



Micki O'Keefe
Property Tax & Election Manager
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Red Wing, MN 55066
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TO: County Board of Commissioners
FROM: Micki O'Keefe, Property Tax & Election Manager
Lucas Dahling, Finance Director
SUBJECT: Tax Forfeited Land – City of Cannon Falls Request
DATE: July 15, 2025

Background:

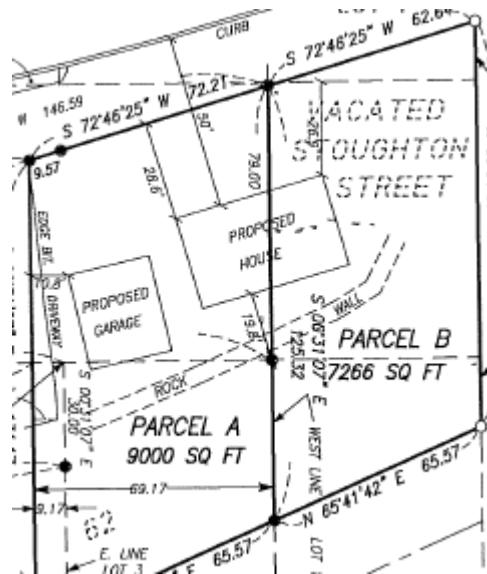
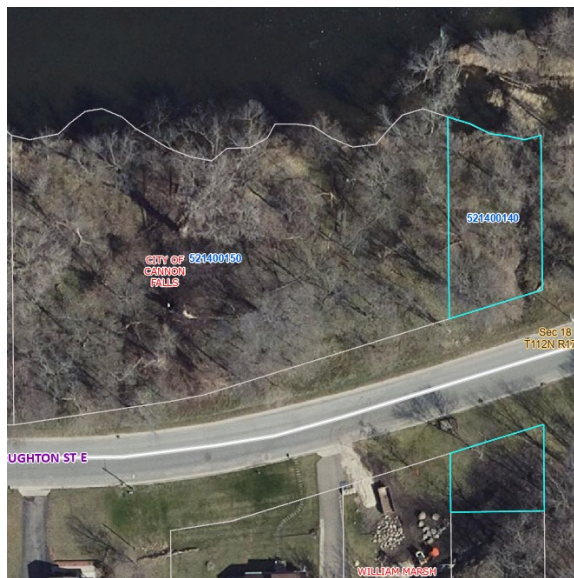
Parcel 52.140.0140 went tax forfeited on May 15, 1993. The parcel borders the Cannon River and is split by Stoughton Street. In April of 2017, the County asked the Minnesota Department of Natural Resources (DNR) to review tax forfeited parcels that had forfeited between 1940 and 2002 and remained in trust for local taxing districts. In January of 2018, the DNR's response specific to parcel 52.140.0140 was:

10 PARCELS WITH OVER 150 FEET OF WATERFRONT AND WITH STANDING TIMBER-VALUE PROVIDED AND APPROVED FOR SALE

According to Minn. Stat. 282.018, Subd. 1, Department approval is needed for the county to proceed with the sale of the parcels because waterfront exceeds 150 feet. In addition, the following parcels have been reviewed by DNR Division of Forestry staff and determined to have standing timber. Timber means trees that will produce forest products of value, including, but not limited to: logs, bolts, pulpwood, posts, poles, cordwood, lumber and decorative material. According to Minn. Stat., sec. 282.01, subd. 3., the Department must approve the appraised value of the timber and the sale of the land. Goodhue County did not provide timber values and the DNR Division of Forestry completed timber appraisals on these parcels. The Department approves the timber values as appraised and sale for the following parcels. However, we have resource concerns and would welcome further discussion.

This parcel has greater than 150 feet of water frontage on Cannon River, a Public Waters Inventory (PWI) water course. The Cannon River is a Wild and Scenic River. This is a forested parcel with an appraised timber value of \$141.00. There may be the potential for the following rare species within a one mile radius of the parcel: Suckermouth Minnow (special concern). Additional information on rare species can be found at <http://www.dnr.state.mn.us/rsg/>. The parcel contains NWI designated wetlands (Type 1).

In September of 2024, the City of Cannon Falls contacted the County about acquiring this parcel. They have a resident that wants to build a house on the adjacent lot but they need additional footage to make it possible. In April of 2025, the City vacated a portion of Stoughton Street. The north portion of the street accrued to the tax forfeited parcel.



County staff met in May to discuss this parcel. Staff believe it to be in the best interest for the City to acquire this property due to an existing drainage swale outlet on the North side of Stoughton Street. Then the City can split off the section of tax forfeited land South of Stoughton Street along with the section of vacated street and sell that to the adjoining landowner.



On June 25th the City of Cannon Falls submitted a resolution requesting the parcel be sold to them for market value plus transfer fees.

Discussion

Minnesota Statute 282.01 allows for a governmental subdivision to acquire tax-forfeited land by purchasing the land for any “public purpose.” 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, and the board may use the Assessor’s most recent estimated market value if they believe it reflects the current fair market value of the property. For reference, the County Assessor has placed an estimated market value of \$1,200 on this parcel.

According to Department of Revenue guidance, a County Board should ask the following questions before approving or denying a sale. If the answer to both questions is “yes”, the County Board may approve the request by resolution.

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?

Generally, a governmental subdivision will not be authorized to buy tax-forfeited land for the intent to make a profit by reselling the property. The City’s resolution specifically states that the City will pay the market value for the property and required fees and will not seek any financial profit from the purchase of the property in any subsequent sale of a portion of the property.

Recommendation:

Staff recommends that the County Board approve the sale to the City of Cannon Falls. Staff feels the public purpose requirement is currently met since they use the land as a drainage swale to the Cannon River. Furthermore, the section not needed for the drainage swale is intended to be split and sold and will be returned to the tax rolls.

BOARD OF COUNTY COMMISSIONERS
GOODHUE COUNTY, MINNESOTA

Date: 15 July 2025

RESOLUTION APPROVING GOODHUE COUNTY TO SELL PARCEL 52.140.0140
TO THE CITY OF CANNON FALLS.

WHEREAS, the County Board of Commissioners of Goodhue County, State of Minnesota, have received a request from the City of Cannon Falls to acquire parcel 52.140.0140 for public purpose.

WHEREAS, the County Board has determined that a sale at market value is in the public's interest because the City is currently using a large portion of the parcel for a public purpose and the remaining portion is going to be split and returned to the tax rolls.

NOW, THEREFORE BE IT RESOLVED that the Goodhue County Board of Commissioners hereby grant their approval for the City of Cannon Falls in acquiring parcel 52.140.0140 for public purpose and future split and sale to adjoining land owner.

BE IT FURTHER RESOLVED that the Goodhue County Board of Commissioners grants the sale at a price of \$1,200.00 plus recording and deed fees.

BE IT FURTHER RESOLVED that the Goodhue County Board of Commissioners hereby requests staff to complete the necessary application and submit it to the State of Minnesota.

State of Minnesota
County of Goodhue

Anderson	Yes____	No____
Betcher	Yes____	No____
Flanders	Yes____	No____
Greseth	Yes____	No____
Majerus	Yes____	No____

I, Scott Arneson, duly appointed, qualified and County Administrator of the County of Goodhue, State of Minnesota, do hereby certify that I have compared the foregoing copy of a resolution with the original minutes of the proceedings of the Board of County commissioners, Goodhue County, Minnesota at their session held on the 15th day of July, 2025, no on file in my office, and have found the same to be a true and correct copy thereof.

Witness my hand and official seal at Red Wing, Minnesota, this 15th day of July, 2025.

Scott Arneson
County Administrator

**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

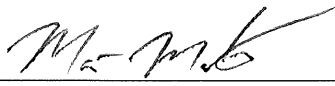
WHEREAS, the City of Cannon Falls agrees to pay the market value for the property and any required fees associated with the sale, and not seek any financial profit from the purchase of the property in any subsequent sale of a portion of the property; and

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 Rademacher, City Administrator