

2006R-

**RESOLUTION
OF THE
CITY OF MINNEAPOLIS**

By

Adopting a new policy for canceling special assessments and charges against tax-forfeited properties, with the exception of special assessments to reimburse distributions made pursuant to revolving funds created under Title 12 of the Minneapolis Code of Ordinances.

Resolved by the City Council of the City of Minneapolis

Whereas, the City Council has previously adopted Resolution 89R-423 canceling certain special assessments and charges against tax-forfeited properties purchased by the general public and Resolution 93R-211 canceling certain special assessments and charges against tax-forfeited properties purchased by the Minneapolis Community Development Agency (MCDA); and

Whereas the City Council has previously adopted Resolution 96R-089 and Resolution 97R-409 which adopted a new policy for canceling special assessments and charges against tax-forfeited properties; and

Whereas in Resolution 96R-089 and Resolution 97R-409 the City Council found that there are an increasing number of parcels of property located within the City of Minneapolis, the ownership of which has been forfeited to the State of Minnesota for failure to pay real estate taxes; and

Whereas in Resolution 96R-089 and Resolution 97R-409 the City Council found that the potential assessment or reassessment of pre-forfeiture charges, including past due public utility bills (water, sewer and solid waste removal) canceled at the time of forfeiture, and the addition of post-forfeiture charges to the sale price of tax-forfeited properties (and the assessment of service charges incurred between the date of forfeiture and the date of sale) have a detrimental effect on the market for such properties; and

Whereas in Resolution 96R-089 and Resolution 97R-409 the City Council found that no tax-forfeited property has sold at public auction prior to the one-year waiting period when special assessments and charges have exceeded the property's fair market value; and

Whereas in Resolution 96R-089 and Resolution 97R-409 the City Council found that tax forfeited properties are detrimental to the public health, safety and welfare and require the City of Minneapolis to spend additional funds for their upkeep and maintenance; and

Whereas the conditions set forth by Resolution 96R-089, as amended by Resolution 97R-409 continue to exist; and

Whereas, the City Council has created a system revolving funds pursuant to Title 12 of the Minneapolis Code of Ordinances to provide for the emergency repair of rental property

pursuant to procedures set forth in Minnesota Statute Section 504B.425 and 504B.445 (Tenants Remedy Actions) and to provide for abatement of buildings in a nuisance condition; and

Whereas, the effectiveness of revolving funds created pursuant to Title 12 of the Minneapolis Code of Ordinances require that disbursements from the revolving funds be restored to the revolving funds via the special assessment process;

Now, Therefore, Be It Resolved by The City Council of The City of Minneapolis:

That the policy with respect to tax-forfeited properties sold to the general public shall be:

1. To cancel that portion of all post-forfeiture special assessments, pending assessments and charges in excess of fair market value if Hennepin County has not sold a tax-forfeited property within 90 days after the date it is first offered to the public; and

2. To waive its right to assess or reassess pre-forfeiture and post forfeiture special assessments, pending assessments and charges related to nuisance abatement activities under Chapter 227 and similar provisions of the Minneapolis Code of Ordinances. The City of Minneapolis may, however, assess or reassess special assessments, pending assessments and charges for public improvements and for distributions made from revolving funds created pursuant to Title 12 of the Minneapolis Code of Ordinances.

Be It Further Resolved that the policy of the City of Minneapolis with respect to tax-forfeited properties located in targeted neighborhoods and purchased by the Community Planning and Economic Development (CPED) for redevelopment purposes shall be:

1. To cancel all post-forfeiture special assessments, pending assessments and charges in excess of fair market value; and

2. To waive its right to assess or reassess pre-forfeiture and post forfeiture special assessments, pending assessments and charges related to nuisance abatement activities under Chapter 227 and similar provisions of the Minneapolis Code of Ordinances. The City of Minneapolis may, however, assess or reassess special assessments, pending assessments and charges for public improvements and for distributions made from revolving funds created pursuant to Title 12 of the Minneapolis Code of Ordinances.

Be It Further Resolved that the City Council hereby authorizes and directs the Hennepin County Auditor to cancel and reduce special assessments, pending assessments and charges on its records consistent with this resolution. Hennepin County shall continue to apply net available land sale proceeds to reimburse the City of Minneapolis for pre-forfeiture special assessments, pending assessments and charges.