

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

REPORT TO THE COMMISSIONERS

DATE: DECEMBER 4, 2024

**REGARDING: RESOLUTION APPROVING THE FINAL 2025 HRA BUDGET AND
CERTIFYING THE FINAL HRA PROPERTY TAX LEVY PAYABLE
IN 2025**

Requested Board Action

Certify the final 2025 HRA budget and the final HRA tax levy payable in 2025.

Background

The 2025 HRA budget proposal was presented to the HRA Board of Commissioners through a series of meetings between September and November 2024. Changes to the proposed budget are attached and include adjustments to the carry forward of prior-year budgeted program funds in the HRA General Fund and the HRA Loan Enterprise Fund, adjustments to the HRA Debt Service Fund to reflect the 2024 redemption of the HRA Koch Mobil General Obligation Tax Increment Bonds, Series 2004C, adjustments to reflect ongoing maintenance for new parking control equipment in the Parking Enterprise Fund, and adjustments to reflect changes to the proposed budget.

On September 25, 2024, the HRA Board of Commissioners adopted a certified maximum 2025 HRA tax levy of \$6,636,903 by resolution RES 24-1408. The maximum 2025 HRA levy certified is 100% of the maximum allowed under State Law. The HRA levy is capped at 0.0185% of the estimated market value of Saint Paul property, projected to be \$35.9 billion in 2025. The maximum levy amount is an increase of \$342,209 from the 2024 HRA levy.

The HRA property tax levy provides revenue to the HRA to support HRA investments in affordable housing development and business and job growth. Activities financed by the HRA through the levy and other sources include maintenance of HRA-owned redevelopment property, HRA programs including Full Stack and business assistance programs, payroll and overhead for

HRA staffing provided by the Department of Planning and Economic Development, City Attorney services for the HRA, and the mandated State audit of the HRA.

To comply with the State of Minnesota's Truth in Taxation laws, the HRA must certify to Ramsey County the final HRA property tax levy payable in 2025, on or before five working days after December 20, 2024. The proposed final 2025 HRA tax levy to be certified to Ramsey County is \$6,636,903. The attached resolution would certify this final tax levy by that date.

Future Action

This action is subject to the approval of the Council of the City of Saint Paul. The Council of the City of Saint Paul will need to approve the HRA Board of Commissioner's recommended final 2025 HRA budget and final HRA property tax levy payable in 2025.

Recommendation:

Approval of the final 2025 HRA budget as proposed with the changes attached. Certification of the final HRA tax levy payable in 2025 to Ramsey County on or before five working days after December 20, 2024.

Sponsored by: Chair Rebecca Noecker

Staff: Rhonda Gillquist 651-266-6631

Attachments

- 2025 HRA proposed budget
- 2025 HRA proposed budget changes (to be provided by the Office of Financial Services)