

## **Media Advisory**

Contact: Jon Commers (651) 645-4644  
Brian McMahon (651) 647-6711

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## **University UNITED Establishes Ad-Hoc Property Tax Task Force**

University UNITED has established an ad-hoc property tax task force to evaluate the impact that current property tax law has on business and property development in the University Avenue corridor. Over three months, the task force is charged with exploring how the City's zoning code and the property tax system are consistent or in conflict, with the objective of contributing to the planning process for University Avenue and St. Paul generally.

The work of the task force builds on a body of substantive work undertaken by UNITED in recent years. In particular, UNITED board members and staff have produced studies of the property tax burden faced by businesses on and near University Avenue. This work suggests more data is needed in light of rising property values, changes in the zoning regulations and preparation for light rail transit.

The task force will meet for a series of meetings before early November and produce findings and recommendations by early 2007. Jon Commers, a public finance and policy consultant and member of the St. Paul Planning Commission, will chair the task force, and membership will include University Avenue stakeholders from the private and civic sectors.

### *About University UNITED*

University UNITED is a coalition of 12 community organizations and several businesspeople that represent the business and neighborhood stakeholders in UNITED's geographical area of focus (from the Minneapolis border to the West, to Rice Street to the east; and from I-94 to the south, to the Burlington Northern train tracks to the north).

### ***The final report will:***

- Document the increasing reliance on property tax in local budgets
- Establish comprehensive data base tracking property values along UA over the past 5 years including case studies on several specific sites
- Compare property values on University Avenue to other St. Paul commercial corridors, the Central Business District, and Ramsey County
- Compare property tax generated by different types of land use and building types
- Seek to identify key variables that create change in property assessments
- Explore relationship of actual cost of municipal services to property tax generated
- Analyze impact of property tax on business development

Examine how property tax aligns with public policy goals and strategies  
Review history of Tax Increment Finance (TIF) projects on University Avenue  
Examine impact of special assessments and fees  
Examine relationship of property and sales tax  
Document impact of owner challenges to property assessments  
Compare changing relationship of land to building valuations  
Examine impact of light rail projects on property values in other cities  
Document impact of non-profit tax exempt property owners and role of Payment in Lieu  
of Taxes (PILOT) Program  
Examine impact of tax abatement incentive programs offered by state  
Review recent efforts to reform property tax system  
Explore options and procedures for making policy changes in property tax code  
Make recommendations on how property tax could be modified

### **Task Force Members**

Jon Commers, Chair, Public Finance Consultant  
Tom Krebsbach, Midway Chevrolet  
Nghi Huynh, Asia America Press  
Brenda Bailey, Model Cities  
Kevin Lam, Cheng Heng Restaurant, 448 University Avenue, Real Estate Developer  
Alan Peterson, The Real Estate Matrix, Broker and Developer  
Sam Riesgraf, Kraus Anderson Construction, University UNITED Chair  
Nieeta Presley, Aurora Saint Anthony Neighborhood Development Corporation  
Lori Fritts, President Midway Chamber of Commerce

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