

From: [Carl Michaud](#)
To: [HRAHearing \(CI-StPaul\)](#)
Cc: [#CI-StPaul_Ward1](#); [Polly Heintz](#)
Subject: Proposed TIF at Grand and Victoria
Date: Tuesday, December 9, 2025 4:50:22 PM

HRA Board members,

I am writing to you today to request that you not to approve the use of Tax Increment Funding (TIF) for the development proposed on the northeast corner of Grand & Victoria.

First, this project does not warrant public funding at one of the most desired, sought-after locations in the city. Several other buildings along Grand Avenue were recently remodeled and redeveloped without the use of TIF. Homeowners and other businesses are dealing with the impact of higher interest rates recently; all developers will need to adapt to the new financial environment.

Second, residents will not see the benefits of increased property taxes from this project for at least 25 years. Please stop providing subsidies to developers and start thinking about the financial impact to the city's residents. We have the highest property taxes in the state. Why? One reason is that the city is the largest user of TIF in the Metro area with close to 8% of our tax base in TIF districts meaning that 8% of your property taxes go to support city services in those districts. And TIF districts take away money from the county and school district. Why should so many financially-stressed households across the city pay to support development in this highly-valued location? What are they getting out of it except higher property taxes and rents to pay for city services provided to TIF districts until they are decertified?

Third, the information provided in the presentation on the HRA agenda is misleading. LHB Inc. says this property meets the qualifications for TIF, but never really says the property is blighted. Just because a proposal "qualifies" for TIF, doesn't mean that you HAVE to approve it for a TIF. Businesses were located there until very recently. How many more jobs will be added beyond the number already in place? No data is offered by staff to support this claim. The graph explaining TIF does not factor in depreciation of the TIF-supported property over the 25 year time period, and it assumes the property will continue to devalue without considering that another developer may step in to refurbish the existing space for new tenants.

Fourth, TIF often competes with other similar buildings in the area, resulting in lower occupancy levels in those buildings and decreased valuations. Did staff analyze the financial and competitive impacts on other businesses in the immediate area? The city needs to maintain a level competitive playing field and not favor one development over others.

Fifth, it has been very difficult for me to obtain information about the proposed project. I submitted a data practices request on November 3, #D113020-110325, to obtain any and all information about this project. Clearly, staff had reports from its consultants LHB Inc. and Ehlers that have not been shared with me as required by law. Only yesterday did I see a presentation about the project on the HRA Agenda. This process is neither transparent nor provides an opportunity for a resident to review and understand the project.

Finally, just say no to TIF here. Make St Paul affordable again.

Thank you for your consideration of my comments.

Carl Michaud
St Paul