



Watchdog Group Offers Plan To Decrease City's Proposed 5.3% Tax Levy Increase

SAINT PAUL, MN — Challenging the City of St. Paul's proposed 5.3% tax levy increase, fiscal watchdog group **In\$ight** today unveiled a strategic five-point plan that aims to help the city limit the hike to a more fiscally responsible 2%. With the currently proposed increase pacing at nearly double the current rate of inflation, In\$ight is urging city leaders to consider their alternative roadmap before locking in the final budget. The full proposal, available at www.insightstpaul.org outlines the following measures:

1

Decertify 8 Tax Increment Financing Districts

If the city were to decertify eight TIF projects that are eligible for decertification, it could return just over \$1 million each back to the city, the county and the school district.

Potential Savings: \$1.03 million each to the city, county and school district.

2

Stop Subsidizing Commercial to Residential Conversions

While conversion may one day be necessary, in our current budget situation, we should focus on attracting office users for our existing office vacancies.

Potential Savings: \$5 million on the tax levy

3

Fix The Parks We Have Before Making New Ones

With a new pool of sales tax revenue dedicated to parks, we should first focus on erasing the existing deferred park maintenance before we start making new parks that expand our annual park budget.

Potential Savings: \$10 million in annual maintenance spending and new park budgeting.

4

Ask The State To Do Its Part

The state of Minnesota promised to chip in for regional parks around the state, but currently is not paying its part. It's time we change this.

Potential Savings: \$5 million a year

5

Reassess Covid-Era Spending

A number of new positions were created with one time federal funding during the Covid pandemic.

We should now go over the city budget and make sure that all positions are supporting core municipal services, and eliminate any that do not.

Potential Savings: \$1 million to \$2 million annually

QUOTE: "St. Paul residents are facing genuine financial headwinds, and the city has an opportunity to provide relief rather than adding to the burden," said In\$ight member Gerry McInerney, a longtime city resident, business owner and former council aide. "We are not asking for drastic cuts; we are asking for the same fiscal discipline a lot of us are embracing in our own budget decisions. With smart, manageable adjustments, the city can align this levy closer to the current inflation rate without sacrificing the core services our community relies on."

ABOUT US: *In\$ight St. Paul is a nonpartisan fiscal watchdog group made up largely of St. Paul residents and businesses concerned about the need for stronger financial management of St. Paul. The city is facing significant financial challenges that cannot be ignored. In\$ight's goal is to unpack, understand and explain the serious tax, spending and debt problems confronting St. Paul and work with policymakers and the community to develop sound solutions that ensure a strong financial future for the City.*

MORE INFO: The details of this report are available on our website at www.insight.org. For more information, or to set up an interview with McInerney or another member of In\$ight, please feel free to contact Nate Dybvig at 651.230.3018 or nate@spifirm.com.