

TO: MAYOR AND CITY COUNCIL

FROM: JON RADERMACHER, City Administrator

SUBJECT: Request to purchase Tax Forfeited Parcel 52.140.0140

MEETING DATE: June 17, 2025

BACKGROUND

The City of Cannon Falls has in interest to acquire Parcel Identified as 52.140.0140 for an Authorized Public Purpose.

As defined in Minnesota Statutes, an Authorized Public Purpose is using a parcel of tax-forfeited land by a governmental subdivision for a purpose authorized by statute, law, or local charter. The parcel does not have to be available to the general public. Access to the parcel may be limited to a select group of people as long as the purpose is authorized.

A governmental subdivision may acquire tax-forfeited land by purchasing the land for any “public purpose.” Depending on the circumstances, the land can be sold at either market value or less than market value. A “sale” to a state agency is called a “release from trust” since the state already holds the tax-forfeited land in trust for the local units of government. The sale to a governmental subdivision or state agency does not have to be approved by the Department of Revenue (M.S. 282.01). The proceeds of any sale of tax-forfeited land to a governmental subdivision or state agency are deposited in the forfeited tax sale fund.

The county board may sell nonconservation tax-forfeited lands for their market value to an organized or incorporated government subdivision of the state or a state agency for any public purpose or authorized use for which the governmental subdivision or state agency may acquire property (M.S. 282.01). The sale releases the property from the trust in favor of the taxing districts. The market value of the land is determined by the county board. The governmental subdivision or state agency must apply to the county board for such a sale.

City Charter Chapter 8

ACQUISITION OF PROPERTY. The City may acquire, by purchase, gift, eminent domain, or otherwise property within or outside its boundaries needed by the City for a public purpose.

The City of Cannon Falls declares the public purpose for the acquisition of the land on parcel 52.140.0140 for the general welfare of the City for stormwater management, flood protection and increased tax base and housing. M.S. 282.01 places numerous restriction on government entities to acquire nonconservation tax-forfeited lands as they may prevent the land from being returned to the tax rolls. According to the Delinquent Tax and Tax Forfeiture Manual, County Boards should ask the following questions in considering the approval of a sale for government purposes:

1. Is the proposed purpose authorized by statute, law, or local charter?
2. Will the proposed purpose serve the public interest as much or more than having the parcel back on the tax rolls?

The City has the expressed authority through the Charter to acquire property. The public purpose of a portion of the land is to maintain a shoreline buffer for flood protection. The second question is answered affirmatively because a portion of the land will be returned to the tax rolls in the sale to the adjacent property owner for the construction of a home. Additionally, Cannon Falls will ensure that the sale of the land acquire will not generate a profit, but may only recoup the cost of purchasing the land from the County. Furthermore, the City has a high demand in the development of housing based on the current shortages in our community.

The cost of acquisition from the County will be the market value, \$1,200, of the parcel plus recording and deed fees, estimated to be \$120.



REQUESTED COUNCIL ACTION

Approve Resolution 2815 for the public purpose of improving the general welfare of the City of Cannon Falls.

**CITY OF CANNON FALLS
GOODHUE COUNTY, MINNESOTA**

RESOLUTION NUMBER 2815

**RESOLUTION RELATING TO CONVEYANCE OF TAX-FORFEITED
PROPERTY PARCEL 52.140.0140**

WHEREAS, the “Property” is on the Goodhue County Non-Conservation List; and

WHEREAS, the City has an interest in the Property for a public purpose including stormwater management, flood protection and increased tax base and housing; and

WHEREAS, the City of Cannon Falls agrees to pay the market value for the property and any required fees associated with the sale, and not seek any financial profit from the purchase of the property in any subsequent sale of a portion of the property; and

WHEREAS, the Goodhue County Commissioners will have to formally approve the request of parcel 52.140.0140;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Cannon Falls that a formal request be made to the Goodhue County Commissioners to approve the above described plan for the Property along with a completed Application for State Deed for Tax-Forfeited Land.

1. The Recitals set forth above in this Resolution are incorporated into this Resolution as if fully set forth herein.
2. The Mayor and the City Administrator are to make application to the State of Minnesota and the County Commissioners of Goodhue County as described in this resolution.
3. The City Administrator shall submit a certified copy of this Resolution to the Goodhue County Board of Commissioners in accordance with Minnesota Statutes Section 282.01.
4. The Mayor, City Administrator, City staff and City consultants are hereby authorized and directed to take any and all additional steps and actions necessary or convenient in order to accomplish the intent of this Resolution.

Adopted this 17th day of June, 2025.

Matt Montgomery, Mayor

ATTEST:

Jon Radermacher, City Administrator