



City of Saint Paul

Signature Copy

Resolution: RES 17-581

City Hall and Court
House
15 West Kellogg
Boulevard
Phone: 651-266-8560

File Number: RES 17-581

Requesting that the Citizens League convene a work group to study and make a recommendation on the implementation of a Payment In Lieu of Taxes (PILOT) and Services in Lieu of Taxes (SILOT) program for the City of Saint Paul.

WHEREAS, the Supreme Court recently struck down much of the City of Saint Paul's ability to raise revenue through its right-of-way assessment for providing city services, such as maintenance of streets, alleys, sidewalks, lighting and trees within city right-of-way; and

WHEREAS, the City of Saint Paul, as the Capitol City, has an unusually high percentage of tax exempt properties that provide valuable public benefit; and

WHEREAS, these tax exempt properties also consume public services, such as police and fire protection and street maintenance; and

WHEREAS, Payment in Lieu of Taxes (PILOT) and Service in Lieu of Taxes (SILOT) are means to compensate local governments for some or all of the tax revenue lost to tax exempt properties, through donations of money or services to local government, such as through contributions of research time;

NOW THEREFORE BE IT RESOLVED, that the Saint Paul City Council requests the Citizen League to convene a work group to study PILOT and SILOT and report their recommendations to the City Council in August, 2017; and

BE IT FURTHER RESOLVED, that this study will answer the following questions:

1. Should the City consider implementing a PILOT or SILOT program?
2. What are the benefits and the risks?
3. If implemented, how might the City work with the non-profit community to encourage participation?
4. Which organizations would be asked to participate?
5. How would the amount of payment or type of service be determined?
6. What level of participation might the City expect and how much revenue might be raised?
7. Would the City account for expected PILOT revenue in its annual budgeting process? If so, how?
8. What is the expected impact on participation of continuing to assess non-profit properties through the Street Maintenance Program? Would participation be greater (and if so, how much) if all Street Maintenance Program expenses were shifted to property taxes and non-profits were no longer assessed?
9. What are the steps necessary to implement a PILOT/SILOT program? Who should be involved and when is the earliest that a PILOT/SILOT program could be implemented?

At a meeting of the City Council on 4/12/2017, this Resolution was Passed.

Yea: 6 Councilmember Bostrom, Councilmember Brendmoen, Councilmember Thao, Councilmember Tolbert, City Council President Stark, and Councilmember Prince

Nay: 0

Absent: 1 Councilmember Noecker

**Vote Attested by
Council Secretary**



Trudy Moloney

Date 4/12/2017

Approved by the Mayor



Chris Coleman

Date 4/18/2017