

# HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA

REPORT TO THE COMMISSIONERS

DATE: DECEMBER 9, 2020

**REGARDING: RESOLUTION APPROVING THE FINAL 2021 HRA BUDGET AND  
CERTIFYING THE FINAL HRA PROPERTY TAX LEVY PAYABLE  
IN 2021**

## **Requested Board Action**

Certify the final 2021 HRA budget and the final HRA tax levy payable in 2021.

## **Background**

On September 23, 2020, the 2021 HRA budget proposal was presented to the HRA Board of Commissioners and on October 21, 2020 there was a follow up presentation made to members of HRA Board of Commissioners meeting as the Saint Paul City Council. The October 21, 2020 presentation answered several questions of the HRA Board and provided additional detail on the proposed budget for the HRA Parking Fund. Staff provided additional information to HRA Commissioners for budget deliberations in a document dated October 30, 2020. Technical changes to the proposed budget are attached, including adjustments to projected parking fund revenues, reducing 2021 proposed business assistance dollars budgeted and invested in 2020, and prior-budgeted funds to be carried forward in the Loan Enterprise Fund.

Also on September 23, 2020, the HRA Board of Commissioners adopted a certified maximum 2021 HRA tax levy of \$4,547,359 by resolution RES 20-1299. No increase to the HRA levy was proposed in 2021. The proposed 2021 HRA levy is 89.6% of the maximum allowed under State Law. The HRA levy is capped at 0.0185% of the estimated market value of Saint Paul property, projected to be \$27.447 billion in 2021. The final levy cannot be higher than the \$4,547,359 proposed maximum levy certified to Ramsey County.

The HRA property tax levy provides revenue to the HRA to support HRA investments in affordable housing development and business and job growth. Activities financed by the HRA through the levy and other sources include maintenance of HRA-owned redevelopment property,

HRA programs including the Housing Trust Fund, Rental Rehab Program, and business assistance programs, payroll and overhead for HRA staffing provided by the Department of Planning and Economic Development, City Attorney services for the HRA, and the mandated State audit of the HRA.

To comply with the State of Minnesota's Truth in Taxation laws, the HRA must certify to Ramsey County the final HRA property tax levy payable in 2021, no later than December 31, 2020. The proposed final 2021 HRA tax levy to be certified to Ramsey County is \$4,547,359. The attached resolution would certify this final tax levy by that date.

### **Future Action**

This action is subject to the approval of the Council of the City of Saint Paul. The Council of the City of Saint Paul will need to approve the HRA Board of Commissioner's recommended final 2021 HRA budget and final HRA property tax levy payable in 2021.

### **Recommendation:**

Approval of the final 2021 HRA budget as proposed with technical amendments attached. Certification of the final HRA tax levy payable in 2021 to Ramsey County by December 31, 2020.

**Sponsored by:** Chair Chris Tolbert

**Staff:** Rhonda Gillquist 651-266-6631

### **Attachments**

- 2021 HRA proposed budget
- Budget presentations from September 23 and October 21, 2020
- 2021 HRA proposed technical budget changes