

Committee of the Whole

Meeting date: August 18, 2021

Subject: 50-Year History of the Fiscal Disparities Program and Panel Discussion

District(s), Member(s): All

Policy/Legal Reference: Minn. Stat. § 473F

Staff Prepared/Presented: Deb Detrick, Local Planning Assistance (651-602-1327)

Division/Department: Community Development Division / Regional Planning

Proposed Action

None. This is information only.

Background

Fifty years ago on July 23, 1971, the Minnesota Legislature enacted the tax-base sharing program in the seven-county metropolitan area known as the fiscal disparities program. Through this program, local taxing jurisdictions in the seven-county metro area share part of growth in commercial-industrial net tax capacity, or tax base.

At the August 18, 2021 Committee of the Whole meeting, Paul Gilje will present the remarkable story of the tax-base sharing program summarized in his book, [*How Could You Do This? 50 Years of Property-Tax-base Sharing in Minnesota*](#). Deb Detrick will moderate part of the discussion with a distinguished panel of experts to learn from their perspectives and experiences before Chair Zelle will open up discussion to questions from Council Members. Panelists include:

- Paul Gilje, author, and Associate Director of the Citizens League from 1964 to 1988
- Steve Hinze, former Legislative Analyst, Minnesota House of Representatives Research Department from 1976 to 2018
- Patricia Nauman, Executive Director, Metro Cities since January 2009
- Thomas Weaver, CEO, Achieve Services, and former Regional Administrator, Metropolitan Council

While the Council does not administer the tax-base sharing program in the metro area, the program supports goals of the Council including more orderly development; cost-effective regional wastewater treatment and transportation services; and improved equity in fiscal resources. The program also connects to other Council objectives: a regional approach to planning and growth of the metro area that supports cooperation and strengthens our economic competitiveness; and land uses that encourage environmental protection and increase livability but produce little or no tax base, such as regional parks, open space, and low-income housing.

This presentation and panel discussion on the fiscal disparities program at the Committee of the Whole meeting highlights the Metropolitan Council's role as a convener to discuss regional topics.