From: <u>John Purdy</u>

To: Rebecca Noecker; *CI-StPaul Contact-Council

Cc: Anika Bowie; Saura Jost; Mitra Jalali; Hwa Jeong Kim; Nelsie Yang; Cheniqua Johnson

Subject: RES 24-720 Adopting City Special Assessment Policies

Date: Sunday, June 23, 2024 12:38:23 PM

Council Member Rebecca Noecker for Ward 2 City Clerk for the Council Saint Paul City Council 310-B City Hall 15 Kellogg Blvd. W. Saint Paul, MN 55102

Dear Council Member Noecker and City Clerk,

Please accept and post my public comments under RES 24-720

Regarding Section 6. I. B., Assessable Frontage Calculation Exceptions, Exception 2. found on pg. 8, the exception reads: "When a street reconstruction, rehabilitation or mill and overlay project improves an abutting street, the frontage used in the assessment calculation is the property's short side."

Does the Council intend to allow an assessment based upon the short side of the property only when the street reconstruction, rehabilitation or mill and overlay project includes such improvements along multiple frontages of the single property?

If so, then the following language might be better written as follows: "When a street reconstruction, rehabilitation or mill and overlay project improves two or more streets abutting one property, the frontage used in the assessment calculation is the property's short side."

Also, the Note to Exception 2, now reads: "Note: Exception 2 applies to residential properties 1-4 units that are tax-exempt, and to residential properties 1-4 units that are taxable but owned by a tax-exempt entity (e.g., private college). Taxable properties with a split residential/commercial use are not eligible for the above exceptions."

Does Exception 2 apply to all residential properties including those that are tax exempt? If so, then the following language might be better written as follows: *Note: Exception 2 also applies to residential properties 1-4 units that are tax-exempt, and to residential properties 1-4 units that are taxable but owned by a tax-exempt entity (e.g., private college). Taxable properties with a split residential/commercial use are not eligible for the above exceptions."*

Regarding Section 6 .II. 1. Calculation of Special Benefit, the paragraph reads: "1. A baseline market value for a property is established using the most recent estimated market valuation published by Ramsey County for property taxation purposes. Each property is then assigned a special benefit percentage, as provided by an independent appraisal consultant, based on an analysis of maximum supportable special benefits and broad market research. The market value of the property is then multiplied by the special benefit percentage to produce a maximum special benefit assessment amount."

For the West Side Annapolis Street Reconstruction project in 2024, this calculation method produces 38 property assessments all assigned the same, 2.75% of estimated market value, as expressed in U.S. dollars.

This method is barred by our State Constitution under Article X section 1, which reads: "The

legislature may authorize municipal corporations to levy and collect assessments for local improvements upon property benefited thereby <u>without regard to cash valuation</u>" (emphasis added). Minnesota Statute <u>429.061</u>, <u>Subdivision 1</u> repeats this constitutional prohibition verbatim.

The proposed policy states it is guided by these lawful provisions but in actuality, is not.

The proposed policy will result in unlawful assessments and inequitable burdens onto low income neighborhoods whose residents cannot afford, once again, to appeal their grievance before Ramsey County District Court.

The Council should not support this resolution being offered by the Office of Financial Services, Public Works, and the City Attorney, in conjunction with Hosch Appraisal and Consulting.

The Council alone holds the power to set assessment policy under Minnesota Statute 429.061, Subdivision 1, and City Administrative Ordinance Section 2.02.

Please consider this and also please consider setting a public hearing, similar to the public hearing process that Saint Cloud recently afforded to its residents, for the establishment of its new assessment policy.

Thank you,

John Purdy 10 W Delos St St Paul, MN 55107 651-292-9651