

**TOWN OF LINCOLNVILLE
ORDINANCE FOR THE
MAINTENANCE, ADMINISTRATION, AND DISPOSITION
OF MUNICIPAL LIEN ACQUIRED PROPERTY**

ARTICLE 1. PURPOSE

The purpose of this Ordinance is to establish procedures for the maintenance, administration, and disposition of private property acquired through a foreclosed municipal lien in accordance with Title 36 MRSA Sections 942 and 943, as amended, and Title 38 MRSA, Section 1208, as amended.

ARTICLE 2. DEFINITIONS

For the purposes of this Ordinance, all terms not specifically defined herein shall have their customary or ordinary meanings.

- A. Foreclosed Municipal Lien shall mean a property tax lien mortgage that has automatically foreclosed pursuant to Title 36 MRSA Section 942 and 943, as amended, and Title 38 MRSA Section 1208, as amended.
- B. Unassessed Taxes shall mean the amount of taxes that would have been assessed to the property in question had it not been owned by the municipality on April 1st on all years in which the municipality may hold title.
- C. Mail shall be regular, first class mail posted at any U.S. Post Office, postage prepaid.
- D. Municipality shall mean the Town of Lincolnville, Maine.
- E. Municipal Lien shall mean a statutory lien mortgage created pursuant to the provisions of Title 36 MRSA, Section 552, as amended, and Title 38 MRSA 1208, as amended.
- F. Municipal Officers shall mean the Lincolnville Board of Selectmen.
- G. Quit Claim deed shall mean a signed, legal instrument releasing the municipality's right, title, or interest in real estate property, acquired by virtue of foreclosed tax liens, to a person or persons, entity or entities without providing a guarantee or warranty of title or covenant or warranty of any kind, including title.

ARTICLE 3. MAINTENANCE AND ADMINISTRATION

Following statutory foreclosure of a municipal lien mortgage, title to the real estate property automatically passes to the municipality. The management of the property rests exclusively with the municipal officers, subject to the provisions of state statutes and local ordinances and regulations.

- A. The municipal officers shall obtain fire loss insurance, for the benefit of the municipality, only for municipal lien acquired property on which buildings, structures, or other like improvement exist in a dollar value not less than all outstanding taxes, municipal liens, costs and other attendant expenses.
- B. The Municipal Officers shall determine when and if any occupants of the municipal lien acquired property shall vacate this property. If the decision to vacate is made, a reasonable time frame will be coordinated with the occupants; also, the occupants will be directed to remove all personal property from the municipal lien acquired property when they vacate the property.
- C. The Municipal Officers shall determine whether a municipal lien acquired property is to be retained for municipal use or disposed of in accordance with provision of this Ordinance. For purposes of such determination, the Municipal Officers may consult with the municipality's Planning Board, School Committee, Municipal officials or local civic organizations.
- D. Should the Municipal Officers determine that municipal lien acquired property shall be retained for use by the municipality, the Municipal Officers may pursue action for equitable relief in accordance with the provisions of Title 36 MRSA Section 946, as amended, as a means of securing clear title to the property.
- E. The Municipal Officers may charge a monthly rental fee to any and all occupants of municipal lien acquired property. Whether a rental fee be charged, or the property remain occupied without rental charge, the Municipal Officers shall obtain a general liability insurance coverage, for the benefit of the municipality, for the rented or leased municipal lien acquired property.
- F. In the event that the property be vacated for 60 consecutive days, the Municipal Officers shall obtain a general liability insurance coverage, for the benefit of the municipality, for the municipal lien acquired property.

ARTICLE 4. DISPOSITION OF MUNICIPAL ACQUIRED PROPERTY

Should the Municipal Officers determine that title to municipal acquired property be relinquished rather than be retained by the municipality, the following shall be observed:

- A. The Municipal Officers shall solicit public bids for the sale of municipal lien acquired property and shall receive, open, and read aloud submitted bids no less than sixty (60) days after the date of publication of notice for solicitation of bids.
- B. The Municipal Officers shall send notice of the intent to solicit bids for sale of the municipal acquired property, via mail only, to the person or persons,

entity or entities to whom the property was most recently assessed for municipal taxes. The aforementioned person or persons, entity or entities, may repurchase the property within 30 days following the date when the notification was mailed, with full payment of all outstanding taxes, unassessed taxes, municipal liens, interest and all costs including, but not limited to, notice, legal fees, and insurance costs. The notice provided by this paragraph is a matter of courtesy only and failure of the municipality to send this notice shall not create any legal rights in any person or entity to whom the notice was sent, shall not invalidate the sale or use of the municipal lien acquired property pursuant to this Ordinance, nor shall such failure provide a legal basis for any legal action against the municipality or Municipal Officers.

C. The Municipal Officers shall cause a public notice of the solicitation of bids for the municipal lien acquired property to be posted within the Town Office and to be advertised for two (2) successive weeks in the Belfast Republican Journal and the Camden Herald, and three (3) successive days in the Bangor Dailey News, the last notice to be published at least seven (7) days prior to the advertised sale date.

D. The Municipal Officers shall require the following for proper submission.

- (1) A bid sheet containing a full description of the property being bid upon, and the bid price in U.S. currency.
- (2) A deposit by certified check or postal money order in an amount not less than twenty percent (20%) of the bid price. Failure to submit the proper deposit shall cause the bid to be automatically rejected.
- (3) The Municipal Officers shall require that those bid items, cited in paragraphs (1) and (2) above, be sealed in a plain envelope marked only "Municipal Lien Acquired Property" on the exterior and either hand delivered to the Lincolnville Town Office, or, if mailed, to be enclosed within a second envelope addressed to the Board of Selectmen, Town of Lincolnville, 493 Hope Road, Lincolnville, Me 04849-9722. All bids must be received and date-stamped at the Lincolnville Town Office no later than 5:00PM, local time, on the date that bids shall be opened and read.

ARTICLE 5. The Municipal Officers shall not accept any bid for a dollar amount less than the total outstanding taxes, unassessed taxes, municipal liens, interests and all costs, including but not limited to, public notice fees, legal fees, and insurance costs. Acceptance of a lesser amount must be proposed to and accepted by the voters at a town meeting. Should the Municipal Officers determine that such property ought to be disposed of by some means other than competitive bidding or that the minimum purchase price should be waived, the Municipal Officers shall make such presentation to a town meeting for voter approval.

ARTICLE 6. Any and all funds derived from the sale of municipal lien acquired property shall be deemed general revenues to the Town of Lincolnville and may be appropriated for any lawful use by the municipality.

ARTICLE 7. The Municipal Officers shall retain the right to accept or reject any and all bids submitted, and shall cause the same disclaimer to be noted in any public notice soliciting bids on accordance with this Ordinance. Should the Municipal Officers reject all bids, or in the absence of any bids, the property may be offered again for public sale without notice to that person or persons, entity or entities cited in Article 4B.

ARTICLE 8. The Municipal Officers shall notify via mail any successful bidder.

ARTICLE 9. The Municipal Officers shall, as a credit to payment, retain the submitted deposit of any successful bidder, and shall return all other submitted deposits.

ARTICLE 10. The Municipal Officers shall require payment in full, from any successful bidder within thirty (30) calendar days following the date when the bids are opened and read (see Article 11 for exception). Should the bidder fail to pay the full balance, the municipality shall retain the bid price deposit and title to the proffered property.

ARTICLE 11. The Municipal Officers may, subject to a show of good faith on the part of the bidder, extend the time limit a one-time only additional twenty (20) calendar days in which full payment must be received.

ARTICLE 12. The Municipal Officers shall issue a quit claim deed to convey title to the municipal lien acquired property without covenant to the successful bidder.

ARTICLE 13. CONSTRUCTION

A. Severability

Severability is intended throughout and within the provisions of this Ordinance. Should any provisions, including among other things any exceptions, part, phrase, or term, or the application thereof to any person or circumstances be held invalid, the application of other provisions of this Ordinance shall not be affected thereby and the validity of this Ordinance in any and all other respects shall not be adversely affected.

B. Ordinances and Policies Superseded

This Ordinance supersedes and replaces any and all like or comparable ordinances, policies, or decisions previously enacted and in force within the Town of Lincolnville, and shall remain in effect until, or unless revoked or superseded by action of the voters of Lincolnville.

C. Amendments

From time to time, circumstances may require that portions or sections of this Ordinance be amended, revised, or deleted. Such actions shall be proposed at Town Meeting to the voters of Lincolnville by the Municipal Officers.

Approval of any amendments, revisions, or deletions rest exclusively with the voters of Lincolnville.

D. Clearing Title with no Interest

No provision of this Ordinance shall be deemed to prevent the Municipal Officers from executing Deeds without sale through advertisement and sealed bid for the purposes of clearing title to property in which the Town has not legally acquired an interest.

E. Adoption

This Ordinance was submitted to the voters of the Town of Lincolnville and adopted at the Town Meeting held the 20th day of June 1994.