
Sponsor: Community & Economic Development

Meeting Date: 6/22/2021

Title: Housing and Redevelopment Authority Area of Operation

File Number: 2021-320

Background and Rationale:

On March 23, Ramsey County released its Economic Inclusion and Competitiveness Plan, which was developed with strong input from residents and community stakeholders over the past 18 months. The plan laid out a variety of recommendations to ensure long-term economic growth, equity and inclusion in Ramsey County.

One of the recommendations included activating a Housing and Redevelopment Authority (HRA) special benefit tax levy on properties in Ramsey County to address the longstanding housing crisis that has been exacerbated due to the COVID-19 pandemic and the subsequent economic downturn. Pursuant to Minnesota Statutes § 469.033, subd. 6, the HRA special benefit tax may be up to 0.0185 percent of estimated market value of taxable property, real and personal, in the county.

A countywide HRA special benefit tax levy in Ramsey County could raise up to \$11.1 million a year to fund affordable housing and redevelopment projects. The proposed HRA special benefit tax levy would increase annual taxes on a median value residential property by about \$45. Funds collected through the levy would support the preservation and creation of affordable housing developments. This would be done by offering gap financing and land acquisition funds as well as allocating resources to increase the competitiveness of Ramsey County housing projects applying for state grants.

The Ramsey County HRA may exercise all of its powers within its area of operation, which pursuant to Pursuant to Minnesota Statutes § 469.002, subd.8, and Minnesota Statutes § 469.004, subd. 1, is defined as all of Ramsey County. The county's HRA powers include the authority to levy a special benefit tax within its area of operation (see, Minn. Stat. § § 469.007, subd. 1, 469.033, subd. 6.) Because the cities of Saint Paul and North St. Paul have had an active HRA levy authority on or before June 30, 1971, each city must adopt a Resolution authorizing the Ramsey County HRA to exercise the county's HRA powers within each city at the same time that each city is exercising its own power (pursuant to Minnesota Statutes § 469.012, subd. 3).

On April 13, 2021, the Ramsey County Board of Commissioners approved a resolution that sought support from the cities of Saint Paul and North St. Paul to pass a resolution allowing for the exercise of the Ramsey County's Housing and Redevelopment Authority's powers within the cities' area of operation concurrent with the exercise of the same powers by HRAs of the cities of Saint Paul and North St. Paul, in order to create a housing and redevelopment project fund. With these cities consenting to the concurrent exercise of HRA powers, the fund will be used to support housing and redevelopment projects throughout the county, including within the cities of Saint Paul and North St. Paul.

On May 26, 2021, the City of Saint Paul City Council and the Saint Paul Housing and Redevelopment Authority Board of Commissioners approved a Resolution acknowledging the authority of the Ramsey County HRA to exercise its powers within the City of Saint Paul's Housing

and Redevelopment Authority's area of operation and at the same time as the City's the Housing and Redevelopment Authority with no alteration, limit, or impairment to the exercise of the powers by the Saint Paul's HRA, and consenting to the same. The Saint Paul Resolution stipulated that fifty percent of any tax levied by the County HRA will be spent on projects located in the City of Saint Paul. The Saint Paul Resolution further acknowledged that the City's consent would continue until revoked by subsequent resolution of the Saint Paul HRA. In response to feedback from local partners county-wide, and in alignment with policies around other funding tools like the Environmental Response Fund, Ramsey County CED will make every effort to distribute HRA levy resources "50-50" balancing HRA levy investment across the City of Saint Paul and suburban Ramsey County.

As of June 1, 2021, the City of North Saint Paul has not yet taken up an action regarding the County's HRA area of operation in the City of North Saint Paul.

Recommendation:


The Ramsey County Board of Commissioners resolved to:

Approve the Ramsey County Housing and Redevelopment Authority area of operation countywide, excluding North Saint Paul.

A motion to approve was made by Commissioner MatasCastillo, seconded by Commissioner McDonough.

Motion passed.

Aye: - 7: Carter, Frethem, MatasCastillo, McDonough, McGuire, Ortega, and Reinhardt

By: 
Abby Goldsmith, Deputy Clerk - County Board