



Board of County Commissioners Agenda Request

6A

Agenda Item #

Requested Meeting Date:

Title of Item:

<input checked="" type="checkbox"/> REGULAR AGENDA <input type="checkbox"/> CONSENT AGENDA <input type="checkbox"/> INFORMATION ONLY	Action Requested: <input type="checkbox"/> Approve/Deny Motion <input checked="" type="checkbox"/> Adopt Resolution <i>(attach draft)</i> <i>not included</i> <i>*provide copy of hearing notice that was published</i>	<input checked="" type="checkbox"/> Direction Requested <input type="checkbox"/> Discussion Item <input type="checkbox"/> Hold Public Hearing*
Submitted by: Cathy Buhlmann		Department: Land Dept
Presenter (Name and Title): Cathy Buhlmann, Land Asset Manager		Estimated Time Needed: 10 mins
Summary of Issue: <p>Discussion on tax forfeited parcel that forfeited on August 1, 2017. The gentleman that forfeited the property doesn't have the money to repurchase the property with paying all of the repurchase fees up front. He is requesting to repurchase the property on terms.</p> <p>The policy of Aitkin County has been that repurchase fees must be paid in full and accompany the repurchase application. Repurchasing tax forfeited properties on terms has not been done in Aitkin County.</p> <p>I have not drafted a resolution as I am not sure which way the board would like us to go on this issue and what the resolution should say.</p>		
Alternatives, Options, Effects on Others/Comments: Pros and Cons are discussed on the attached sheet		
Recommended Action/Motion: Looking for board direction as this is going against past policy but is allowed by state law.		
Financial Impact: Is there a cost associated with this request? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No What is the total cost, with tax and shipping? \$ Is this budgeted? <input type="checkbox"/> Yes <input type="checkbox"/> No <i>Please Explain:</i>		

Legally binding agreements must have County Attorney approval prior to submission.

October 16, 2017

Today, Mr. Mark Maudel placed a repurchase application with this office on the forfeiture of his home in McGregor. According to Mr. Maudel, he cannot come up with the entire cost of the repurchase and does not have any other place to move to. This is his homestead. In researching the repurchase laws, it appears that the county board, with good cause, can allow a repurchase installment payment plan for a particular parcel of land (Minnesota Statutes 2017 - 282.241).

Mr. Maudel is proposing the following: total repurchase costs are: \$8,059.74 until November 1, 2017. He has brought in \$2,000.00 in the form of a money order. The balance of the costs, he is proposing to pay with monthly payments of \$555.06 until paid in full (this would pay off in approx. 12 months). This would include interest on the unpaid balance at the state rate of 10% simple.

If the board decides to accept this payment plan, I would suggest the following requirements be added as a part of the contract with him:

Mr. Maudel would be responsible for paying each year's real estate taxes when they become due. No special assessments (unpaid utilities with the city) will occur during this period. If at any time, any of the afore mentioned items happen or payments are not made when due, the forfeiture will become effective upon a 30 day notice on the subject property and/or mailed to the landowner. The property will be promptly vacated, but in no case later than 11:59 a.m. on the 31st day after the posting or mailing of the notice.

Mr. Maudel is not entitled to any refund of any amounts paid towards the repurchase costs in the event of a default on the contract to repurchase. The forfeiture becomes effective unless Mr. Maudel pays the entire outstanding repurchase balance before the 30th day.

Mr. Maudel will also be required to carry a liability policy on this property during the term of this contract with Aitkin County listed as an additional insured. This liability policy must be equal or greater than the County's statutory liability caps. The Aitkin County Land Department will be provided with a copy of the binder on the policy along with a copy of the paid receipt. This will be due effective the date of the agreement on this repurchase contract. If the liability insurance is not received on this property, Mr. Maudel will be considered in violation of the contract to repurchase.

Mr. Maudel also will not receive the deed in his name until the contract for repurchase is paid in full.

Pros of accepting a contract to repurchase:

1. Save the costs of cleanup of the property, possible demolition of structure.
2. City would receive their assessment costs that they may not get if the county gets the property. The cost of demolition would probably be more than what the property would sell for causing the city to not get paid their assessment costs.
3. Property owner will have a place to live.
4. Property owner supposedly has a new job that should support him keeping his taxes and utilities current.

Cons of accepting a contract to repurchase:

1. Same property owner forfeited this property in 2004.
2. Same property owner has had a confession of judgement on his taxes that he didn't pay causing it to forfeit for taxes that were due in 2009, 2010, 2011, 2012, and 2013. The property taxes alone are approx. \$100.00 to \$150.00 each year. Each year the city has been assessing the city utilities against his taxes as he has not been paying them to the city.
3. He does not have a good track record for making payments when they are due.
4. Creating a precedence – Aitkin County has never allowed someone to repurchase under an installment payment. In the past, all repurchase applicants have been told that all fees are due at the time of application for repurchase. The right to repurchase with no money down and renting the property was denied in the past on a homestead property. Allowing this repurchase on terms may cause a new trend.
5. Liability on the property during the period of repurchase. We would need to carry this property on our insurance until such time as he paid the past costs off in full.
6. Additional staff time to monitor compliance with the terms of the contract and to enforce any breach of the contract.

To the Honorable Board of County Commissioners of
Aitkin County, Minnesota

I, the undersigned owner mortgagee-heir-representative of heirs Mark Maudal, at
the time of forfeiture of the parcel of land situated in the County of Aitkin, State of Minnesota, described as follows,
to-wit: Rodenberg Plat in Town of McGregor Lots 11 & 12 Block 4

do hereby make application for the purchase of said parcel of land from the State of Minnesota, in accordance with
the provisions of Minnesota Statutes 1945, Section 282.241, as amended.

In support of this application for the repurchase of said land, I make the following statement:

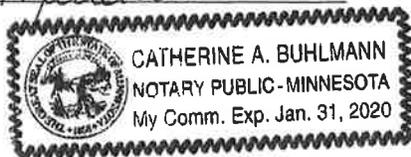
(a) That hardship and injustice has resulted because of forfeiture of said land, for the following reasons,
to-wit: Have not been able to find anywhere to live.
I thought I was paying confession of judgment but I
wasn't.

(b) That the repurchase of said land by me will promote and best serve the public interest, because:
I am going to get my taxes back up to date
with in 1 year, and I will continue to keep
my taxes & utilities current.

Mark Maudal
Owner-Mortgagee-Heir-Representative of Heirs

State of Minnesota
County of Aitkin

The foregoing instrument was acknowledged before me this 16th day of October, 2017 by
Mark Maudal



Catherine A Buhlmann
Signature of person taking acknowledgement

Notarial Seal

Thru October 31, 2017

Amount owed for repurchase application \$ 8,059.74

10-16-17 Cashiers Check received 2,000.00

Still owed 6,059.74

I will pay \$555.06 a month amount until amount is paid in full. I will keep my taxes and utilities current.

Mark Mark

2017 Minnesota Statutes

[Authenticate](#)

282.241 REPURCHASE AFTER FORFEITURE.

Subdivision 1. **Repurchase requirements.** The owner at the time of forfeiture, or the owner's heirs, devisees, or representatives, or any person to whom the right to pay taxes was given by statute, mortgage, or other agreement, may repurchase any parcel of land claimed by the state to be forfeited to the state for taxes unless before the time repurchase is made the parcel is sold under installment payments, or otherwise, by the state as provided by law, or is under mineral prospecting permit or lease, or proceedings have been commenced by the state or any of its political subdivisions or by the United States to condemn the parcel of land. The parcel of land may be repurchased for the sum of all delinquent taxes and assessments computed under section [282.251](#), together with penalties, interest, and costs, that accrued or would have accrued if the parcel of land had not forfeited to the state. Except for property which was homesteaded on the date of forfeiture, repurchase is permitted during six months only from the date of forfeiture, and in any case only after the adoption of a resolution by the board of county commissioners determining that by repurchase undue hardship or injustice resulting from the forfeiture will be corrected, or that permitting the repurchase will promote the use of the lands that will best serve the public interest. If the county board has good cause to believe that a repurchase installment payment plan for a particular parcel is unnecessary and not in the public interest, the county board may require as a condition of repurchase that the entire repurchase price be paid at the time of repurchase. A repurchase is subject to any easement, lease, or other encumbrance granted by the state before the repurchase, and if the land is located within a restricted area established by any county under Laws 1939, chapter 340, the repurchase must not be permitted unless the resolution approving the repurchase is adopted by the unanimous vote of the board of county commissioners.

past policy.

The person seeking to repurchase under this section shall pay all maintenance costs incurred by the county auditor during the time the property was tax-forfeited.

Subd. 2. **Alternative computation of repurchase amount.** A county board may by resolution establish an alternative method of computing the repurchase amount under this subdivision for property homesteaded at the time of forfeiture that has been in forfeited status for more than ten years. Equivalent taxes, penalties, interest, and costs for each year the property was in forfeiture status must be computed using the simple average of the assessor's estimated market value at forfeiture and the assessor's current estimated market value multiplied by the classification rates under current law and applying the current tax, penalty, and interest rates. Those amounts, plus any unpaid special assessments reinstated and included in the purchase price under section [282.251](#), including the penalties and interest that accrued or would have accrued on the special assessments, computed under current rates, are the repurchase price. The county assessor shall determine the current market value and classification of the property.

History: [1945 c 296 s 1](#); [1947 c 490 s 1](#); [1949 c 461 s 1](#); [1951 c 514 s 1](#); [1953 c 471 s 1](#); [1955 c 612 s 1](#); [1957 c 32 s 1](#); [1957 c 832 s 1](#); [1975 c 316 s 1](#); [1986 c 444](#); [1987 c 268 art 7 s 51](#); [1992 c 511 art 2 s 29](#); [1993 c 11 s 2](#); [1999 c 243 art 13 s 15](#); [1Sp2001 c 5 art 3 s 64](#); [2014 c 308 art 10 s 12](#); [1Sp2017 c 1 art 2 s 36](#)

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MONEY ORDER

GRAND TIMBER BANK

PO Box 220, McGregor, MN 55760
Phone (218) 768-2410
www.grandtimberbank.com

75-1678/912

015994

DATE 10/16/2017

PAY TO THE ORDER OF

Aitkin County Land Department

\$ 2,000.00

\$2,000.00

DOLLARS

***** DOLLAR TWO COMMA ZERO ZERO ZERO PERIOD ZERO ZERO *****

Sue Hawthier

AUTHORIZED SIGNATURE

REMITTER Mark Maudal

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