

**Tax Acquired Property Policy Statement**

1. Rationale

The Town of Chebeague Island expects all taxpayers to pay their property taxes when they are due, however the Town realizes that from time to time property owners may not be willing or able to make their payments. The Town also recognizes that the State of Maine determines the lien/foreclosure process for all towns in the State. The Town of Chebeague Island must issue tax liens and foreclose on properties pursuant to 36 M.R.S.A., § 941-948.

Once a property is in foreclosure the Town of Chebeague Island can determine how to deal with the foreclosed property. The options include allowing the owner to reclaim his/her property; selling the property; conveying the property to a non-profit; or keeping the property for public purposes such as but not limited to: recreation, conservation, affordable housing, education, or town infrastructure.

2. Policy

The Selectmen of the Town of Chebeague Island are authorized to administer the policy as follows:

**1. Convey property to the owner**

Any property owner of foreclosed property will be given the opportunity to regain ownership of said property by adhering to the following process:

- A. Contact the Town of Chebeague Island Tax Collector in writing within the first ninety days after property owner has been notified of foreclosure and express an interest in regaining title to the foreclosed property.
- B. Meet with the selectmen within six months after foreclosure notification to develop a repayment plan for all costs including but not limited to principal, interest, legal fees, registry fees and administrative fees. The duration of the payment plan will be determined by the Board of Selectmen based on individual circumstances. This plan must be in writing.
- C. All payments and property taxes assessed during the payment period must be made on or before the date due or the agreement to return the foreclosed property to the property owner will be nullified and the selectmen will follow the procedures herein outlined for disposal or use of Town owned property.
- D. Should the property include the primary residence of the property owner,
- E. and the property owner is unable to pay the taxes owed to the Town, the

- F. Town may allow the resident to live in the property and when the person leaves the domicile, the Town has the option of selling the property at or near market value by sealed bid.

**2. Process to Evaluate Use/Disposal of Town Owned Property**

Foreclosed property that is not reclaimed by its original owner can be an asset to the Town. If the owner does not seek retention of the property and the process set forth in Section (1) above is not followed the property can be retained for town purposes, transferred to a non-profit for public purposes or sold to generate funds and keep it on the tax roles.

A committee appointed by the Board of Selectmen and consisting of selectmen and appointed citizens will meet prior to the next annual Town Meeting and review the possible uses of the property. The committee will rate the uses and make recommendations to the selectmen for use of the property. The Selectmen shall consider the committees recommendation and develop a warrant to be presented no later than the next annual Town Meeting for the legislative body to vote upon.

**A. Retain for Town purposes**

- a. The property will be evaluated for suitability of uses including, but not limited to, the following: coastal access, conservation, aquifer protection, habitat protection, trails, open space, recreation, marine uses, municipal infrastructure, affordable housing, and historic preservation.
- b. Recommendations to retain or dispose of Town land will be made to the committee to the selectmen, who will consider the recommendation and present a plan to retain said land to Town Meeting for its approval.

**B. Convey to Non Profits Organizations.**

- c. The Town may also consider transferring title of a foreclosed property to a registered non-profit organization.

The Town would issue a quitclaim deed with a reversion clause ensuring that the property would be returned to the Town if the non-profit were no longer able to carry out its obligations.

**C. Sell Tax Acquired Property**

Should the Town Meeting vote to sell the property, said sale shall take place as follows:

- i. Tax acquired property will be advertised for sale in the Chebeague Island Calendar, all places where Town public notices are posted, and in various publications as seem appropriate.

- ii. The Selectmen will set a minimum bid, which is not less than the assessed value of the property.
- iii. The Selectmen will develop the bid process.
- iv. The Selectmen reserve the right to accept or reject any and all bids.
- v. The Buyer will pay all legal and administrative costs associated with the purchase including back taxes..
- vi. The Selectmen will issue a quitclaim deed without covenant to the successful bidder upon payment in full for the property and associated costs. Said payment must be received within thirty days from the time the bid is awarded or the Selectmen have the authority if desired to terminate the transaction and reconsider previous bids and/or re-advertise.

3. Adoption and Revision History

Adopted unanimously by Town Meeting on: 4/12/2010 Attested: 