

Request for Board Action Details

File #: 2020-417

Type: Administrative Item **Status:** Passed

In control: Board of Commissioners

On agenda: 10/13/2020 **Final action:** 10/13/2020

Title: 2020 Disaster Relief

Sponsors: County Assessor's Office

Indexes:

Code sections:

Attachments: 1. October 13, 2020 County Board List, 2. Resolution

Date	Ver.	Action By	Action	Result
10/13/2020	1	Board of Commissioners	approved	Pass

Sponsor: County Assessor's Office

Title
2020 Disaster Relief

Recommendation

1. Approve the Local Option Disaster Abatements for:
 - 2051 Grand Ave, Saint Paul, MN 55105
 - 1499 & 1505 University Ave W, Saint Paul, MN 55104
 - 1544 University Ave W, Saint Paul, MN 55104
 - 1484 University Ave W, Saint Paul, MN 55104
 - 720 Snelling Ave, Saint Paul, MN 55104
 - 1161 University Ave W, Saint Paul, MN 55104
 - 399 Lexington Pkwy N, Saint Paul, MN 55104
 - 756 Snelling Ave N, Saint Paul, MN 55104
 - 970 University Ave W, Saint Paul, MN 55104
2. Approve delegation to the County Auditor to approve the following qualifying applications received by the County for Local Option Disaster Abatements and Local Option Disaster Credits that are related to the disaster that occurred between May 28, 2020 and June 8, 2020 but have yet to apply:
 - 1279 & 1271 University Ave W, Saint Paul, MN 55104 (PIN: 342923130103)
 - 500 Snelling Ave N, Saint Paul, MN 55104 (PIN: 342923230176)
 - 1370 & 1360 University Ave W, Saint Paul, MN 55104 (PIN: 342923310017)
 - 1350 University Ave W, Saint Paul, MN 55104 (PIN: 342923310026)
 - 470 & 474 Hamline Ave N, Saint Paul, MN 55104 (PIN: 342923420022)
 - 1075 University Ave W, Saint Paul, MN 55104 (PIN: 352923230202)
 - 448 Lexington Parkway N, Saint Paul, MN 55104 (PIN: 352923320146)
3. Approve the request that the Local Option Disaster Abatements and Local Option Disaster Credits granted to property owners under state law for the disaster that occurred between May 28, 2020 and June 8, 2020 be reimbursed by the State of Minnesota pursuant to the provisions of Minnesota Statutes, sections 273.1231 through 273.1235.

Background

Minnesota Statutes, sections 273.1231 through 273.1235 authorize the County to provide property tax relief to the owners of property significantly damaged by disasters such as storms, floods, fires, arson and vandalism. Property tax relief is available in two forms: Local Option Disaster Abatement (Minnesota Statutes, section 273.1233) which reduces the property tax liability in the current year, and Local Option Disaster Credit (Minnesota Statutes, section 273.1235) which reduces the property tax liability in the year following the disaster. Both homestead and non-homestead properties may receive one or both forms of relief, provided that a structure on the property was more than 50% damaged as determined by the assessor and the county approves the property owner's application. In this situation, the 50% damage determination is made by the Ramsey County Assessor.

In addition to these statutory provisions, when a disaster occurs that affects a large geographic area, the State Executive Council may declare a disaster or emergency area. Homestead property within the declared area will receive Homestead Disaster Credit, regardless of the extent of damage and without application or approval by the county. Local Option Disaster Abatements for all property types within the declared area are still subject to the greater than 50% damage assessment, application and approval requirements. Local Option Disaster Credits for non-homestead property within the declared area are still subject to the greater than 50% damage assessment, application and approval requirements.

When the County Board provides disaster relief, it acts on the behalf of all taxing districts that have the authority to levy property tax upon the affected properties (e.g. cities, schools). Any disaster abatement or disaster credit provided by the County Board will reduce the property tax collections of all applicable taxing districts for the applicable tax year. The amount of the disaster abatement or disaster credit attributable to each taxing district is in the same proportion as the authority's tax rate is to the total tax rate.

Ramsey County experienced a disaster that occurred between May 28, 2020 and June 8, 2020. During the civil unrest, unlawful actors caused extensive property damage to structures in the City of Saint Paul and to a lesser extent in Roseville and Maplewood. Ramsey County was declared to be in a Local State of Emergency from May 28 through June 30, 2020 by County Board Resolution B2020-115. Minnesota Statutes, sections 273.1231 through 273.1235 provides for property tax relief upon reassessment of properties damaged by disaster, and upon application to the Governor of the State of Minnesota and the Executive Council.

The Ramsey County Assessor's Office has completed its review and reassessment of the damaged or destroyed properties and has made application for disaster relief to the Governor of the State of Minnesota and the Executive Council. The assumption is that the Executive Council will approve the application at its next meeting. It is the recommendation of the County Auditor that the minimum requirements of the referenced statutes have been met and recommends that the Ramsey County Board of Commissioners approves qualifying applications for Local Option Disaster Abatements and Local Option Disaster Credits made by the owners of property entitled to relief under state law. It is also recommended that Ramsey County requests that the Local Option Disaster Abatements and Local Option Disaster Credits granted to property owners under state law for the disaster that occurred between May 28, 2020 and June 8, 2020 be reimbursed by the State of Minnesota pursuant to the provisions of Minnesota Statutes, sections 273.1231 through 273.1235.

County Goals (Check those advanced by Action)

☐ Well-being

☒ Prosperity

☐ Opportunity

☒ Accountability

Racial Equity Impact

Language, racial or cultural issues can create barriers to access and/or to understand the abatement process. The department has allowed for property reviews to be completed by phone or email if all the necessary supportive information is provided by mail or electronically when requested. This allows for more flexibility in the service delivery for property owners who are unable to be present at their property during working hours,

thus resulting in a more accurate assessment and less abatements due to potential errors. Information regarding abatements can be found on Ramsey County's [website](https://www.ramseycounty.us/residents/property-home/taxes-values/homestead) <https://www.ramseycounty.us/residents/property-home/taxes-values/homestead>, which can be viewed in multiple languages. The County Assessor's Office also has bilingual staff who are available to assist with questions or concerns from Hmong and Spanish speaking customers.

Community Participation Level and Impact

The community is informed about this action through County Board action, which is published on the County's website at

<https://www.ramseycounty.us/your-government/leadership/board-commissioners/board-meetings-information>.

☒ Inform

☐ Consult

☐ Involve

☐ Collaborate

☐ Empower

Fiscal Impact

Abatements result in a reduction in property tax revenue for Ramsey County and other taxing authorities. The reduction in total local and state property tax for the sixteen (16) properties qualifying for disaster abatements is \$614,654. The request for reimbursement from the state would be the local tax amount of \$491,581.36.

For this specific board request, the reduction in total local and state property tax for the nine (9) properties qualifying for disaster abatements is \$269,832. See the attached board list for detailed amounts by property.

County Manager Comments

County Board approval is required for a value reduction resulting in a change of tax of over \$10,000.

Last Previous Action

On Dec 17, 2019, the County Board approved a policy establishing the delegation of authority to the County Auditor/Treasurer of abatements less than \$10,000 (Resolution B2019-301).

Attachments

1. October 13, 2020 County Board List