2027 Budget Proposal
Planning and Economic Development
Housing and Redevelopment Authority

August 26, 2026

2027 Budget Proposal - PED

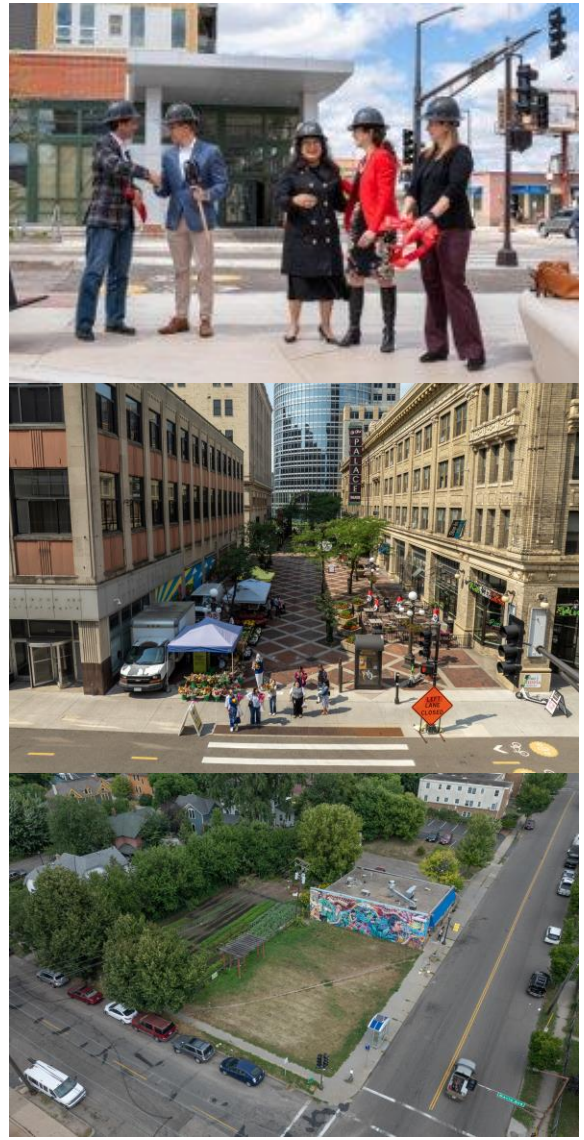
Department Mandates

- **HUD** – Reporting, contract compliance, environmental review, funding distribution to subrecipients
- **STAR** – Neighborhood STAR, Cultural STAR, Commercial Corridors
- **LAHA** – Downpayment Assistance, Inheritance Fund, Emergency Rental Assistance, required reporting to the state
- **State Historic Preservation Office** – SHPO consultation and mitigation, Heritage Preservation Office, Certified Local Government
- **Metropolitan Land Planning Act** – Comprehensive Plan
- **Zoning** – Planning Commission, Zoning Studies, rezonings, plat approvals, lot splits
- **Debt Service –** Includes Bonds, Tax Increment Financing, parking monitoring and operations contracting, compliance and reporting

2027 Budget Proposal - PED

Programs PED Administers

- **Administration** – Community Development Block Grant (CDBG), Power of Home, Healthy Homes, Debt Service & Tax Increment Financing
- **Housing** – Housing Trust Fund, Low Income Housing Tax Credit (LIHTC), HOME Investment Partnerships Program, Downpayment Assistance, Inheritance Fund
- **Economic Development** – Business Assistance Fund, Downtown Vitality Fund, Commercial Corridors, Cultural STAR, Neighborhood STAR
- **Planning** – Heritage Preservation Commission, Planning Commission, District Councils
- **HRA Property** – Downtown parking ramps, maintenance on 200+ HRA owned parcels



2027 Budget Proposal - PED

PED/HRA Sources and Uses of Funding - 2027

Federal Entitlement Grants *(CDBG, HOME, ESG)*	STAR – Sales Tax *(long-standing state legislation)*	LAHA *(Local, affordable housing aid)*	Housing Trust Fund *(World Trade Center Parking only source)*	HRA General Fund* *(HRA levy, conduit bond fees)*	HRA Loan Enterprise Fund* *(loan repayments and interest, land sales)*
CDBG: Housing, Real Estate, Acquisition, Business Support **HOME:** Multifamily Construction **ESG:** Shelter Operations, Rapid Re-Housing, Outreach (JPA with Ramsey County)	**Cultural STAR** **Neighborhood STAR** **Year-Round STAR**	**Downpayment Assistance** **Inheritance Fund Downpayment Assistance** **Emergency Rent Assistance** **Small Scale Development** **Affordable Housing Gap Subsidies**	**Accessory Dwelling Unit (ADU) plans and subsidies** **Healthy Homes** **Historic Surveys** **Rental Assistance Hotline**	**PED/HRA Staff** **2050 Comprehensive Plan Update (mandated)** ***Diminishing fund balance***	**Full Stack** **Business Assistance Fund** ***Diminishing source***
City Funds			**HRA Funds**		

2027 Budget Proposal - PED

Set Maximum 2027 HRA Levy

HRA General Fund*
(HRA levy, conduit bond fees)

PED/HRA Staff

2050 Comprehensive Plan Update (mandated)

***Diminishing fund balance**

Maximize 2027 HRA Levy

- 2026 HRA Levy = $6,636,875 (maximum allowed by state law)
- Proposed 2027 HRA Levy = $6,713,906 (maximum allowed by state law)
- 1.2% increase from 2026

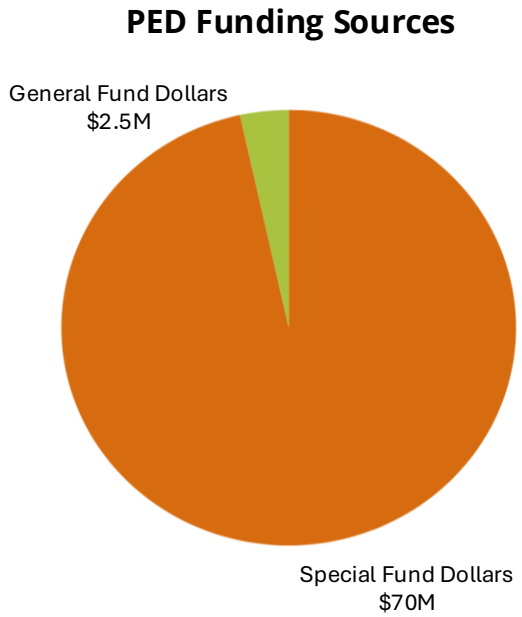
2027 Budget Proposal - PED

PED/HRA Sources and Uses of Funding - 2027

General Fund Cut ($35,000)

- Eliminate pooled car lease ($7,000)
- Eliminate pooled vehicle storage ($2,500)
- Reduce travel, training, membership and dues fund ($25,500)

These cuts allow us to cut our general fund spending without impacting programs or services.



2027 Budget Proposal - PED

STAR (City Funds) - 2027 Investments

2027 SALES TAX REVENUES - 2027 Proposed

Line #		Neighborhood STAR Budget	Cultural STAR Budget	RiverCentre Budget	Economic Development Budget	Totals Budget
1	2027 Sales Tax Revenue Base	$12,942,014	$1,438,002	$8,865,505	$1,004,479	$24,250,000
2	Sales Tax Above 2026 Budget	$225,000	$25,000	$0	$0	$250,000
3	Sales Tax Above 2025 Budget	$1,125,437	$125,049	$0	$0	$1,250,486
4	Loan Repayments	$318,689	$5,549	$0	$247,761	$571,998
5	Interest Earnings - Sales Tax Revenue	$200,000	$0	$0	$0	$200,000
6	Interest Earnings - Debt Service Reserve	$33,000	$0	$78,000	$0	$111,000
7	**STAR Subtotal:**	**$14,844,140**	**$1,593,599**	**$8,943,505**	**$1,252,240**	**$26,633,484**

2026 SALES TAX SPENDING

	Pledged Debt Service	Neighborhood STAR Budget	Cultural STAR Budget	RiverCentre Budget	Economic Development Budget	Totals Budget
8	2027 Revenue Bonds Debt Services			$ 3,879,636		$3,879,636
9	2024 Revenue and Refunding Bonds Debt Service	$3,226,750				$3,226,750
10	RiverCentre Complex Debt Service			$844,869		$844,869
11	**STAR Subtotal:**	**$3,226,750**	**-**	**$4,724,505**	**$0**	**$7,951,255**
12	Neighborhood STAR program	$ 2,327,390				$2,327,390
13	Council Request - M+O and Sidewalks Ongoing	$500,000				$500,000
14	Investment Services	$15,000				$15,000
15	Transfer to General Debt Service Budget	$5,025,000				$5,025,000
16	Cultural STAR Program		$1,418,599			$1,418,599
17	Cultural STAR for Library Materials		$175,000			$175,000
18	RCVA Pay-go Funding			$1,219,000		$1,219,000
19	Pay-go Economic Development for Arena Complex	$ 3,750,000		$1,500,000		$5,250,000
20	SPAC - Capital Allocation Agreement (Arena)			$1,500,000		$1,500,000
21	City Capital Projects				$1,252,240	$1,252,240
22	**STAR Subtotal:**	**$11,617,390**	**$1,593,599**	**$4,219,000**	**$1,252,240**	**$18,682,229**
23	**STAR Total:**	**$14,844,140**	**$1,593,599**	**$8,943,505**	**$1,252,240**	**$26,633,484**

2027 Budget Proposal - PED

STAR (City Funds) - 2027 Investments

STAR – Sales Tax
(long-standing state legislation)

Cultural STAR

Neighborhood STAR

Year-Round STAR

Program	2027 Funding Amount	Anticipated outcomes
Commercial Corridors	**Not included in 2027 proposed budget.**	Commercial Corridors funds community led projects, programs, and initiatives to support 17 commercial corridors.

2027 Budget Proposal - PED

STAR (City Funds) - 2027 Investments

STAR – Sales Tax
(long-standing state legislation)

Cultural STAR

Neighborhood STAR

Year-Round STAR

	2026 Adopted & Amended	2027 Proposed	Change from 2026 Adopted & Amended	Change from 2026 Adopted & Amended
Neighborhood	$2,153,086	$2,327,390	$174,304	8.10%
Cultural	$1,224,116	$1,418,599	$194,483	4.78%
Commercial	$1,000,000	-	($1,000,000)	100%
Year-Round	-	-	-	-

2027 Budget Proposal - PED

Local Affordable Housing Aid (City Funds) - 2027 Investments

LAHA
(Local, affordable housing aid)

Downpayment Assistance

Inheritance Fund Downpayment Assistance

Emergency Rent Assistance

Small Scale Development

Affordable Housing Gap Subsidies

- **$2M** Citywide Downpayment Assistance (includes $1 million in Inheritance Fund support)
- **$1.5M** Small Scale Development – gap subsidies
- **$1M** Emergency Rent Assistance/Eviction Prevention
- **$1.5M** Affordable Housing Development Gap Subsidy

Local Affordable Housing Aid (City Funds) - 2027 Investments

LAHA
(Local, affordable housing aid)

Downpayment Assistance

Inheritance Fund Downpayment Assistance

Emergency Rent Assistance

Small Scale Development

Affordable Housing Gap Subsidies

Program	2027 Funding Amount	Anticipated outcomes
Citywide Downpayment Assistance	**$1,000,000**	Downpayment assistance to approximately 30 homebuyers
Inheritance Fund Downpayment Assistance	**$1,000,000**	Downpayment assistance 10-15 homebuyers
Emergency Rent Assistance	**$1,000,000**	Serve 200-300 households
Small Scale Development	**$ 1,500,000**	Continued marketing and sales of HRA owned property with the goal of increasing housing stock, working with emerging developers and getting properties back on the tax rolls. 2027 goal is to begin development on at least 10 properties.
Affordable Housing Development Gap Subsidy	**$1,500,000**	Continue providing gap funding for affordable housing development, including both rental and homeownership opportunities, while prioritizing projects that create deeply affordable units.

2027 Budget Proposal - PED

Housing Trust Fund (HRA Funds) - 2027 Investments

Housing Trust Fund
(World Trade Center Parking only source)

Accessory Dwelling Unit (ADU) plans and subsidies

Healthy Homes

Historic Surveys

Rental Assistance Hotline

- **$200k** ADU (Implementation) Subsidy
- **$200k** Historic Preservation Surveys
- **$300k** Healthy Homes
- **$100k** Rental Assistance Hotline
- **$164k** OFE position
- **$165k** Housing project manager

2027 Budget Proposal - PED

Housing Trust Fund (HRA Funds) - 2027 Investments

Housing Trust Fund
(World Trade Center Parking only source)

Accessory Dwelling Unit (ADU) plans and subsidies

Healthy Homes

Historic Surveys

Rental Assistance Hotline

Program	2027 Allocation	Anticipated outcomes
Accessory Dwelling Unit (ADU) Subsidies	**$200,000**	Subsidy of new Accessory Dwelling Units in small scale development to add to housing supply and provide wealth building opportunities
Historic Preservation Surveys	**$200,000**	Complete annual historic survey
Healthy Homes	**$300,000**	Continue program previously funded with ARPA funds. 2027 budget also includes $200,000 of former ARPA funds in City Special Fund 211.
Rental Assistance Hotline	**$100,000**	Funds a dedicated hotline connecting Saint Paul renters to tenant rights information and legal navigation referrals. Program design and vendor selection to proceed via competitive RFP in 2027.
Staffing (OFE fair housing coordinator)	**$163,961**	Supports fair housing education, outreach and coordination support for policy implementation and insights coordination for Saint Paul residents and landlords.
Staffing (PED housing senior project manager)	**$165,312**	The Housing Trust Fund is a diminishing source. Another funding source will need to be determined going forward.

2027 Budget Proposal - PED

HRA General Funds (HRA Funds) - 2027 Investments

HRA General Fund*
(HRA levy, conduit bond fees)

PED/HRA Staff

2050 Comprehensive Plan Update (mandated)

Diminishing fund balance

Program	2027 Funding	Anticipated outcomes
2050 Comprehensive Plan Development	**$300,000**	Continuing and completing Citywide policy to guide land use and ensure climate, economic and social resilience.

2027 Budget Proposal - PED

HRA Loan Enterprise Fund (HRA Funds) - 2027 Investments

HRA Loan Enterprise Fund*
(loan repayments and interest, land sales)

Full Stack

Business Assistance Fund

***Diminishing source**

Program	2027 Funding Amount	Anticipated outcomes
Full Stack	**$300,000 plus $100,000 carryover**	Tech training scholarships, placement support, and internships, communications and marketing, event sponsorships
Business Assistance Fund	**Carryover**	Continued support for businesses looking to start, grow, or expand in Saint Paul
Transfer to HRA General Fund	**($3,000,000)**	General support for ongoing operations
Loan Servicing - Program Closure & Funding Expiration	**($550,000)**	Minnesota Homeowner Loan Program has not operated since 2024 – Funding Allocation returns to MHFA at end of 2026.

2027 Budget Proposal - PED

HRA Parking Enterprise Fund (HRA Funds) - 2027 Investments

Program	2027 Funding Amount	Anticipated outcomes
Capital Repair & Maintenance	**$850,000**	Security Camera Replacement at Lawson, Block 19, and Robert St. Parking Ramps (one-time / periodic update)
Equipment Acquisition	**$100,000**	EV Chargers for World Trade Center Ramp (technology modernization & update)

2027 Budget Proposal - PED

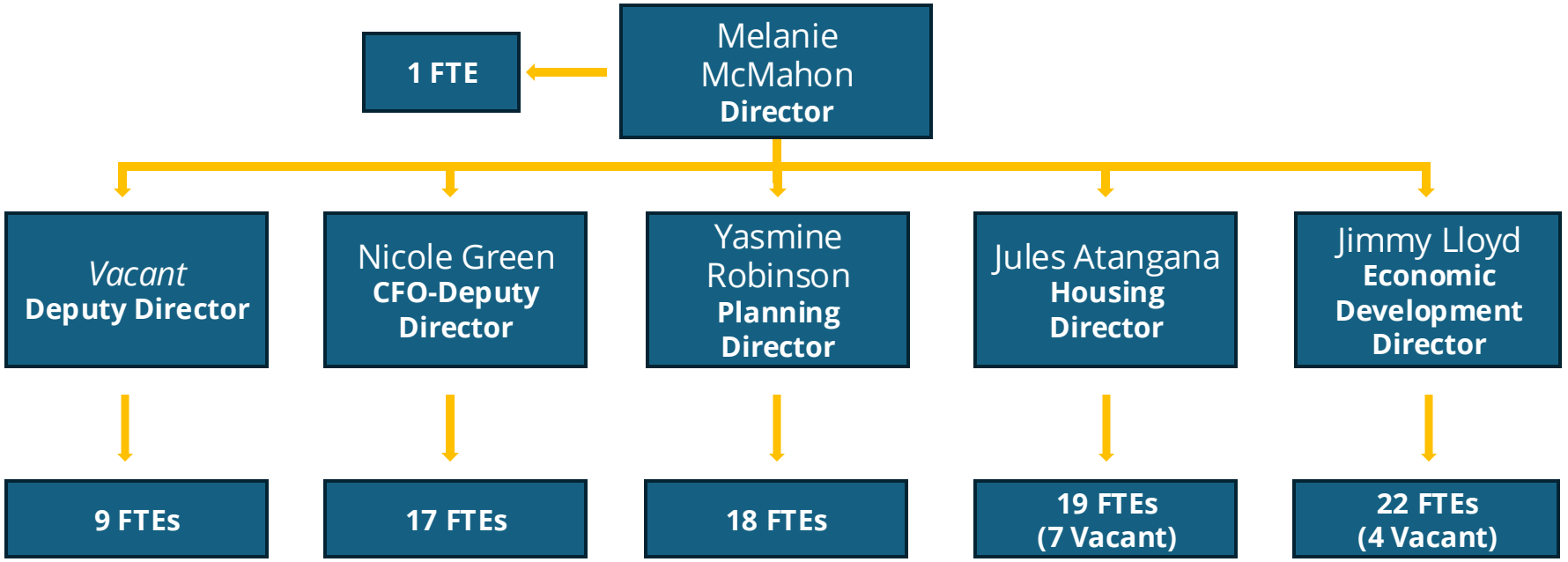
HRA and PED Support for Other Departments

Description	2023 Actual	2024 Actual	2025 Actual	2026 Actual	2027 Proposed
City Council Policy Analyst	84,322	84,322	84,322	84,322	**84,322**
General Staff Citizen Participation	18,486	18,486	18,486	0	**0**
HREEO Contract Compliance Staffing	539,966	539,966	539,966	539,966	**539,966**
Mayor's Office Policy Analyst/IGR/Chief Officers	155,296	155,332	155,662	0	**0**
Mayor's Office Staffing for Business Outreach		75,000	75,000	9,545	**0**
Right Track (additional $50k from Job Opportunity Fund in 2019)	191,437	191,437	191,437	191,437	**191,437**
Office of Financial Empowerment (OFE) Position	123,215	118,575	151,104	156,991	**163,961**
Executive Project Lead for Redevelopment	217,625	199,490	157,651		
Audit Committee				50,000	**0**
SP Children's Collaborative				15,000	**15,000**
District Councils				78,146	**78,146**
Listening House				13,500	**13,500**
Transfers from Parking Fund to non-HRA uses including $345,000 annually for parking meters and 2026 one-time transfers for cyber security $655,000 and library security/lease $190,000 (some transfers are evaluated at year end and if not needed are not completed)			345,000	1,190,000	**0**
HRA Support for City General Fund Unanticipated Costs			1,204,578		
Total Support for Other Departments	**1,330,347**	**1,382,608**	**2,923,206**	**2,328,907**	**1,086,332**

2027 Budget Proposal - PED

PED Staffing – 2027 Plan

Program	2027 Funding Amount	Anticipated outcomes
92 Full-Time Employees	**$0.00**	Continue to administer and improve programs and services at current FTE levels, while working to fill any remaining vacancies.



2027 Budget Proposal - PED

FTEs – Unfilled Positions

Position	Count	Approx Date	Current Status
Administration			
Deputy Director	1	October 2026	Currently in the interviewing process.
Housing			
Principal Project Manager	1	December 2026	Processing position opening for posting.
Senior Project Manager	1	December 2026	Processing position opening for posting.
Loan Specialists	2	December 2026	Processing position opening for posting.
Project Management Technicians	2	December 2026	Processing position opening for posting.
Loan Specialist Assistant	1	December 2026	Processing position opening for posting.
Economic Development			
Supervisor – Business Solutions	1	October 2026	Position posted, currently accepting applications.
Senior Project Manager	1	October 2026	Position posted, currently accepting applications.
Principal Project Manager	1	December 2026	Processing position opening for posting.
Project Manager	1	December 2026	Processing position opening for posting.

2027 Budget Proposal - PED