

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

REPORT TO THE COMMISSIONERS

DATE: SEPTEMBER 25, 2019

**REGARDING: RESOLUTION CERTIFYING THE 2020 MAXIMUM HRA PROPERTY
TAX LEVY**

Requested Board Action

Certify the maximum 2020 HRA Tax Levy.

Background

To comply with the State of Minnesota's Truth-In-Taxation laws, the HRA must certify to Ramsey County, by September 30, 2019, a maximum proposed property tax levy payable in 2020. The attached resolution, if approved, will certify this proposed maximum levy by that date. The proposed maximum 2020 HRA tax levy is \$4,547,359 which is 95% of the maximum allowed under State Law. The final levy must be certified by December 31, 2019, and cannot be higher than this proposed maximum levy.

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 is \$362,095 more than the final 2019 certified HRA tax levy, capturing 95% of State Law cap on the increased value of the Saint Paul tax base. Saint Paul's tax base rose from \$24.1 billion to \$25.9 billion in the past year.

The HRA property tax levy provides revenue to the HRA. Activities financed by the HRA include investments in the Housing Trust Fund, HRA programs including the Rental Rehab Program, the Job Opportunity Fund, and Full Stack, maintenance of HRA properties, City Attorney services for the HRA, and the mandated State audit of the HRA.

Future Action

The HRA Board will be requested to adopt a final 2020 HRA tax levy and budget on December 11, 2019.

Recommendation:

Approval of the proposed maximum HRA Tax Levy payable in 2020 to certify to Ramsey County by September 30, 2019.

Sponsored by: Chair Tolbert

Staff: Kristin Guild, 266-6671
Rhonda Gillquist, 266-6631

Attachments

- 2020 HRA Proposed Budget