



Update on Fiscal Disparities Program

Community Development Committee



June 2024, Maia Guerrero-Combs, Senior Planner- Livable Communities and Housing

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

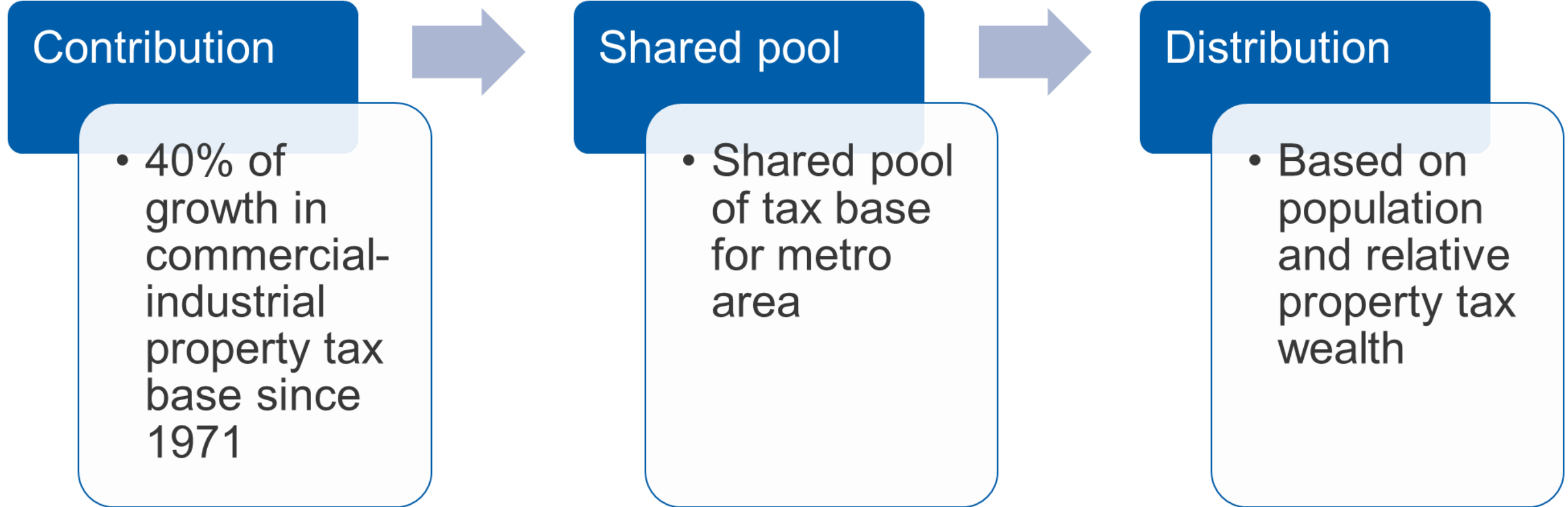
Tax-base sharing in the metro area



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



177 communities participate

- Six 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 2024 in the metro area

- 9% of the total tax base for the metro area
- 32% 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 grey segment on the right representing the remaining 91%.

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

32%

A horizontal bar chart with a green segment on the left representing 32% and a grey segment on the right representing the remaining 68%.

Results for taxes payable in 2024

Tax base

- Shared over \$563 million in tax base for taxes payable in 2024

Tax revenue

- Shared over \$693 million in tax revenue for taxes payable in 2024

Net recipients and net contributors

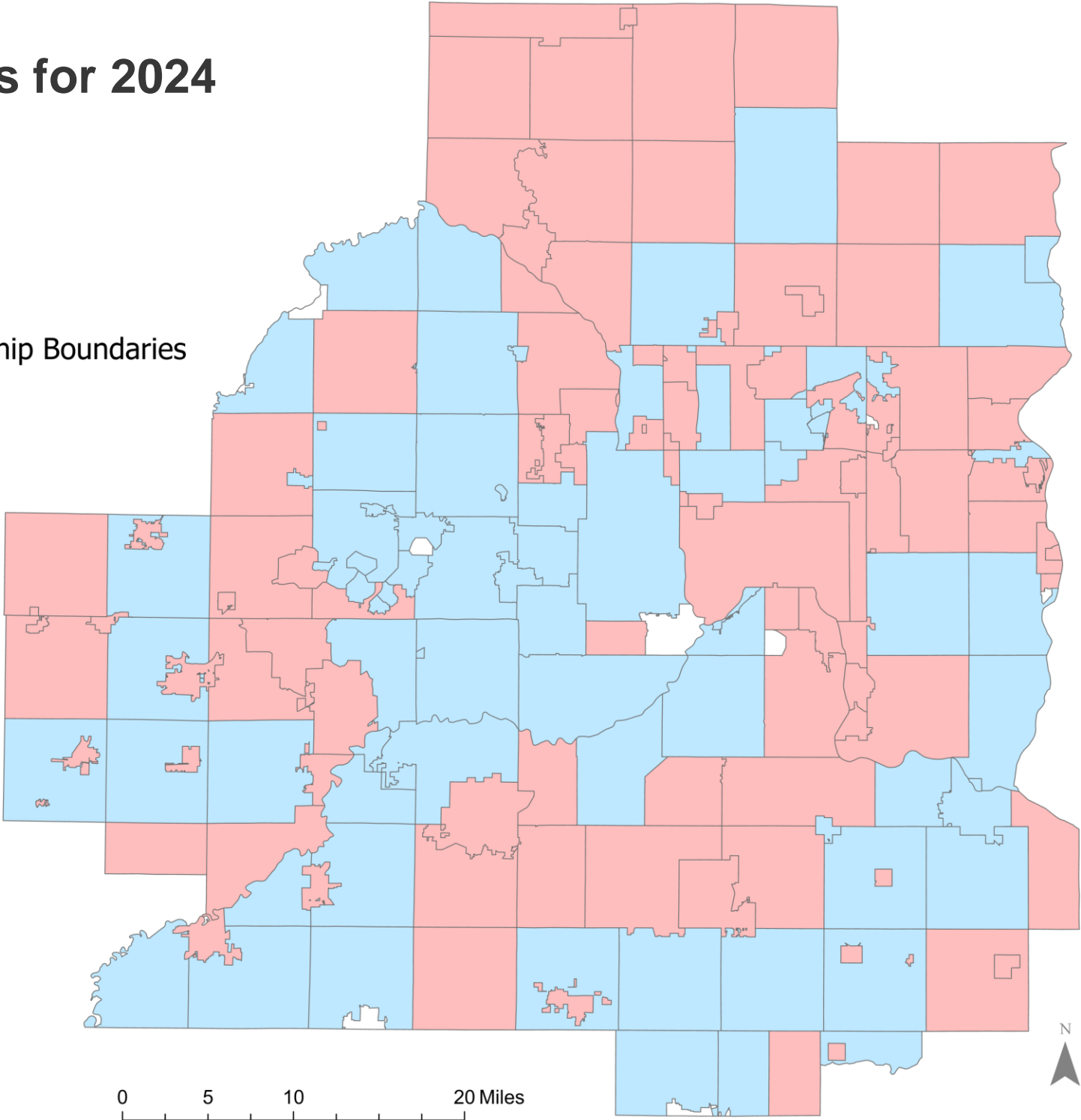


Taxes payable in 2024

- 109 net recipients
 - 94 cities
 - 15 townships
- 75 net contributors
 - 49 cities
 - 25 townships

Fiscal Disparities Program Net Recipients and Net Contributors for 2024

- Net Contributor
- Net Recipient
- City and Township Boundaries



Fiscal Disparities Program

Top 20 Recipients and Contributors for Taxes Payable 2024

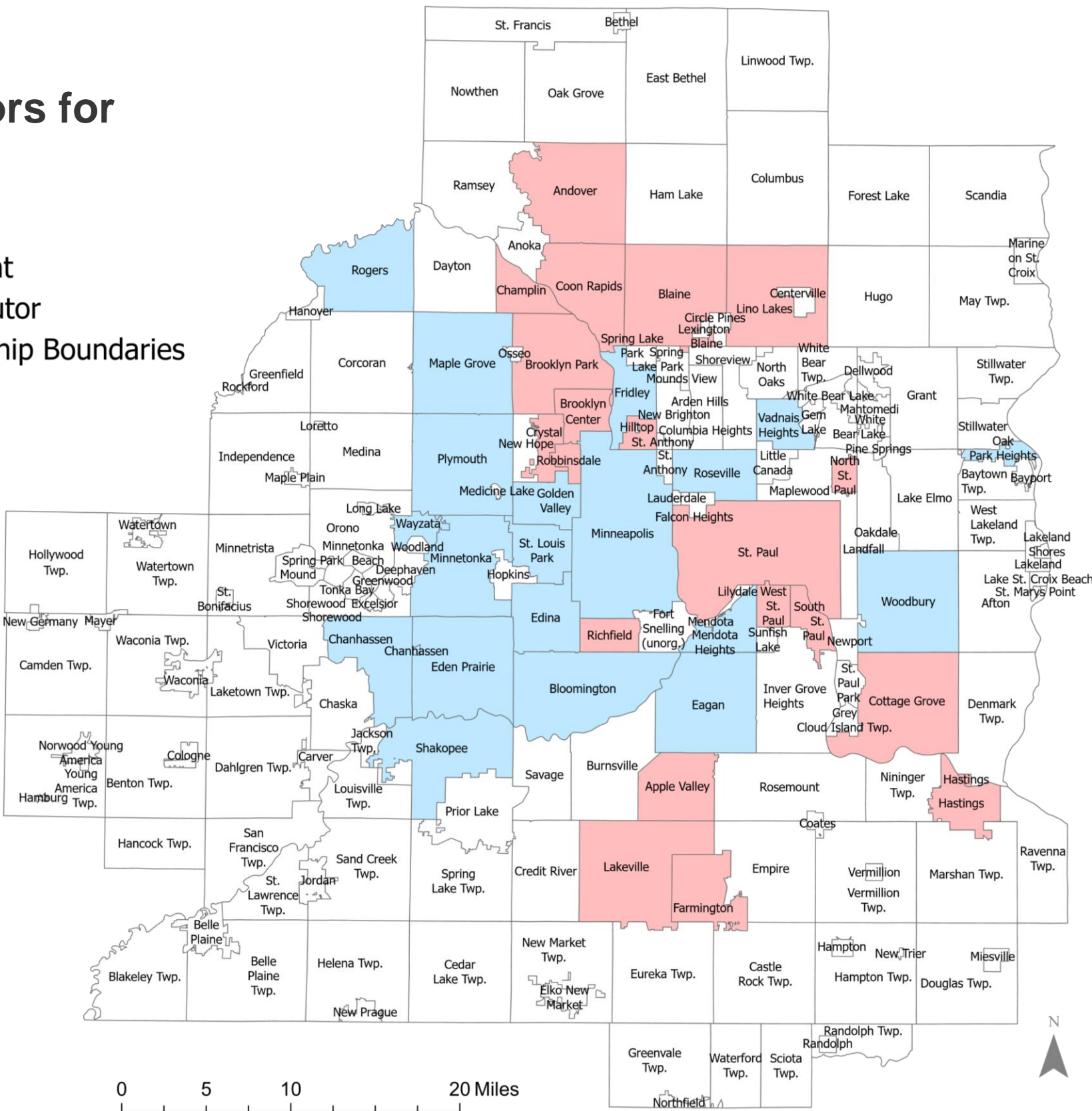
■ Top 20 Recipient
■ Top 20 Contributor
 City and Township Boundaries

Top 20 Net Contributors

- Bloomington
- Plymouth
- Edina
- Minneapolis
- Eden Prairie
- Minnetonka
- Eagan
- Roseville
- Shakopee
- Maple Grove
- Golden Valley
- St. Louis Park
- Rogers
- Wayzata
- Oak Park Heights
- Fridley
- Mendota Heights
- Chanhassen
- Woodbury
- Vadnais Heights

Top 20 Net Recipients

- St. Paul
- Brooklyn Center
- Apple Valley
- Coon Rapids
- Columbia Heights
- Cottage Grove
- Andover
- Crystal
- Farmington
- Brooklyn Park
- South St. Paul
- Lakeville
- Hastings
- Robbinsdale
- West St. Paul
- Blaine
- Champlin
- North St. Paul
- Richfield
- Lino Lakes

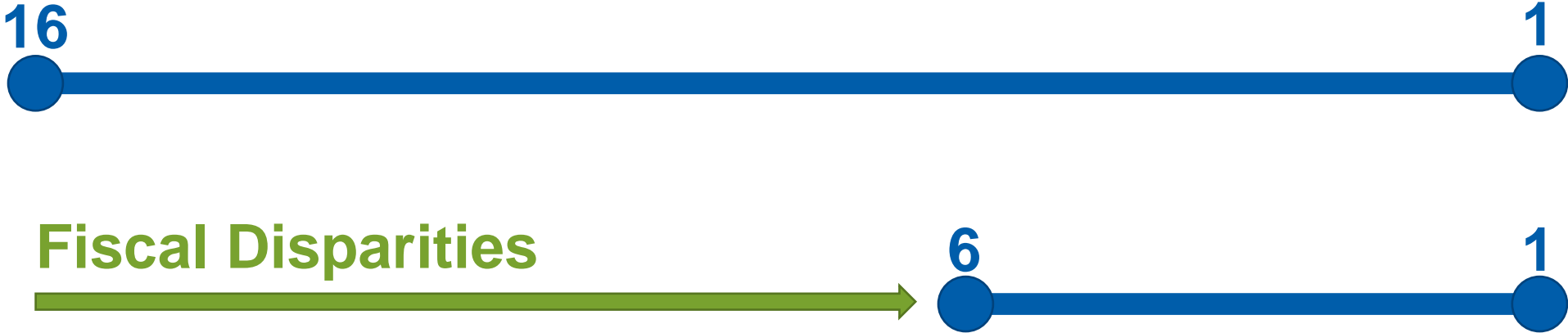


Benefits to the region



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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