

MOTION TO AMEND RESOLUTION 24-0704R

BY COUNCILOR AWAL AND COUNCILOR NEPHEW:

We move to amend Resolution 24-0704R and its Exhibit A as follows:

CITY PROPOSAL:

RESOLVED, that pursuant to Minnesota Statutes, Section 469.033, subdivision 6, the City Council adopts the following proposed property tax levy:

Section 1. The sum to be raised by taxation for the year 2025 for the housing and redevelopment authority taxing district's operation is hereby determined to be the sum of \$~~1,811,427~~ 1,982,923 which sum is levied against the taxable property of the city of Duluth and appropriated to the various accounts as set forth in the following sections, see Exhibit A.

Section 2. That pursuant to Minnesota Statute 469.033, subdivision 6, there will be levied for the purpose of providing for the housing and redevelopment authority special taxing district the

STATEMENT OF PURPOSE: The HRA may levy a tax upon all taxable property within the taxing district subject to the consent by resolution of the City Council. Unlike other City property tax levies which require an ordinance, this resolution completes the process to certify the final 2025 property tax levy for the Housing and Redevelopment Authority and will not return in December.

The full levy allowable by law in Minnesota State Statute 469.033, subdivision 6 of .0185 percent of estimated market value for 2025 is in excess of \$1.983 Million. ~~The HRA proposes to keep its tax rate the same at 0.0169 percent.~~ City Council, in consultation with HRA staff, proposes to increase the tax rate from 0.0169 percent to .0185 percent of estimated market value. This will capture a gain of \$~~105,160,276,656~~, or an increase of ~~6.1616.2~~%. City Council,

in offering an increased levy to the HRA, formally requests that the HRA develop a plan to utilize the additional funding to provide for additional community development and homelessness programming in the City of Duluth as described in Exhibit A.

Per the HRA's calculations, the estimated annual increase of the HRA portion of property taxes to a home valued at \$240,100 is ~~\$0.05~~ 3.31- the estimated amount of the HRA portion of property taxes paid in 2024 was \$34.34 and it is estimated to be ~~\$34.39~~ 37.65 in 2025

Amended Exhibit A

HOUSING AND REDEVELOPMENT AUTHORITY  
OF DULUTH, MINNESOTA

**BUDGET**  
IN SUPPORT OF  
COMBINED SPECIAL LEVY FOR HOUSING AND REDEVELOPMENT  
ACTIVITIES DURING 2025

It is estimated at this time that approximately \$~~1,811,427,001~~**1,982,923** will be raised by the combined special levy, and the whole of this amount will be applied toward the cost of local housing and redevelopment activities. This includes providing and maintaining a well-managed supply of safe, affordable housing; performing duties according to the City’s comprehensive plan; maintaining quality housing assistance and rent subsidy programs; housing development and redevelopment including addressing blighted areas and sustainability initiatives; continuing workforce development in the construction trades and affordable/workforce home ownership programs; administering the City’s housing trust fund and revolving loan fund; and other related activities.

The budget to provide these local housing and redevelopment activities in the City of Duluth during a one-year period is estimated as follows:

<b><u>ACTIVITIES</u></b>	<b><u>AMOUNT</u></b>
Section 8, Small Rental Assistance Programs, Support for Harborview Phase I	\$458,026
Warming Center and Other Community Center Operations and Maintenance	\$121,748
Affordable Housing Programs and Development Housing Initiatives (Housing Rehab and Development, Construction Training Program, Landlord Initiatives, Senior Housing Developer Funding, Housing Trust Fund Management, etc.)	\$1,011,563
Community Housing Support Services (Two Police Officers; Tenant Landlord Connection Support)	\$220,090
<u>Community Development and Homelessness Programing;</u>	<u>\$171,496</u>
<b>TOTAL</b>	<b>\$1,811,427<b>1,982,923</b></b>