



# Board Workshop / Discussion Agenda

15 West Kellogg Blvd.  
Saint Paul, MN 55102  
651-266-9200

---

February 18, 2025 - 1:30 p.m.

Courthouse Room 220

---

## WORKSHOP

1. **American Rescue Plan Act Update - Deeply Affordable Housing Initiative** [2025-039](#)

Sponsors: Community & Economic Development



# Board Workshop / Discussion

## Request for Board Action

15 West Kellogg Blvd.  
Saint Paul, MN 55102  
651-266-9200

---

**Item Number:** 2025-039

**Meeting Date:** 2/18/2025

---

**Sponsor:** Community & Economic Development

**Title**

American Rescue Plan Act Update - Deeply Affordable Housing Initiative

**Attachment**

1. Presentation



# American Rescue Plan Act Update – Deeply Affordable Housing Initiative



# Introductions

- Kari Collins, Deputy County Manager, Economic Growth & Community Investment (EGCI)
- Josh Olson, Interim Director, Community & Economic Development
- Max Holdhusen, Deputy Director, Community & Economic Development

Initiative was collaboration with Finance, County Attorney's Office, EGCI Administration and Information Services (Project Management Office), Housing Stability (Heading Home Ramsey).

# Alignment with County Strategies and Priorities

- Tier 5, transformative investment into the real estate market and helped accelerate a housing type that is not commonly created.

## Strategic Alignment:

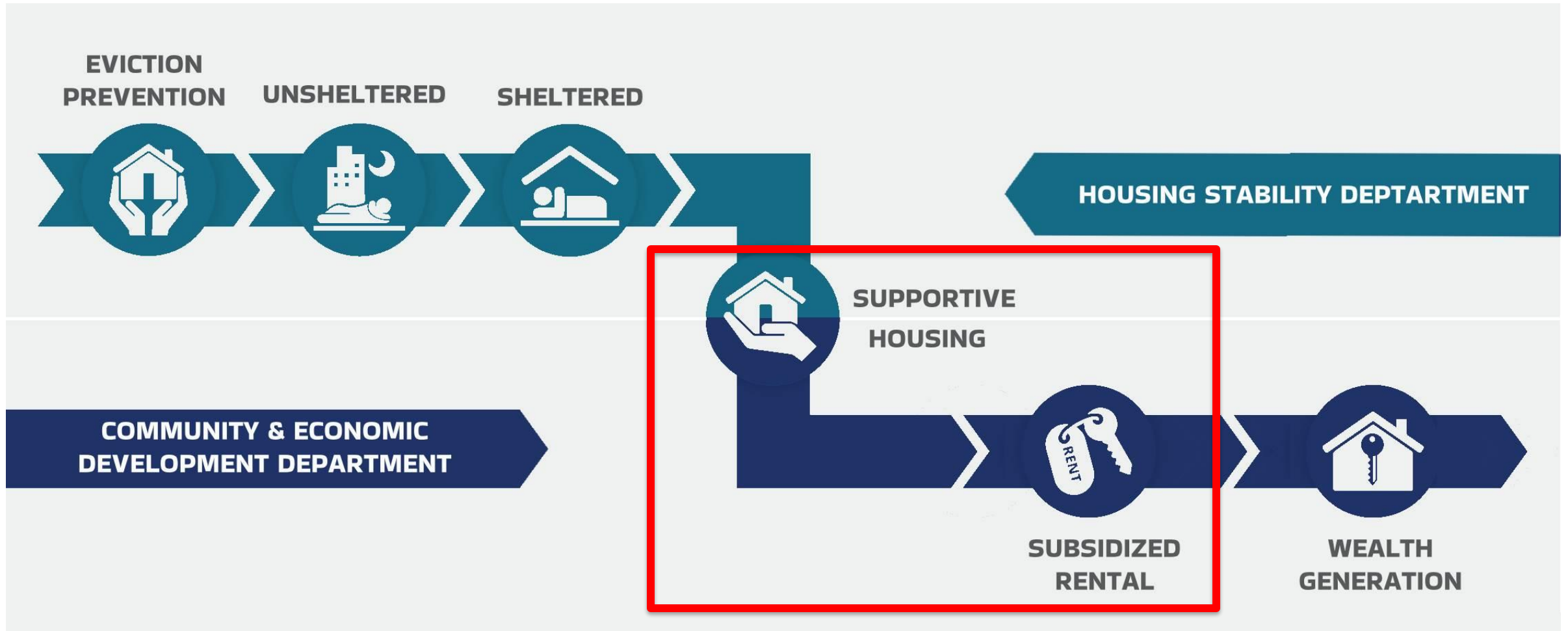
- Stability Starts with A Place to Call Home
  - Deeply Affordable Housing Initiative
- Intergenerational Prosperity for Racial and Economic Inclusion
  - Economic Competitiveness and Inclusion Plan (2021-2025)
  - Equitable Development Framework

# Deeply Affordable Housing Initiative

- Lack of deeply affordable housing – documented deficit of 15,000 units.
- \$37 million allocated by the Ramsey County Board for Affordable Housing Infrastructure.
- Engaged the service and housing provider community on needs across the housing continuum.
  - Deeply Affordable Housing Initiative Engagement Report.
  - Collaboration with City of Saint Paul.
- Focus on adding "deeply affordable housing" supply.
  - new rental housing with income and rental restrictions at 30% Area Median Income



# Deeply Affordable Housing Initiative



# Complexity of Affordable Housing

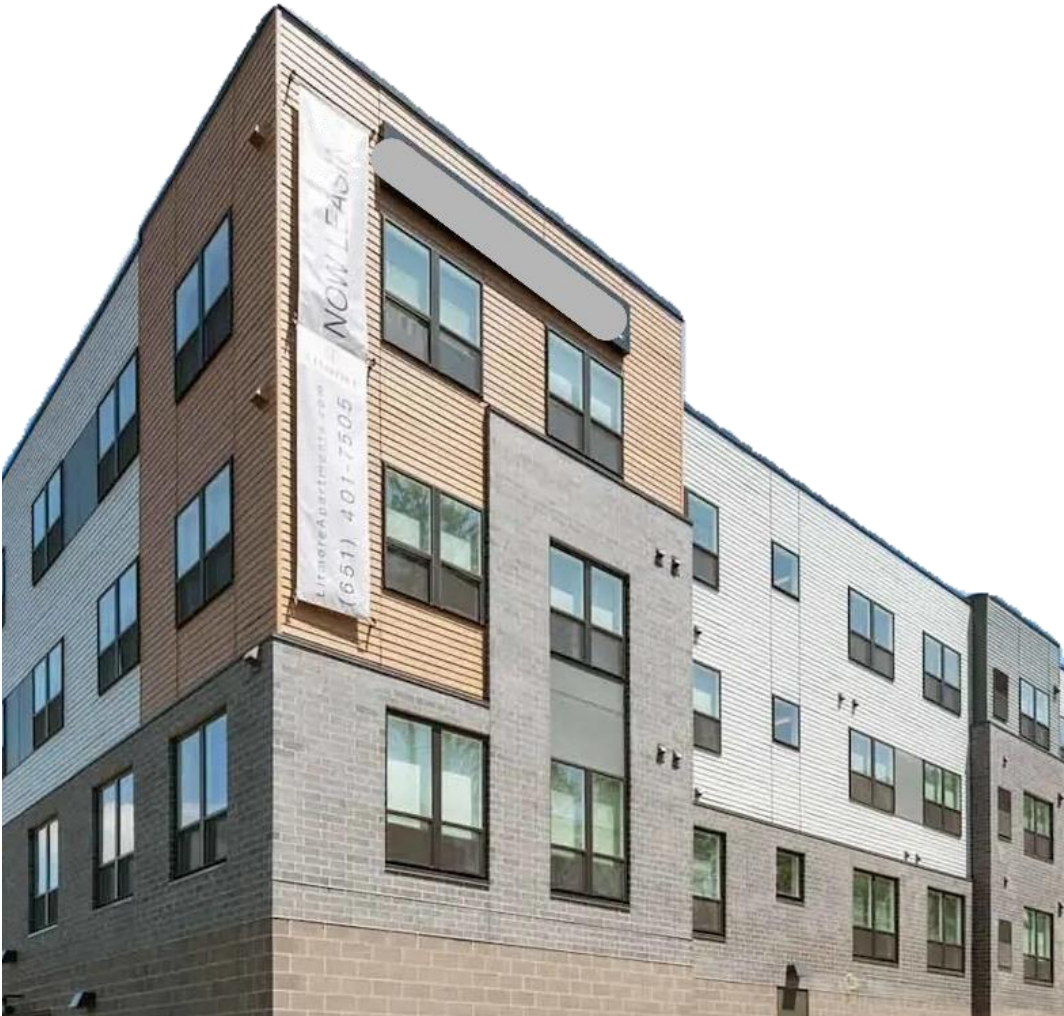


- Private Mortgage
- Low Income Housing Tax Credits
- Deferred Developer Fee
- Ramsey County (8% of total funding)

= Total Development Cost: \$19 million



# Complexity of Affordable Housing



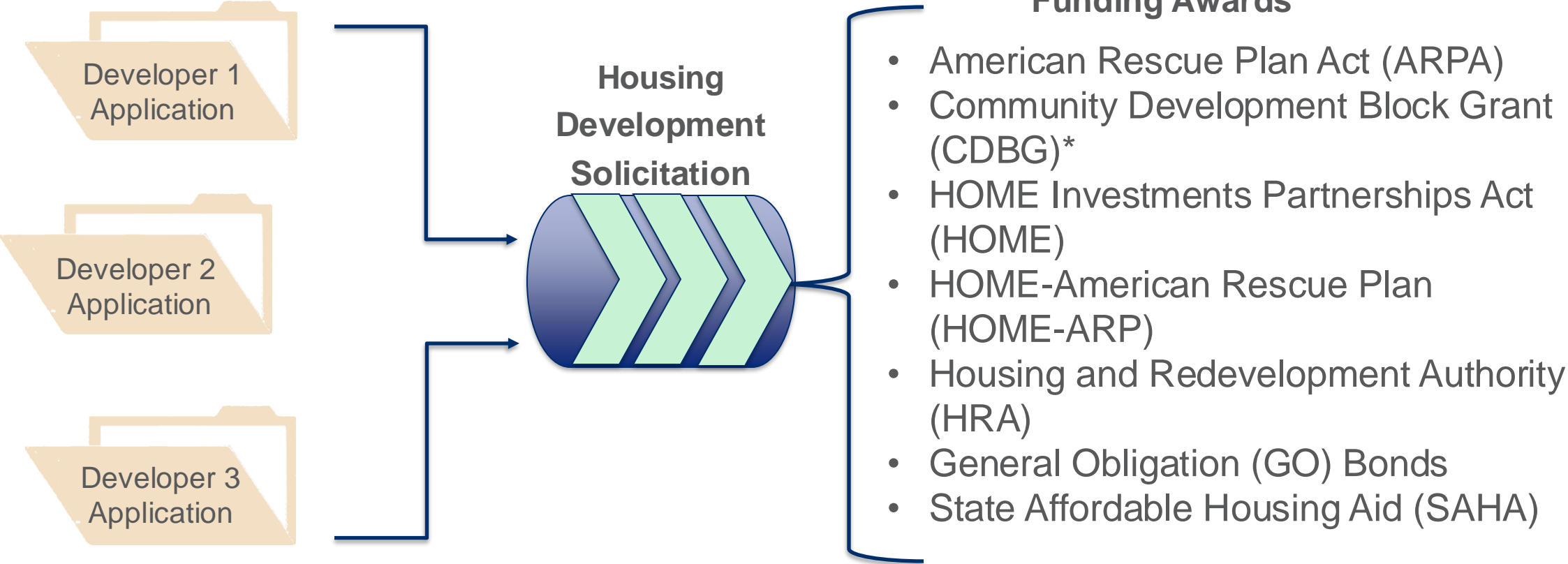
- Minnesota Housing
- Low Income Housing Tax Credits
- Tax Rebates
- Met Council
- City of Saint Paul
- DEED
- Deferred Developer Fee
- Ramsey County (4% of total funding)

= Total Development Cost: \$33 million

# Process

- All funding awards for housing development projects were selected through competitive solicitation processes. (2021-2024)
  - "one-door", consolidated many funding sources into one application.
- Scored in four categories
  - Project/Financial Feasibility
  - Affordability
  - Strategic Priorities and Alignment
  - Organizational Capacity
- Collaborative conversations with cities and state to help align funding.
- Awards resulted in 30-year affordability restrictions and deferred loans.

# Process



# What is the Area Median Income (AMI)?

- the median income is calculated annually by HUD across an 11-county area.

Household Size	Median Income (100%)	80%	60%	50%	30%
1	\$86,950	\$68,500	\$52,700	\$43,500	\$26,100
2	\$99,400	\$78,250	\$59,640	\$49,700	\$29,800
3	\$111,800	\$88,050	\$67,080	\$55,900	\$33,550
4	\$124,200	\$97,800	\$74,520	\$62,100	\$37,250

# Rents at key AMI levels

# of Bedrooms	Rent at 80% AMI	Rent at 60% AMI	Rent at 50% AMI	Rent at 30% AMI
Efficiency	\$1,739	\$1,304	\$1,087	\$652
1 bedroom	\$1,864	\$1,398	\$1,165	\$699
2 bedroom	\$2,235	\$1,676	\$1,397	\$838
3 bedroom	\$2,584	\$1,938	\$1,615	\$969
4 bedroom	\$2,881	\$2,161	\$1,801	\$1,080



# Impact

- Awarded ARPA funds to 24 housing development projects between 2021-2024.
- Made 76 awards across all funding sources between 2021-2024.
- ARPA awards were 31.6% of all funding awards in this period.
- ARPA awards resulted in 876 units.
  - 811 new construction units.
  - 65 existing units with new lowered rents.
- ARPA awards resulted in 414 units affordable at 30% AMI.
- ARPA awards resulted in 155 units connected to supportive services (Housing Support, Section 811)

# Impact Example: Ashland Apartments

- 17 units in Summit-University neighborhood of Saint Paul
- Transformed a vacant, historic building. That was formerly a halfway house.
- Units reserved for formerly homeless residents and those leaving corrections.
- RS Eden is developer/service provider.
- Funding award: \$1,920,858.
- 49% of total development cost, City of Saint Paul funded rest.



# Impact Example: LICA

- 60 units in Little Canada, 6 units at 30% AMI.
- City-owned land
- 30% AMI units leased up in less than a week.
- Reuter Walton was developer; successful lease up has led to two more buildings in Little Canada.
- Funding award: \$2,500,000.
- 13% of total development cost.



# What did we learn?

- Ramsey County transformed into a major local investor of affordable housing.
- Leveraged county funds with other sources to create greater impact.
  - Learned to align our funding with other government application cycles: Minnesota Housing, Minnesota Management and Budget, City of Saint Paul.
  - Leader in new partnerships/collaborations with cities, counties, state agencies, and industry.
- Affordable housing industry demonstrated ability to meet county goals/priorities. (30% AMI).
- Deeply affordable housing is possible, in every district.
  - At least one building in each commissioner district.



## How does this change our work going forward?

- Departments across the county now participate in affordable housing planning and implementation. (Finance, RCAO, review team participants).
  - We have built the collective capacity/muscle memory on housing projects of all shapes and sizes (3 units - 200 units).
  - Continue to streamline process for application, review, reimbursement/wire request.
- Continue to explore and connect Housing Stability service continuum with Community & Economic Development supply funds.
- Well prepared to implement additional local funds for housing supply
  - Investing Local Affordable Housing Aid across the Housing Continuum
    - Board Workshop on March 11