

RESOLUTION

Title ...

Resolution authorizing the levy of a special benefit tax pursuant to Minnesota Statutes, Section 469.033, Subdivision 6.

Body...

WHEREAS, Ramsey County, the City of St. Paul, and our entire region are facing an affordable housing crisis that has been exacerbated due to the COVID-19 pandemic and its subsequent economic downturn; and

WHEREAS, many residents of the City of St. Paul and Ramsey County struggle to find or afford stable housing along the full housing continuum; and

WHEREAS, nearly half of renters and 20% of homeowners in Ramsey County are cost-burdened, spending more than 30% of their income on housing expenses; and

WHEREAS, the current market is not building or preserving enough affordable housing to meet the needs of these residents, including seniors, low-wage workers, and others who make less than \$25,000 annually; and

WHEREAS, at the current pace of construction and if all construction was dedicated to affordable housing, it would take more than 21 years to build enough units to meet the demand; and

WHEREAS, this housing shortage is anticipated to grow in the City of St. Paul and Ramsey County, and will place further strain on the housing market and city and county services for all households; and

WHEREAS, throughout Ramsey County the availability of land is scarce and nearly all development that occurs or will occur will be redevelopment; and

WHEREAS, redevelopment challenges are very site specific and contribute to the added cost and time necessary to ready and advance projects; and

WHEREAS, affordable housing is a smart investment of taxpayer dollars and a long-term solution addressing the root cause of homelessness; and

WHEREAS, the City of St. Paul established the Housing and Redevelopment Authority of Saint Paul, Minnesota (the "St. Paul HRA") prior to June 8, 1971 and levies a tax upon all taxable property within the City of St. Paul pursuant to Minnesota Statutes § 469.033, subd. 6; and

WHEREAS, the City of North St. Paul established the Housing and Redevelopment Authority in and for the City of North St. Paul, Minnesota (the “North St. Paul HRA”) prior to June 8, 1971; and

WHEREAS, to help support the preservation of existing and creation of new affordable housing developments as well as the redevelopment and revitalization of blighted corridors and sites across Ramsey County, including in the City of St. Paul, the Board of Commissioners of The Ramsey County Housing & Redevelopment Authority (the “County HRA”) proposes to levy a tax upon all taxable property within Ramsey County pursuant to Minnesota Statutes § 469.033, subd. 6 (the “County HRA Levy”); and

WHEREAS, funds collected through the County HRA Levy will be used in the City of St. Paul and across Ramsey County to expand homeownership programs, offer gap financing and land acquisition funds, and to allocate resources to increase the competitiveness of the City of St. Paul and Ramsey County housing projects when applying for state grants; and

WHEREAS, the County HRA will also be involved in broader development and redevelopment efforts in the City of St. Paul and throughout Ramsey County that advance Ramsey County’s goals; and

WHEREAS, the special benefit tax levy authorized by Minnesota Statutes § 469.033, subd. 6 is separate and distinct from Ramsey County’s levy and is not subject to levy limits; and

WHEREAS, a County HRA Levy could collect up to \$11.6 million each year (based on the pay 2021 tax rates and tax capacity) to fund affordable housing and broader development and redevelopment efforts that advance Ramsey County’s goals, with steady investments that support projects in St. Paul and County-wide; and

WHEREAS, the County HRA will seek authorization from the City St. Paul and the City of North St. Paul to implement housing projects in each city’s jurisdiction; and

WHEREAS, the County HRA commits to balancing County HRA Levy investments across St. Paul and suburban Ramsey County equitably; and

WHEREAS, pursuant to Minnesota Statutes § 469.012, subd. 3, the St. Paul HRA may adopt a resolution authorizing the County HRA to exercise the County HRA’s powers within the City of St. Paul at the same time that the St. Paul HRA is exercising its own powers; and

WHEREAS, pursuant to Minnesota Statutes § 469.012, subd. 3, the North St. Paul HRA may adopt a resolution authorizing the County HRA to exercise the County HRA’s powers within the City of North St. Paul at the same time that the North St. Paul HRA is exercising its own powers; and

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of The Ramsey County Housing & Redevelopment Authority (the “Board”) as follows:

1. Contingent upon the approval of Ramsey County, there is hereby levied a special benefit tax pursuant to Minnesota Statutes, Section 469.033, Subdivision 6, in the amount of 0.0185 percent of taxable market value in Ramsey County, including without limitation within the City of St. Paul subject to obtaining the authorizations described in Section 2 hereof, and including without limitation within the City of North St. Paul subject to obtaining the authorizations described in Section 3 hereof.
2. Notwithstanding Ramsey County's authority pursuant to Minnesota Statutes § 469.004, subd. 1a, to exercise the powers of a housing and redevelopment authority, independent of the general law authority of housing and redevelopment authorities, for clarity the Board hereby requests that the City of St. Paul, pursuant to Minnesota Statutes § 469.005, subd. 1, and the St. Paul HRA, pursuant to Minnesota Statutes § 469.012, subd. 3, authorize the County HRA to exercise the County HRA's powers within the City of St. Paul at the same time that the St. Paul HRA is exercising its own powers.
3. Notwithstanding Ramsey County's authority pursuant to Minnesota Statutes § 469.004, subd. 1a, to exercise the powers of a housing and redevelopment authority, independent of the general law authority of housing and redevelopment authorities, for clarity the Board hereby requests that the City of North St. Paul, pursuant to Minnesota Statutes § 469.005, subd. 1, and the North St. Paul HRA, pursuant to Minnesota Statutes § 469.012, subd. 3, authorize the County HRA to exercise the County HRA's powers within the City of North St. Paul at the same time that the North St. Paul HRA is exercising its own powers.
4. The Board acknowledges that the County HRA is authority to exercise its powers, including without limitation exercise of the County Levy, within the City of Saint Paul shall be subject to the conditions set forth in the resolutions approving the authorizations described in Section 2 hereof.
5. The Board acknowledges that the authorizations described in Section 2 hereof may be revoked by subsequent resolution of the St. Paul HRA.
6. The Board acknowledges that the County HRA's exercise of its powers will not alter, limit or impair the St. Paul HRA's powers, area of operation, or levy.
7. The Board agrees that so long as the County HRA is authorized to exercise its powers, including without limitation exercise of the County Levy, within the City of Saint Paul, at least fifty percent (50%) of any tax levied by the County HRA will spent on projects located in the City of Saint Paul.
8. The Board shall adopt a budget for each fiscal year that provides for the County Levy of the special benefit tax in the amount of 0.0185 percent of taxable market value of property in the County and staff of the County HRA is hereby authorized and directed to file the budget submit it to the Ramsey County Board in accordance with Ramsey County's budget procedure required of executive departments of Ramsey County or, if no budgets are required to be filed, by August 1 of each year.

9. The County Levy shall continue until revoked by resolution of the Board or the Ramsey County Board.
10. Staff of the County HRA is hereby authorized and directed to take such other actions as are necessary to levy the County Levy and certify the County Levy upon approval by the Ramsey County Board.

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