



Legislation Text

File #: RES 22-715, **Version:** 1

Rescinding participation in the Accelerated Forfeiture of Tax Delinquent Property under the Targeted Community Revitalization and Financing Program.

WHEREAS, by resolution adopted in 1987 the City established certain policies and procedures for the allocation of Urban Revitalization Action Program ("URAP") funds including procedures to identify via 1980 United States Census data, neighborhoods having higher unemployment, lower median household income, and a greater proportion of substandard housing than the City as a whole; and

WHEREAS, to establish eligibility for financial assistance from the state of Minnesota for the purpose of implementing certain revitalization programs in URAP identified neighborhoods the City was required under Minn. Stat. § 469.202, Subd. 1 to designate "targeted communities" as meeting certain eligibility requirements set forth under Minn. Stat. § 469.202, Subd. 2; and

WHEREAS, using 2000 U.S. Census data, the City's targeted communities' boundaries were updated in 2003 under Council File 13-922; and

WHEREAS, within such targeted communities, pursuant to Minn. Stat. § 281.17(b), the statutory redemption period for all land not defined as "homesteaded" land under Minn. Stat. § 273.13, Subd. 2, could be accelerated from three (3) years to one (1) year and sold to the state of Minnesota at a tax judgment sale for nonpayment of property taxes; and

WHEREAS, at the time policies to aid neighborhood revitalization were initially adopted and thereafter, one of the City's goals was to reduce the negative impact of tax delinquent and tax forfeited lands within targeted communities, through the utilization of the accelerated tax redemption period established under Minn. Stat. § 281.17; and

WHEREAS, the City now finds that concerns regarding properties having delinquent taxes or tax forfeited status shifted and has now been replaced by concerns that the active real estate market is now displacing the current residents of targeted communities; and

WHEREAS, based upon these new concerns, the City Council now finds that the policy to accelerate the forfeiture and sale of tax delinquent properties within these communities pursuant to Minn. Stat. § 281.17 is no longer in harmony with the current residents' interests within these communities; and

WHEREAS, informal conversations between City staff and staff from the office of the Ramsey County Assessor indicate that the County Assessor would support a decision to rescind the accelerated tax redemption period under Minn. Stat. § 281.17;

NOW, THEREFORE, BE IT RESOLVED, the Council of the City of Saint Paul, to best manage its targeted communities' policies in an evolving real estate market, hereby rescinds its previous policy, adopted pursuant to Minn. Stat. § 469.202, Subd. 1, to accelerate tax forfeiture proceedings pursuant to Minn. Stat. § 281.17; and

BE IT FINALLY RESOLVED that the appropriate City Officials are hereby directed to communicate this policy change to the Ramsey County Department of Property Tax, Records & Election Service and, further, in

keeping with Minn. Stat. § 469.203, Subd. 4, to communicate this policy change to the Commissioner of the Minnesota Department of Employment and Economic Development and the Minnesota Housing Finance Agency for their information and to respond to either department as necessary to implement this policy change.