

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

REPORT TO THE COMMISSIONERS

DATE: DECEMBER 11, 2019

**REGARDING: RESOLUTION APPROVING THE FINAL 2020 HRA BUDGET AND
CERTIFYING THE FINAL HRA PROPERTY TAX LEVY PAYABLE
IN 2020**

Requested Board Action

Certify the final 2020 HRA budget and the final HRA tax levy payable in 2020.

Background

The 2020 HRA proposed budget and the certified maximum proposed 2020 HRA tax levy was adopted on September 25, 2019 through resolution RES 19-1586. The 2020 proposed maximum HRA tax levy certified to the county was \$4,547,359 which was 95% of the maximum allowed under State Law. The final levy cannot be higher than the \$4,547,359 proposed maximum levy certified to Ramsey County. State Law caps the HRA levy at 0.0185% of the estimated market value of property, projected to be \$25.9 billion. The proposed maximum 2020 HRA levy was \$362,095 more than the final 2019 certified HRA tax levy, capturing the increased value of the Saint Paul tax base which rose from \$24.1 billion to \$25.9 billion in the past year.

After deliberation, the final 2020 HRA tax levy to be certified to Ramsey County is \$4,547,359. 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 2020, no later than December 31, 2019. The attached resolution, if approved, will certify this final tax levy by that date.

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 properties, maintenance of HRA-owned redevelopment property, HRA programs including the Housing Trust Fund, Rental

Rehab Program, and the Job Opportunity Fund, a variety of housing supports and business assistance programs, staffing costs for the Department of Planning and Economic Development which staffs the HRA, City Attorney services for the HRA, and the mandated State audit of the HRA.

Future Action

N/A

Recommendation:

Approval of the final 2020 HRA budget and certification of the final HRA tax levy payable in 2020 to Ramsey County by December 31, 2019.

Sponsored by: Chair Tolbert

Staff: Rhonda Gillquist 651-266-6631

Attachments

- 2020 HRA proposed budget changes