



Request for Action

TO: Housing & Redevelopment Authority

FROM: Kim Clausen, Community Development Coordinator

MEETING DATE: August 12, 2019

SUBJECT: Resolution 2019-03 - FY2020 Preliminary Levy Request

SUMMARY OF REQUEST:

This item is to discuss the preliminary HRA budget and approve the preliminary levy request for FY 2020.

Under State Statutes the City must certify its proposed property tax levy amounts to the County Auditor by September 15th. Accordingly, the Housing and Redevelopment Authority is asked to submit its preliminary levy request to be included with the proposed levy.

The proposed preliminary property tax resolution and the HRA levy calculation sheet which includes a 21 year history of the HRA levies over the years is attached for your reference. The maximum amount the Faribault HRA can levy based on the approved formula is \$251,907. Once the HRA and City certify a levy amount, the amount can be reduced, but cannot be increased. The levy is the HRA's primary source of flexible revenue that can be used to fund programs and meet your mission.

Staff will bring back a preliminary budget proposal to the September meeting.

Requested Action:

Adopt Resolution 2019-03 Approving the Preliminary HRA Levy Request for FY2020 and provide direction on possible programming for 2020.

FARIBAULT HOUSING AND REDEVELOPMENT AUTHORITY

RESOLUTION 2019-03

**ESTABLISHING A PRELIMINARY PROPERTY TAX LEVY
FOR FISCAL YEAR 2020**

WHEREAS, the Housing and Redevelopment Authority of Faribault may request the establishment of a special benefit tax levy pursuant to Minnesota Statute §469.033, Subdivision 6; and

WHEREAS, according to this Statute, "The amount of the levy shall be an amount approved by the governing body of the city, but shall not exceed 0.0185 percent of the taxable market value"; and

WHEREAS, the levy calculation per Minnesota Statute §469.033 amounts to a maximum of \$251,907 for taxes payable 2019 as shown in Exhibit A.

NOW, THEREFORE BE IT RESOLVED by the Housing and Redevelopment Authority of Faribault that there be and there is hereby levied on the taxable property of the City of Faribault, Rice County, Minnesota for fiscal year 2020, a special benefit tax levy not to exceed \$251,907 per the Proposed 2020 Budget on file with the City.

ADOPTED: August 12, 2019

Faribault Housing and Redevelopment Authority

Brendan Kennedy, Chairperson

ATTEST:

Matt Speckhals, Vice Chair/Secretary

Exhibit A

FARIBAULT HOUSING AND REDEVELOPMENT AUTHORITY GENERAL FUND PRELIMINARY 2020 HRA LEVY CALCULATIONS

Authority

Minnesota Statutes 469.033, Subdivision 6

"The amount of the levy shall be an amount approved by the governing body of the city, but shall not exceed 0.0185 percent of the taxable market value."

Maximum Levy Calculation

Taxable Market Value	1,361,660,500
Percentage Allowed	0.0185
Maximum Levy	251,907

HRA Levy History

<u>Year</u>	<u>Gross Levy*</u>	<u>Net Levy</u>	<u>% of Gross Levy</u>
1998	74,703	67,000	
1999	56,325	48,622	
2000	71,356	63,611	89%
2001	75,568	67,864	90%
2002	100,267	100,267	100%
2003	105,280	105,280	100%
2004	124,330	124,330	100%
2005	139,552	139,552	100%
2006	156,357	156,357	100%
2007	177,288	177,288	100%
2008	188,107	188,107	100%
2009	270,690 **	211,834	78%
2010	273,620	234,468	86%
2011	266,485	234,468	88%
2012	251,068	239,157	95%
2013	219,726	219,726	100%
2014	197,300	197,300	100%
2015	197,300	197,300	100%
2016	201,682	201,682	100%
2017	206,937	206,937	100%
2018	217,365	217,365	100%
2019	229,713	229,713	100%
2020	251,907	251,907	100%

*Assumes \$7,704 HACA for years 1990-2001

**The percentage allowed was increased by the 2008 Legislature from .0144 to .0185.