

HENNEPIN COUNTY

MINNESOTA

ACQUISITION INFORMATION FOR PROPERTY OWNERS

The acquisition of privately owned real property is sometimes necessary when making improvements to county roads. The following information applies to those individuals whose land must be either partially acquired or acquired in its entirety by Hennepin County. This document will explain your rights under Minnesota law and provide information about the acquisition process.

Under Minnesota law, the county may acquire property by gift, direct purchase, or eminent domain proceedings.

EARLY CONTACT

Before the county is in a position to acquire your property, per Minnesota Statute 117.041, a survey crew may enter upon your land to obtain information for the development of the proposed improvement.

When property impacts have been determined, the property owner(s) will be contacted by a land acquisition agent. Any questions can be directed to that land acquisition agent.

DETERMINATION OF JUST COMPENSATION

An appraisal of your real property will be made before negotiations are started. Real property is defined as the rights and interests possessed in land and generally whatever is erected, or growing upon, or affixed to, land. An attempt to provide an opportunity to accompany the appraiser during the inspection will be provided to you or a representative you designate. This provides you an opportunity to point out any unusual or hidden features your property may possess.

The appraisal is based primarily on studies of recent sales of property in the vicinity of your property. The county will review the completed appraisal.

Based on Minnesota Statute 117.187, Minimum Compensation, "When an owner must relocate, the amount of damages payable, at a minimum, must be sufficient for an owner to purchase a comparable property in the community and not less than the condemning authority's payment or deposit under section 117.042, to the extent that the damages will not be duplicated in the compensation otherwise awarded to the owner of the property. For the purposes of this section, "owner" is defined as the person or entity that holds fee title to the property."

The amount of damages may be different than the appraisal value of your property. The county's offer will be the higher of the appraised value or the minimum compensation damage.

The Internal Revenue Service (IRS) requires the property owner to furnish the county with a Taxpayer Identification Number before payment can be made. An approved form (IRS W-9) will be provided by the county.

Hennepin County Land Acquisition Group

1600 Prairie Drive, Medina, MN 55340
hennepin.us



DIRECT PURCHASE

The county will make a prompt offer to purchase the property for the full amount it has determined to be just compensation. A written statement will be provided to you, which will include the amount offered and an explanation of the basis for determining this amount. In cases where only a part of the property is to be acquired, the statement will separate the amount of compensation to be paid for the property being acquired and the amount (if any) for damages to the remainder. If the acquisition leaves you with an uneconomic remnant, the county must offer to purchase it.

The county will not take any action, which would coerce you into accepting its offer. Prohibited actions include advancing the time of condemnation, deferring negotiations or condemnation, or postponing the deposit of funds in court for your use.

An owner may obtain an appraisal, by a qualified appraiser, of the property proposed to be acquired and is entitled to reimbursement for the reasonable costs of the appraisal from the county, up to a maximum of \$1,500 for a single or two-family residential property, and \$5,000 for other types of property, provided that the owner submits to the county agent the information necessary for reimbursement. The county must pay the reimbursement to the owner, in a reasonable amount of time, after the agent receives a copy of the appraisal and the reimbursement information. The county may pay the appraiser directly provided the owner has coordinated the payment with the county agent.

If you elect to accept the offer, you will be asked to sign instruments granting the county the right to purchase your property. The county will at its own expense furnish all documents necessary to complete the sale, make the necessary examination of title, and record the instruments of conveyance. The check will be mailed to you; you and your mortgagee (if one exists) must then agree on a distribution of the money.

If only a part of your property is to be acquired, the county may ask for a partial release of the mortgage. Your land acquisition agent will work with you and your bank to obtain the necessary documents.

If all or a major portion of your property is being acquired, it will be necessary that all current and delinquent real estate taxes, as well as all special assessments, be paid in full. In some instances the county may be able to record the documents notwithstanding current real estate taxes due.

The county will make every reasonable effort to avoid litigation by acquiring your property through direct negotiation.



RELOCATION

If you must move because your home is being acquired, or if you must relocate your business or farm operation because of the acquisition of your property, you will be given at least 90 days written advance notice of the date by which you are required to move. If you have to move from your home, a decent, safe and sanitary replacement dwelling must be available to you, on a nondiscriminatory basis, prior to your displacement.

You are not required to surrender possession of your property until:

1. You have been paid the agreed purchase price, or
2. A deposit has been made with the court, for your benefit; in an amount not less than the county approved appraisal, or the amount of the award of compensation in a condemnation proceeding. For procedures to withdraw this deposit you can contact the County Attorney's Office at (612) 348-5522.

Once the county has acquired your property, it may decide to rent it, subject to termination on short notice. The amount of rent charged you, or another tenant, will not exceed the fair rental value of the property to a short-term occupier.

GIFT OR DONATION

You may make a gift or donation of the property, or any part of it, or any of the compensation paid for it, to the county.

You have the right to receive just compensation for the acquisition of the property. You are also entitled to have an appraisal made of the property along with an offer of just compensation.

However, you may release the county from either or both of the obligations at your written request

EMINENT DOMAIN

The county may exercise the power of eminent domain under Minnesota Statutes Chapter 117. If a situation such as this does occur, the county will institute formal condemnation proceedings. At this time all parties with an interest in the property will be notified of the action, i.e. mortgage(s), liens, tenants, leases, etc.

BUILDINGS, STRUCTURES AND IMPROVEMENTS - SINGLE OWNERSHIP

When the county obtains an interest in your land, it must acquire at least an equal interest in any buildings, structures or improvements located on the acquired land, if they are required to be removed or if the highway project will adversely affect them.



TENANT-OWNED BUILDINGS, STRUCTURES AND IMPROVEMENTS

The county is required to pay for property as if it was in a single ownership and the contributory value of a tenant's improvements will be paid. In other words, if you are a tenant who owns a building, structure or improvement on land required for public purposes, the offer made by the county to the landowner will include either the fair market value which your building, structure or improvement contributes to the real property or the fair market value of the building, structure or improvement for removal from the real property, whichever is greater. As a tenant owning any buildings, structures or improvements on real property you must reach agreement with the landowner as to your share of the settlement.

REIMBURSEMENT OF LITIGATION EXPENSES

If any of the three following conditions exist, the county must reimburse you for your reasonable costs, disbursements, and expenses, including reasonable attorney, appraisal, and engineering fees which you have actually incurred. Such litigation expenses are reimbursable only under these conditions:

1. If the county starts a condemnation action, but the court decides that the county does not have authority to acquire your property by condemnation, or
2. If the county starts a condemnation action and abandons it, or
3. If you as owner, successfully maintain an inverse condemnation proceeding. (Inverse condemnation is a legal process by which an owner brings suit against the county to prove that they have taken compensable property rights without payment of just compensation), or
4. Attorney fees are compensated according to Minnesota Statutes Chapter 117.031.

REIMBURSEMENT OF INCIDENTAL EXPENSES

You are entitled to be reimbursed for fair and reasonable expenses you necessarily incurred for:

1. Recording fees, transfer taxes, and similar expenses incidental to conveying your real property to the acquiring agency.
2. Penalty costs for prepayment of any pre-existing, recorded mortgage, entered into in good faith, encumbering your property.
3. The pro-rated portion of prepaid real property taxes that can be reimbursed in accordance with state law.

APPEALS

You may file a written appeal with the county in any case in which you believe that the county has failed to properly determine your eligibility for, or the amount of, a payment required for those expenses incidental to transfer of title to the county or certain litigation expenses as mentioned above. The county shall consider all written appeals, regardless of form.



In filing an appeal you have the right to be represented by legal counsel or other representative in connection with the appeal, but solely at your own expense. In making an appeal you shall be permitted to inspect and copy all materials pertinent to the appeal, except materials which are classified as confidential by the county. Reasonable conditions may be imposed upon right to inspect, consistent with applicable laws.

SUMMARY AND CONCLUSION

What is stated here is brief and general. If you desire more information, you may request assistance from the land acquisition agent assigned to acquire your property.

Hennepin County
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Land Acquisition Group
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612-596-0324
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