



Legislation Text

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**File #:** 18-0472R, **Version:** 1

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RESOLUTION TO NOT REIMPOSE DEMOLITION ASSESSMENT TO FACILITATE HABITAT FOR HUMANITY PROJECT.

BY COUNCILORS ANDERSON AND HOBBS:

WHEREAS, in in 2010, the city demolished a condemned residential structure on property located at 2406 West First Street (P.I.N. Nos. 010-1120-04220 and 010-1120-04230, hereinafter the "Property") and imposed an assessment for the cost thereof in the amount of \$5,695.85 against the Property (the "Assessment"); and

WHEREAS, the Property was subsequently forfeited to the State of Minnesota for taxes, cancelling the Assessment and rendering it uncollectable except as described below; and

WHEREAS, Western Lake Superior Habitat for Humanity (hereinafter "Habitat") has acquired the Property and intends to construct thereon a three-bedroom single family home which it will convey to a qualified low or moderate income family, thereby returning the Property to the tax rolls and assisting the community in meeting the pressing need for housing for families of low and moderate income; and

WHEREAS, pursuant to Laws of Minnesota, 1997, Chapter 231, Article 2, Section 3, the city has the discretion to re-impose the Assessment; and

WHEREAS, the re-imposition of the Assessment would render the Project more difficult and less financially viable, imposing additional burdens on both Habitat and a qualified low or moderate income family in need of housing in the community; and

WHEREAS, the city council has determined that it is in the best interests to the City of Duluth and the community to encourage the development of housing which will meet a substantial need for family housing for families of low and moderate income in the community as well as encouraging developments which will return tax forfeited property to the tax base.

RESOLVED, that the City of Duluth hereby exercises its discretion to not re-impose the Assessment against the Property.

STATEMENT OF PURPOSE: The purpose of this resolution is state the city's decision to not re-impose a demolition assessment, previously cancelled by reason of tax forfeiture of the subject property, against a tax forfeited property which had been acquired by Western Lake Superior Habitat for Humanity upon which they proposed to build a three-bedroom home for sale to a low or moderate income family qualified under their standard program.

By virtue of state legislation, the city has the discretion to re-impose or not re-impose such cancelled assessments. Because this project would both get a previously tax forfeit property back on the tax rolls with a new house on it and would assist in meeting a community-wide need for family housing for low and moderate income families, this resolution represents the council's determination that in this case the old assessment should not be re-imposed.