



Update on Fiscal Disparities Program

Community Development Committee



May 2023, Maia Guerrero-Combs, Senior Planner- Livable Communities

Tax base sharing in the metro area

About the program

- Shares part of growth capacity in commercial-industrial tax-base (net tax capacity) in the seven-county metro area
- Enacted in 1971
- Attracts national and international interest

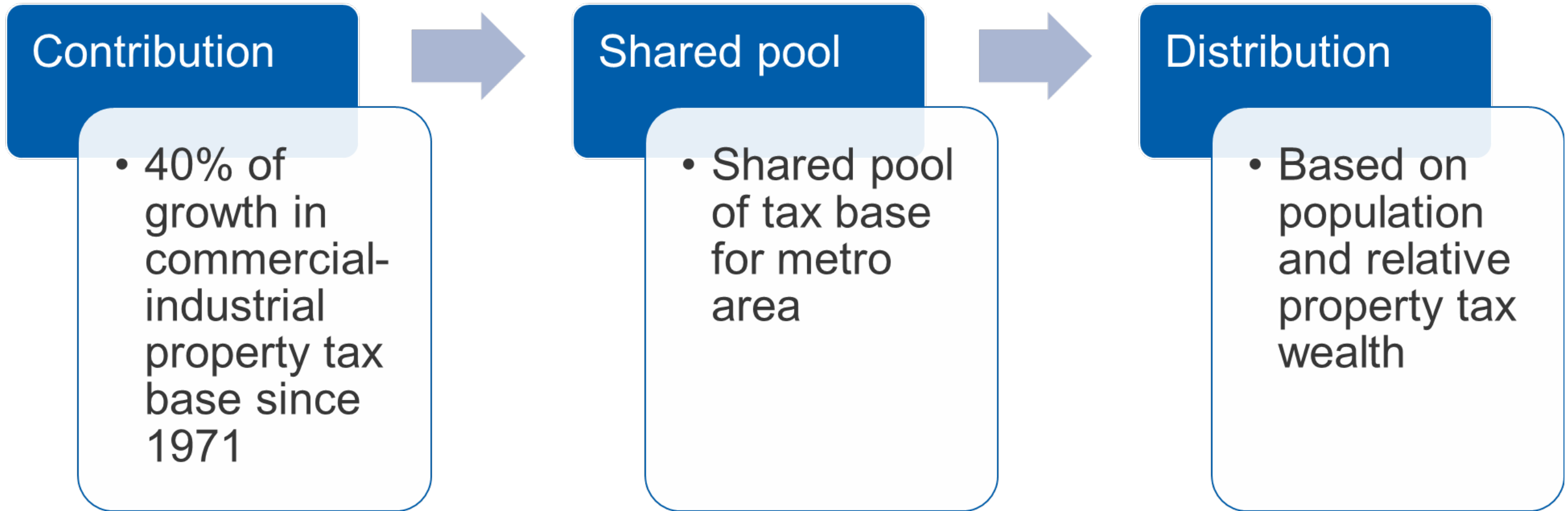
Tax-base sharing in the metro area



Benefits of the program

- Improves equity in fiscal resources
- Supports cost-effective regional wastewater treatment and transportation services
- Encouraging land uses that protect the environment and increase livability

How tax-base sharing works



Participation in the program



179 communities participate

- Four areas excluded by statute
- Statutory role of Metropolitan Council and Minnesota Department of Revenue to determine eligibility of communities to participate in the program
- Four communities ineligible to participate

Shared tax base in the metro area

Shared tax base for 2023 in the metro area

- 9% of the total tax base for the metro area
- 34% of the total commercial industrial tax base for the metro area

Shared tax base as part of the total tax base

9%

A horizontal bar chart with a green segment on the left representing 9% and a light gray segment on the right representing the remaining 91%.

Shared tax base as part of the total commercial-industrial tax base

34%

A horizontal bar chart with a green segment on the left representing 34% and a light gray segment on the right representing the remaining 66%.

Results for taxes payable in 2023

Tax base

- Shared over \$531 million in tax base for taxes payable in 2023

Tax revenue

- Shared over \$710 million in tax revenue for taxes payable in 2023

Net recipients and net contributors

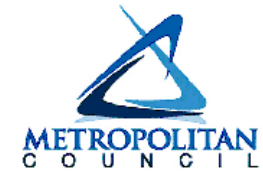


Taxes payable in 2023

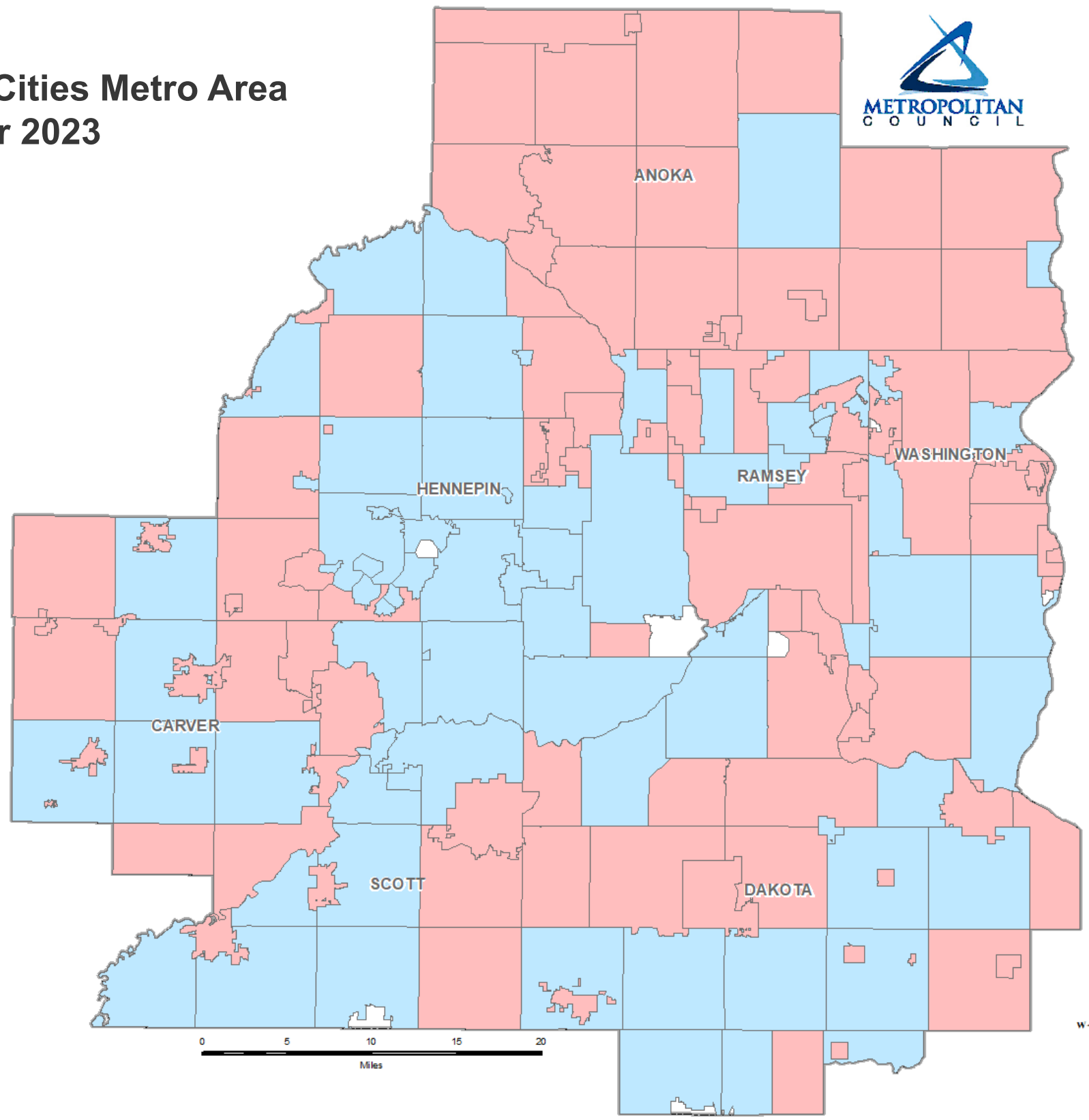
- 107 net recipients
 - 91 cities
 - 16 townships
- 72 net contributors
 - 48 cities
 - 24 townships

Fiscal Disparities Program in the Twin Cities Metro Area

Net Recipients and Net Contributors for 2023



- Net Contributor
- Net Recipient
- City and Township Boundaries

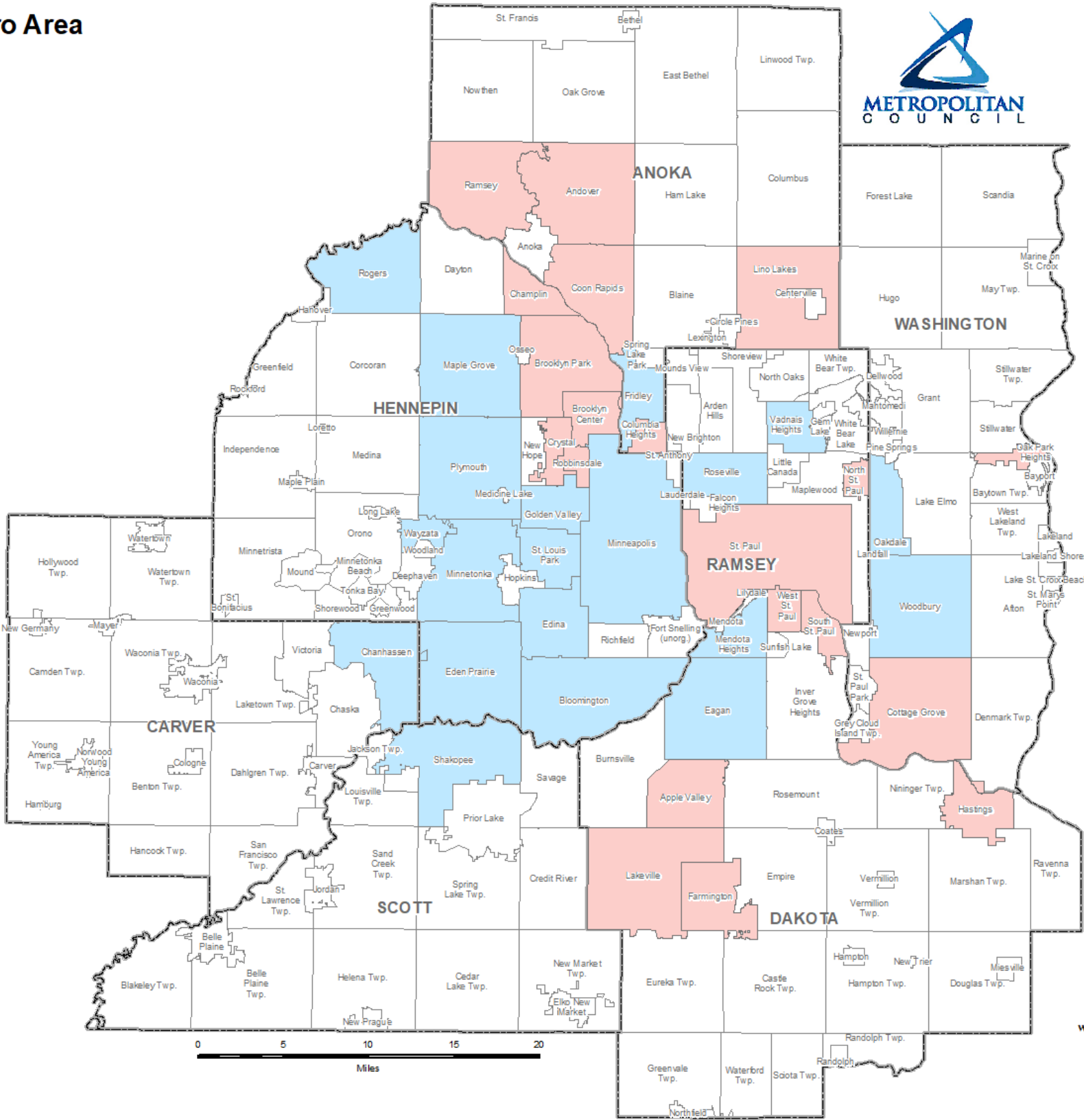


Fiscal Disparities Program in the Twin Cities Metro Area
Top 20 Net Recipient
Top 20 Net Contributor
Taxes Payable 2023



- City and Township Boundaries
- Net Recipient
- Net Contributor

Net Contributors	Net Recipients
Minneapolis	St. Paul
Bloomington	Brooklyn Park
Edina	Brooklyn Center
Plymouth	Coon Rapids
Eden Prairie	Apple Valley
Minnetonka	Columbia Heights
Eagan	Andover
Roseville	Cottage Grove
Shakopee	Farmington
St. Louis Park	Lakeville
Golden Valley	Crystal
Maple Grove	South St. Paul
Rogers	Hastings (combined)
Oakdale	Robbinsdale
Wayzata	Champlin
Chanhassen	Oak Park Heights
Mendota Heights	North St. Paul
Fridley	West St. Paul
Woodbury	Ramsey
Vadnais Heights	Lino Lakes

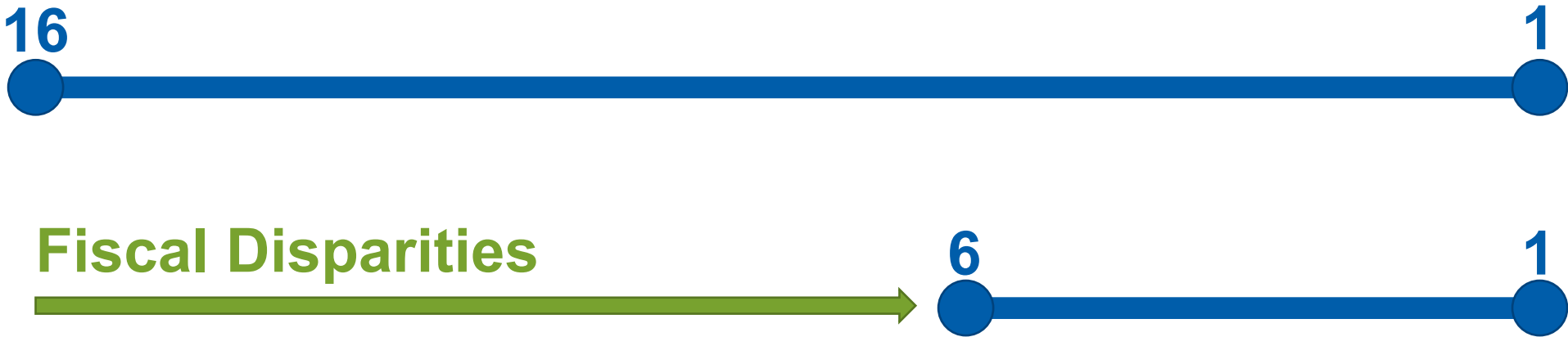


Benefits to the region



Reduces disparities in property tax wealth

Ratio of highest to lowest commercial-industrial tax base per person for communities with population over 10,000





For more information visit:

[Fiscal Disparities - Metropolitan Council \(metro council.org\)](https://metro council.org)

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