From:	Jenna Sadjadi
To:	ROBERT MUSCHEWSKE
Cc:	*CI-StPaul_Contact-Council
Subject:	FW: Vote No on the Galtier/Cray Plaza TIF Request
Date:	Tuesday, June 9, 2026 4:04:03 PM
Attachments:	image001.png

Hi Bob – Thanks for letting us know. Your comment will be added to the public record for RES PH 26-138.

Jenna Sadjadi (she/they)
Executive Assistant to Council President Noecker
Saint Paul City Council - Ward 2
15 W Kellogg Blvd, Room 310B
Saint Paul, MN 55102
651-266-8620 | **www.stpaul.gov/ward2**
SAINT PAUL
MINNESOTA

From: ROBERT MUSCHEWSKE <rmuschewske@comcast.net>
Sent: Tuesday, June 9, 2026 3:16 PM
To: Jenna Sadjadi <Jenna.Sadjadi@ci.stpaul.mn.us>
Subject: RE: Vote No on the Galtier/Cray Plaza TIF Request

Think Before You Click: This email originated **outside** our organization.

Jenna - thank you. Please do add it to the public record for the Council meeting tomorrow if it is not already there. I did submit it through the HRA contact address.

Bob

Bob Muschewske
370 Summit Avenue
Saint Paul, MN 55102

rmuschewske@comcast.net
612-578-3635

On 06/09/2026 2:56 PM CDT Jenna Sadjadi <jenna.sadjadi@ci.stpaul.mn.us> wrote:

Hi Bob – Thank you for contacting the Ward 2 office. Council President Noecker shares you will be receiving a detailed response for her soon.

In the meantime, please let me know, would you like your testimony added to the public record for the Council meeting tomorrow?

Jenna Sadjadi (she/they)
Executive Assistant to Council President Noecker
Saint Paul City Council - Ward 2
15 W Kellogg Blvd, Room 310B
Saint Paul, MN 55102
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SAINT PAUL
MINNESOTA

From: ROBERT MUSCHEWSKE <rmuschewske@comcast.net>
Sent: Sunday, June 7, 2026 7:00 AM
To: #CI-StPaul_Ward1 <Ward1@ci.stpaul.mn.us>; #CI-StPaul_Ward2 <Ward2@ci.stpaul.mn.us>; #CI-StPaul_Ward3 <Ward3@ci.stpaul.mn.us>; #CI-StPaul_Ward4 <Ward4@ci.stpaul.mn.us>; #CI-StPaul_Ward5 <Ward5@ci.stpaul.mn.us>; #CI-StPaul_Ward6 <Ward6@ci.stpaul.mn.us>; #CI-StPaul_Ward7 <Ward7@ci.stpaul.mn.us>
Subject: Vote No on the Galtier/Cray Plaza TIF Request

In$ight St. Paul* recommends a NO vote on the Galtier/Cray Plaza TIF request

Saint Paul is now the largest user of TIF in Minnesota. Saint Paul had over 7% of taxable property captured in TIF projects. Approximately 7% of current property taxes paid by each taxpayer go to support the costs of TIF financing. Saint Paul's tax levies to service the debt for TIF projects INCREASED 40.1% by approximately $13M from 2015-2024. TIF debt service in 2025 was approximately $41,000,000 and did not appear on the proposed budget. Saint Paul’s net property tax burden rate of 17.1% is almost double the State average of 9.2%.

Structural and Fiscal Concerns in Saint Paul

- TIF has diverted tax revenue away from general funds (schools, public safety, libraries, parks) for decades.
- TIF has shifted costs onto non-TIF taxpayers who must cover rising service demands without benefiting from the increment.

- TIF creates long-term fiscal opacity making it difficult for the public to understand how much revenue is being captured and for how long.
- Encourages overuse, because TIF can appear to be “free money” even when it reduces future tax capacity.

Accountability and Oversight Issues

- Weak statutory oversight has allowed districts to remain active longer than necessary and has prevented them from returning to normal taxing levels.
- Limited transparency in how increments are calculated, spent, or justified.
- Potential for mission drift, where funds are used for purposes only loosely connected to the original redevelopment goals.
- Complex financial structures make it difficult for residents and even elected officials to evaluate performance.

Economic and Development Risks

- TIF has subsidized projects that could have occurred anyway, meaning public dollars support private development without producing true public benefit.
- TIF in Saint Paul has distorted market behavior, favoring subsidized developers over unsubsidized competitors, contributing to disturbances like the failure of Madison Equities.
- TIF has incentivized Saint Paul to chase growth rather than invest in existing neighborhoods or infrastructure.
- Use of TIF has added risk to speculative or underperforming projects leaving the public with little to show for the captured increment.

Conclusion:

- TIF has been overused in Saint Paul at considerable expense to taxpayers.
- TIF has not increased the City’s tax base – the tax base is shrinking.
- Conversion of commercial properties to residential does not make economic sense.
- City leaders do not understand the impact of TIF on the City’s taxpayers.
- The City is focusing on the needs of developers not businesses and citizens.

Recommendations:

Freeze the approval of new TIF districts, look for alternatives to TIF (loans, etc.).

- Allow for organic growth especially in Downtown, encourage higher occupancy rates.
- Decertify TIF Districts whose date of required decertification has expired

*In$ight St. Paul is nonpartisan fiscal watchdog group made up of St. Paul residents and businesses concerned about the need for stronger fiscal management of St. Paul.

Bob

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