

Sponsor: Community & Economic Development

Meeting Date: 3/18/2025

Title: Allocate Local Affordable Housing Aid for the Support and Stabilization of Affordable Housing

File Number: 2025-097

Background and Rationale:

Ramsey County has an urgent and evident need for affordable housing, especially for individuals and families with household incomes less than 30% of the area median income (AMI) and less than 50% AMI. According to Ramsey County’s Economic Competitiveness and Inclusion (ECI) Plan, the county has a deficit of 15,000 units affordable to those at 30% AMI or below.

Existing affordable housing units managed by private and nonprofit developers have faced numerous operational difficulties in the post-pandemic real estate market. Developer and landlords have seen rising costs, due to inflation, greater community need, changes to the labor market and a more risk-averse insurance market. At the same time revenue has decreased due to higher vacancy, non-collection of rent, and changes to eviction protocols during the pandemic. Increased costs and decreased revenue have led to operational deficits for many affordable housing providers. To respond to this trend Ramsey County designed a competitive solicitation to support and stabilize affordable housing operations.

The “Support and Stabilize” Solicitation sought applications from eligible affordable housing developers whose specific buildings had occupancy rates below 93%, at least five units required to be supportive housing units and have been in operation since at least January 2020. Ramsey County received 18 applications with a total requested amount over \$14 million. Applications were scored in four categories; demonstration of financial need, capacity to stabilize operations, affordability and occupancy rate. The internal review team also visited buildings to view and discuss operational issues.

Ten projects are recommended for Local Affordable Housing Aid (LAHA) totaling \$5,011,049 in recommended awards. All projects will be funded in a manner consistent with state and local regulations and requirements in a form approved by the County Attorney’s Office.

The following projects are recommended for 2024 LAHA funding:

Obligations from the Support and Stabilize Solicitation:

American House, Beacon Interfaith	\$671,696
ADYC Supportive Housing, Project for Pride in Living	\$203,378
Crestview, Project for Pride in Living	\$203,374
Dorothy Day Residences, Catholic Charities	\$493,004
Higher Ground Residences, Catholic Charities	\$414,153
Kimball Court, Beacon Interfaith	\$1,272,000
Lexington Apartments, Commonbond Communities	\$322,325
Minnesota Place, Sand Companies	\$155,289
Prior Crossing, Beacon Interfaith	\$793,512
University Dale Apartments Limited Partnership	\$482,318

Total 2024 LAHA Funds \$5,011,049

Additional information on each project can be found in the attachment titled "Narrative Project Descriptions."

Recommendation:

The Ramsey County Board of Commissioners resolved to:

1. Approve recommended projects and funding amounts up to \$5,011,049 for the stabilization and preservation of existing affordable housing.
2. Authorize the County Manager to enter into the necessary loan or other agreements and execute amendments to loan or other agreements, in a form approved by the County Attorney's Office.

A motion to approve was made by Commissioner McMurtrey, seconded by Commissioner Xiong. Motion passed.

Aye: - 7: Jebens-Singh, McGuire, McMurtrey, Miller, Moran, Ortega, and Xiong

By: 

Jason Yang, Interim Chief Clerk - County Board