

Ramsey County

2017 Assessors Mid-Year Update

August 8, 2017

Three year comparison of total assessed market value and new construction:

2015 payable 2016*	2016 payable 2017*	2017 payable 2018*
\$43,807,000,000	\$46,586,000,000 +6.3%	\$50,383,000,000 +8.2%

Total value of new construction:

	2015 payable 2016	2016 payable 2017	2017 payable 2018
Non-TIF	\$228,048,000	\$328,339,500 +44%	\$396,928,000 +21%
TIF	\$88,431,600	\$117,676,800 +33%	\$201,157,600 +71%
Total	\$316,791,600	\$446,016,300 +41%	\$598,085,600 +34%

Post Recession Market Update

Recovery from low point

Values have recovered
\$10.86 billion since low point

	Assessed value change in the five years since the low point of the 2012 assessment
County-wide	
RESIDENTIAL	6,874,990,800
AGRICULTURAL (HIGH VALUE)	-5,167,800
APARTMENT	2,634,994,100
COMMERCIAL/ INDUSTRIAL	1,348,980,300
TOTAL	10,853,797,400

Road left to full recovery

Values still \$246 million under high point

	Assessed value change in the ten years since the 2007 assessment
County-wide	
RESIDENTIAL	-3,080,911,100
AGRICULTURAL (HIGH VALUE)	-42,313,500
APARTMENT	2,678,054,600
COMMERCIAL/ INDUSTRIAL	199,298,600
TOTAL	-245,871,400

2017 Assessment

Aggregate changes in 2017 assessed value by property class:

	Overall	Residential	Commercial/Industrial	Apartments
City of St Paul	+9.9%	+7.1%	+13.7%	+17.4%
Suburban Ramsey	+6.9%	+5.7%	+8.9%	+11.8%
Countywide	+8.2%	+6.3%	+11.0%	+15.2%

New development continues to set the stage for future growth:

- \$400 million State Capitol improvements and new construction.
- Numerous new apartment projects,
 - E.G. Oxbo, 333 on the Park, and 2700 University.
- Newly opened \$75 mil Health Partners Neuroscience Center.
- Mn United Soccer stadium and ancillary development.
- Treasure Island Center (FKA Macy's).
- \$16 million renovation of 100 year old Palace theater.
- Rosedale Mall renovation and 140,000 sq ft expansion, that includes Von Maur department store and 450 stall parking ramp.
- \$80 million office expansion to Land O' Lakes Campus.

Tax Court Petitions (Appeals)

Trends for Number of Filings, Value Petitioned

- Number of new 2017 petition filings increased from 480 in 2016 to 508 in 2017
- The new filings cover 6.6% of total 2017 assessed value (EMV)
- Total value of petitioned parcels for 2017 is \$2.99 billion (up 9.9% from 2016)
- Total value of petitioned parcels for 2016 was \$2.72 billion
- Comparison to recent high volume year in 2008 when filings totaled 1,068
 - Petitioned value for 2017 is down nearly \$2 billion from 2008, (-52%)
 - Total value of petitioned parcels in 2008 was \$5.94 billion

Petitions resolved in 2016

- Assessors resolved 569 petitions on 543 parcels in 2016
- Total value reduction for all cases resolved in 2016 was \$311.2 million
- Tax reductions in recent years have been within budgeted levels and are projected to continue to be within budget

2017 Market Update

- Housing prices are steadily increasing.
- Many home prices are still not at prior peak level.
- A historic low supply of homes for sale is restraining the market.
- Foreclosures and short sales are comparatively low, but not yet down to pre-recession levels.
- Builders are confident and demand for new construction is strong.
- Strong demand for land.
- Recent apartment property sales indicate continued value growth.
- New demand lending strength to industrial markets. (E.G. eCommerce)
- Retail market is adjusting to changes in demand for space.
- New development of office space remains scarce.
- Impact to real estate markets of a recession in the coming years is still unclear