

# Five Ways to Transfer Tax Forfeited Property

## 1. Quick Take by a City or Possibly by Condemnation

### Minnesota Statute § 281.173. Abandoned Properties

Anytime after judgment is entered, a city, housing authority, port authority or economic development agency can seek a court order asking for a 5 week period of redemption (as opposed to one, three or five years) on certain properties, such as any property with an existing structure, or any property with a tax judgment after April 13, 1996. This applies regardless of the property's homestead tax status at the time of the sale.

### Minnesota Statute § 281.174 Vacant Properties

Anytime after judgment is entered, a city, housing authority, port authority or economic development agency can seek a court order asking for a 5 week period of redemption on certain properties, such as:

- Properties located in a targeted neighborhood revitalization program under § 469.201
- Properties without any structures on the land
- Properties classified as residential under § 273.13
- Properties on which a residential structure existed within last five years
- Applies to tax judgments after April 13, 1996

## 2. Repurchase by a Prior Owner or Person Legally Allowed to Pay Taxes

- One year timeframe for non-homestead property
- Until sold for homestead property

County Board approves by using 1 of 2 requirements:

- Undue hardship or injustice resulting from the forfeiture will be corrected OR
- Repurchase will promote the use of the lands that will best serve the public interest.

County Board denies by fact finding:

- No undue hardship or injustice to the prior owner will be corrected by a repurchase
- Permitting a repurchase will not promote the best use of the lands and will not serve the public interest

Areas of concern to look at regarding a property subject to repurchase include:

1. Crime (Drug activity, gang presence, # of police calls, etc.)
2. Code Violations and condition of the property
3. History of properties adjacent to the subject parcel

### **3. Use Deeds (for an authorized public use) – Must meet 3 requirements:**

- Is proposed purpose authorized by statute, law, or local charter?
- Does the proposed purpose qualify as an authorized public use?
- Will the proposed purpose serve the public interest as much or more than having the parcel back on the tax rolls?
  - Examples of Public Uses:
    - Street
    - Right of way
    - Park, playgrounds
    - Schools , libraries

City or Municipality **cannot** sell property on a use deed.

### **4. Auctions**

Terms and conditions of auctions are set by the County Board.

### **5. Adjacent Owner Sales (3 Requirements must be met):**

1. Parcel cannot be improved because it does not comply with local ordinances regarding minimum area, shape, frontage, or access.
2. The sale will encourage the city or township to approve the sale and allow it to be returned to the tax rolls.
3. Highest and best use of the land is achieved by adding it to an adjoining parcel.