a parcel of Real Estate, together with the sum representing the Just Value for the Current Year and Past Year Taxes not Assessed, and the sum of all lien related filing and recording fees, registry filing fees, property casualty and liability insurance costs, costs of public sale, including a set administrative fee established to cover costs of overseeing the Town's costs in transferring the property, notice and advertisement charges, and all other costs including the Town's personnel costs incurred in maintaining, securing or selling a property.

1.2.7 "Municipality" means the Town of Wayne, Maine.

1.2.8 "Municipal Officers" means the Board of Selectmen of the Town of Wayne, Maine.

1.2.9 "Former Owner" means the person or persons, entity or entities, heirs or assigns to whom property taxes were most recently assessed for a tax acquired property.

1.2.10 "Municipal Tax Release Deed" means the form of release and quitclaim deed and instrument releasing the Town's tax acquired rights, title and interests in tax acquire real property acquired under foreclosed tax liens.

1.2.11 "Real Estate" means all land or interests in land, structures, buildings, tenements and hereditaments and Manufactured Real Estate Property as may be located in or on any tax acquired property.

1.2.12 "Tax-Acquired Property" means Real Estate acquired by the Town through the real estate tax lien procedures under 36 M.R.S.A Sections 942 and 943, as amended.

1.2.13 "Tax Lien" shall mean the Town or Wayne's statutory lien rights securing the rights to collect property taxes assessed against real property under 36 M.R.S.A Section 552.

ARTICLE 2. MANAGEMENT OF TAX ACQUIRED PROPERTY

2.1 Management. Following statutory foreclosure of a tax lien mortgage on a property, management of the property shall become the sole responsibility and under the sole direction of the Municipal Officers, subject to the provisions of state law and Town Ordinances.

2.1.1 Insurance. The Municipal Officers may purchase fire loss insurance for tax-acquired properties with structures or buildings thereon with coverage amounts at least adequate to cover then outstanding taxes, liens, costs and other Town incurred expenses.

2.1.2 Occupants or Tenants. The Municipal Officers shall determine when and if any occupants or tenants of tax-acquired property shall be required to vacate a tax acquired property and are authorized to proceed with all required legal actions to enforce occupants or tenants to peacefully quit the premises.

2.1.3 Disposition of Tax Acquired Properties. The Municipal Officers, after review, shall be authorized to decide to retain the ownership for public use or dispose of any tax acquired properties in accordance with the terms in this Ordinance.

2.1.4 Retained Ownership. If the Municipal Officers determine that tax-acquired property is to be retained for Town or for other public use, the Municipal Officers may pursue an action for equitable relief to clear title to the property in accordance with the provisions of 36 M.R.S.A. Section 946, as amended.

2.1.5 Option to Allow Tenancies and Insurance during such Occupancy. The Municipal Officers may, at their discretion, allow persons occupying tax acquired properties to remain as tenants on a month to month basis. For such privilege the Municipal Officers shall charge a monthly fee to the occupants. The fee shall be set according the circumstances and shall be in an amount that the Municipal Officers deem to be in the best interest of the Town. While person are occupying tax acquired property during the period when a monthly fee

is charged, the Municipal Officers shall have in place and maintain a comprehensive general liability insurance policy covering the property with coverage amounts equal or exceeding the limits on liability under the Maine Tort Claims Act, codified at 14 M.R.S.A Section 8101 et seq.

2.1.6 Insurance on Vacant Tax Acquired Property. The Municipal Officers shall, in the event that a tax acquired property is or becomes vacant, secure and maintain insurance coverage for the property with a comprehensive general liability insurance policy for the property with coverage amounts equal or exceeding the limits on liability under the Maine Tort Claims Act, codified at 14 M.R.S.A Sections 8101 et seq.

ARTICLE 3. SALE OR TRANSFER OF TAX ACQUIRED PROPERTY

3.1 Sale or Transfer. In the event that the Municipal Officers determine that the best interests of the Town will be served to offer for sale or for the transfer tax-acquired property, the following procedures shall be followed:

3.1.1 Sale or Transfer for Other Public Related Uses. The Municipal officers may determine that it is in the best interests of the Town to sell or transfer interests in a tax acquired property to another entity for a public related uses such as uses by a quasi-municipal entity (water, sewer districts, etc.), a land conservation organization (land trust, etc.) or a civic, charitable or educational organization. Sales and transfers under this provision shall be according to terms and conditions the Municipal Officers determine fair and reasonable and which serve the public interest, and subject also to approval by the legislative body of the Town of Wayne at a Town Meeting.

3.1.2 Public Bid Sale. The Municipal Officers shall offer properties they deem are best disposed by sale through a public sale under the following sale terms. Properties will be cataloged and summarized in a Notice of Sale which includes the tax map and lot number, street address, property description, most recent assessed value, the Minimum Bid Price and the schedule and summary of other terms of the public sale. The Notice of Sale shall be posted and advertised for ten or more days using newspapers, other media or real estate listings so as to provide sufficient notice and advertising of the sale. The advertisement shall be at a minimum for two successive weekends in the Kennebec Journal and the Lewiston Sun Journal, and the last notice published at least seven days prior to the advertised sale date. The sale shall be by a sealed bid process open to the public in which the Municipal Officers will receive within a specified time frame and certain additional terms, all bids, bids to be accompanied by a required bid deposit, and bids opened and read publicly, with the Municipal Officers thereafter authorized to accept or reject any bid.

3.1.3 Redemption by Former Owners. The Municipal Officers shall also send notice of a sale of tax acquired property to the Former Owners of each tax acquired property to be sold and all abutting property owners. The notice to former owners shall be sent by first class mail at least 45 days before bids are due in the sale. Former Owners shall have the option to repurchase their former property within the period of 30 days immediately following the Town's issuance of the notice of sale by tendering full payment in certified funds or by bank check in the amount totaling the same sum as the Minimum Bid Price.

3.1.4 Bid Responses. The Municipal Officers shall follow and require persons submitting bid responses in the public bid sale process described herein to submit and comply with the following additional terms and conditions:

a. Bidders must at the time they submit a bid must include a completed bid sheet for each parcel bid upon. Bid sheets shall including the description (by Map and Lot #) of the property being bid upon, and clearly state a firm bid amount in United States Dollars. Conditionals bids are not allowed and will not be accepted.

b. Bidders must at the time they submit a bid must include a separate bid deposit for each parcel bid upon in the form of a certified check, bank check or money order drawn to the Town of Wayne as payee in an amount equal to or exceeding 10% of the bid price for each parcel bid upon. Failure to submit bid deposits in the proper amount or form of payment in the bid package will cause the bid to be automatically rejected.

c. Bidders must deliver completed bid sheets and bid deposits to the Town for each property bid upon in a single and sealed plain envelope marked only on the outside of the envelope "Tax-Acquired Property Bid" and with the identification of the specific parcel or parcels parcel identification on the exterior of the envelope.

d. All bid responses must either hand delivered to the municipality, or mailed. If mailed, the bid response envelope shall be enclosed within a second envelope addressed to the Board of Selectmen, Town of Wayne, Maine.

e. As bids are received, the Town Office will note the time and date of receipt on the bid envelope. To qualify all bids must be received on or before the deadline and date stated in the Notice of Sale.

3.1.5 Acceptance of Bids-Limitations. The Municipal Officers may in their sole discretion accept or reject any bids that they determine are or are not in the best interests of the Town but in any case may not accept any bid for an amount less than the Minimum Bid Price. Acceptance of a bid for a lesser amount, except in the case of unbuildable lots offered for sale for more than one year, must be approved by the voters at a duly called Town Meeting.

3.1.6 Right to Accept or Reject Bids. The Municipal Officers retain the right to accept or reject any and all bids as they determine to be in the best interests of the Town, and shall cause the same terms and disclaimer to be included in all Notices of Sale and in materials soliciting bids under this Ordinance. The Municipal Officers shall notify, via mail, any successful bidder. Should the Municipal Officers reject all bids in a public bid sale, they may then cause the subject property to be scheduled for sale again through a sealed bid public sale without notice to any former owner or owners.

3.1.7 Rejection of All Bids or No Bids. Should there be no successful bidder in a public bid sale, the Municipal Officers may thereafter retain or dispose of the tax acquired properties on such terms and conditions as they determine to be in the best interests of the Town, including through another sealed bid sale, open auction, listing the property through a realtor or through a closed sale.

3.1.8 Credit and Return of Bid Deposits. The Municipal Officers shall credit successful bidders bid deposits to the purchase price of the related property and after completion of a sale, return bid deposits to the unsuccessful bidders.

3.1.9 Payment and Completion of Sales. Successful bidders must complete the sale and transfer by paying the balance due and completing the transfer within 30 calendar days following date when a bid is accepted. In the event that a successful bidder fails to complete a sale within 30 days after a bid is accepted, the Town will retain

the bid deposit and the Municipal Officers may thereafter offer the property to other bidders or pursue the process set forth in Section 3.1.7. In the event other bidders become successful bidders due to the default of abider, the other bidders must complete the sale within 30 days or similarly will forfeit their bid deposits.

3.1.10 One Time Extension. The Municipal Officers may, subject to a show of good faith and circumstances reasonably beyond the control of a bidder, extend the time limit to complete a sale for a one-time-only additional 20 days during which extended period the bidder must complete the sales.

3.1.11 Transfer Documents and Purchaser's Release. The Municipal Officers will convey the Town's tax acquired interests in a property under a Municipal Tax Release Deed and as conditions of such transfer, successful bidders shall agree to be responsible for the proper removal and disposition of any and all personal property at a property and for the peaceful and proper removal of any occupants remaining at a purchased tax-acquired property and in furtherance thereof, in writing, indemnify and hold harmless the Town from any and all claims arising out of the sale and transfer of the tax-acquired property.

ARTICLE 4. WAIVER OF FORECLOSURE OF TAX LIEN.

The Municipal Officers, upon request of the Treasurer, may without need of further approval of the legislative body of the Town of Wayne, if they determine such course to be in the best interests of the Town, proceed to file notices in the registry of deeds to waive the foreclosure of a then pending real property tax lien.

ARTICLE 5. SEVERABILITY

Any provision in this Ordinance or the application thereof to any person or circumstances determined by a court of law to be unenforceable or invalid shall not affect the application or validity of any other provision of this Ordinance.

ARTICLE 6. ADOPTION

This ordinance shall be amended by vote of the Town of Wayne's legislative body at Town Meeting or Special Town Meeting.

Wayne Board of Selectmen

Gary A Kenny
Gary Kenny, Chair

Carroll Paradis
Carroll Paradis, Vice-Chairman

Peter Ault
Peter Ault, Selectmen

Stephen Saunders
Stephen Saunders, Selectmen

Stephanie Haines
Stephanie Haines, Selectmen