

July 1, 2025 - 10 a.m.

Council Chambers - Courthouse Room 300

ROLL CALL

Agenda of July 1, 2025 is Presented for Approval	<u>2025-208</u>
Sponsors: County Manager's Office	
Approve the agenda of July 1, 2025.	
Minutes from May 20, 2025 are Presented for Approval	<u>2025-209</u>
Sponsors: County Manager's Office	
Approve the May 20, 2025 Minutes.	
	Sponsors: County Manager's Office Approve the agenda of July 1, 2025. Minutes from May 20, 2025 are Presented for Approval Sponsors: County Manager's Office

ADMINISTRATIVE ITEMS

3.Obligation of Housing and Redevelopment Authority Levy for 20252025-242Housing Development Projects2025-242

Sponsors: Community & Economic Development

- 1. Approve the obligation of Housing and Redevelopment Authority levy for recommended projects and funding amounts for the preservation and construction of affordable housing in the amount of \$6,152,025.
- 2. Authorize the County Manager to enter into the necessary loan or other agreements and execute amendments to loan or other agreements in a manner consistent with local regulations and requirements, in form approved by the County Attorney's Office.

4. Environmental Response Fund Grant Awards

2025-237

Sponsors: Community & Economic Development

- 1. Approve the selection of The Beasley, Metro Deaf School, and Macalester College to receive Environmental Response Funds.
- 2. Authorize the award of Environmental Response Funds to the following projects:
 - a. The Beasley, Rondo Community Land Trust \$149,834
 - b. Metro Deaf School Addition and Parking Improvements, Metro Deaf School -\$110,520
 - c. Macalester College Welcome Center and Residence Hall, Macalester College \$100,000
 - 3. Authorize the County Manager to enter into necessary grant, loan or other agreements and execute amendments to those agreements in a form approved by the County Attorney's Office.

ADJOURNMENT



Item Number: 2025-208

Meeting Date: 7/1/2025

Sponsor: County Manager's Office

Title Agenda of July 1, 2025 is Presented for Approval

Recommendation Approve the agenda of July 1, 2025.

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Item Number: 2025-209

Meeting Date: 7/1/2025

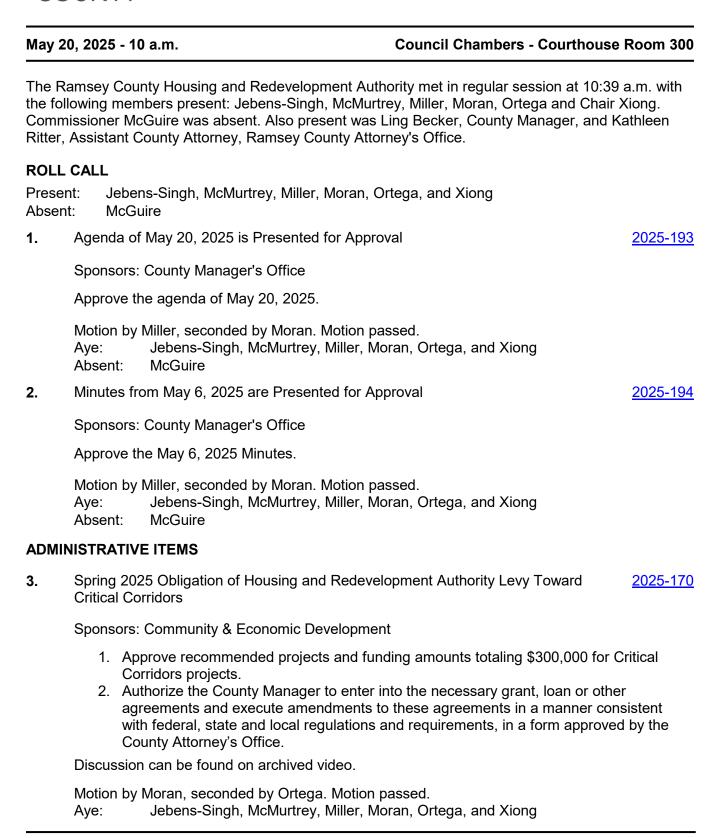
Sponsor: County Manager's Office

Title Minutes from May 20, 2025 are Presented for Approval

Recommendation Approve the May 20, 2025 Minutes.

Attachments 1. May 20, 2025 Minutes

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Housing and Redevelopment Authority Minutes

RAMSEY

COUNTY

Absent: McGuire Resolution: <u>H2025-010</u>

ADJOURNMENT

Chair Xiong declared the meeting adjourned at 10:45 a.m.



Item Number: 2025-242

Meeting Date: 7/1/2025

Sponsor: Community & Economic Development

Title

Obligation of Housing and Redevelopment Authority Levy for 2025 Housing Development Projects

Recommendation

- 1. Approve the obligation of Housing and Redevelopment Authority levy for recommended projects and funding amounts for the preservation and construction of affordable housing in the amount of \$6,152,025.
- 2. Authorize the County Manager to enter into the necessary loan or other agreements and execute amendments to loan or other agreements in a manner consistent with local regulations and requirements, in form approved by the County Attorney's Office.

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). 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. The lack of affordable housing supply leads to greater housing instability for residents and exacerbates the county's ongoing homelessness crisis.

On June 22, 2021, the Housing Redevelopment Authority (HRA) approved the area of operation for the HRA levy, which includes the entire county except the city of North Saint Paul. As determined by state statute, HRA levy funding can be used for the preservation and development of affordable housing, redevelopment activities or blight removal.

To obligate HRA levy funds for this use, private, non-profit and governmental developers were encouraged to apply to the competitive 2025 Housing Development Solicitation which was published on April 25, 2025, and responses were due on May 29, 2025. The 2025 Housing Development Solicitation was modeled after Ramsey County's previous solicitations and the existing process for obligating funding from the U.S. Department of Housing and Urban Development (HUD). Ramsey County marketed the solicitation on the Ramsey County website, through the Community & Economic Development (CED) newsletter, an in-person community meeting, and direct outreach to partner organizations and municipalities.

A total of 47 eligible applications were received, staff reviewed and scored each application. Ten projects totaling \$6,152,025 are recommended for HRA levy awards and will be funded with \$4,500,000 of 2025 HRA levy funds and \$1,652,025 of reallocated HRA levy funds from previous years. In 2022, \$495,000 of HRA levy funds was awarded to the Canalbrook Townhomes proposal by Rondo Community Land Trust for the new construction of affordable owner-occupied units. In 2023 and 2024 \$1,157,025 was awarded to the Amber Flats proposal by Buhl Investors. The developers of these projects decided not to move forward with the award and the award will be reallocated to projects from this solicitation that have existing awards and have a remaining funding gap.

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All projects will be funded in a manner consistent with federal and local regulations and requirements in a form approved by Finance and the County Attorney's Office. A declaration will be recorded against each property's title that requires rental affordability for 30 years. Affordability will be monitored through an annual compliance review to ensure that property owners are maintaining rental limits at 30% AMI.

The following projects are recommended for HRA levy funding:

Summary of Proposed Distribution of HRA Levy Funds for 2025 University 40, Outlaw Development (Saint Paul) Rice Line Crossing, 651 Sustainable LLC (Saint Paul) Aragon, Beacon Interfaith (Saint Paul) VEER, GRO LLC (Saint Paul) Hamm's Brewery East End, JB Vang (Saint Paul) F2F@Arcade, Face 2 Face (Saint Paul) Larpenteur Senior, MWF Properties (Falcon Heights) Roseville Community Land Trust, Roseville EDA (Roseville) Homeowner Initiated Program, Rondo Community Land Trust (Suburban Ramsey County) Duluth St. New Construction, Twin Cities Habitat for Humanity (Maplewood)	\$400,000 \$400,000 \$450,400 \$1,000,000 \$1,151,625 \$500,000 \$1,070,000 \$620,000 \$360,000 \$200,000
Total Uses:	\$6,152,025
<u>Sources of Funds</u> 2025 HRA Levy Funds Reallocation of Levy Funds	\$4,500,000 \$1,652,025
Total Sources:	\$6,152,025

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

County Goals (Check those advanced by Action)

☑ Well-being ☑ Prosperity

Opportunity

Accountability

Racial Equity Impact

HRA levy funds will be used to implement eligible strategies from the ECI Plan by investing in projects and programs that specifically aim to reduce racial disparities in housing. These strategies include increasing the supply of deeply affordable rental units, the preservation of naturally occurring affordable housing, and increasing homeownership opportunities for residents of color.

Ramsey County has large racial disparities between residents of color and white residents in the housing sector. These disparities include a disproportionate number of African American and American Indian residents experiencing homelessness compared to white residents as described in Heading Home Ramsey's 2024 Needs Assessment. Generally, residents of color are more likely to rent than own their own home and be cost-burdened by housing costs compared to white residents. This includes a 47-percentage point gap between the white homeownership rate and African American homeownership rate. To undo these historical and lasting inequities, investment is needed in communities where disparities exist.

Community Participation Level and Impact

CED implemented a robust community engagement process in the creation of the ECI Plan and approval of

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□ Empower

the Housing Redevelopment Authority levy. This included engagement with residents, businesses, community organizations, other governmental agencies, elected officials, and local municipalities. Community was informed about the competitive solicitation, one step towards the implementation of the community driven ECI Plan. Additional engagement with housing organizations that directly serve residents facing housing instability and homelessness occurred during the planning stage of the Deeply Affordable Housing Initiative. A community meeting was also hosted at Maplewood Community Library to provide information on the 2025 Housing Development Solicitation.

Collaborate

Consult

Fiscal Impact

The ten projects recommended for HRA levy awards have a total funding amount of \$6,152,025. \$4,500,000 will come from unallocated 2024 HRA levy funding and \$1,652,025 in reallocated HRA levy funding from previous years. The remainder of the 2025 HRA levy will be recommended for allocation to other eligible housing and redevelopment programs and projects throughout the year.

Last Previous Action

On May 14, 2024, the Ramsey County Housing and Redevelopment Authority approved recommended housing development project awards in the amount of \$4,600,000 of HRA levy funding from 2024 HRA funds and reallocated funds from previous years (Resolution H2024-006).

Attachments

1. Narrative Project Descriptions

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Description of Recommended Projects and Awards from the 2025 Housing Development Solicitation

The housing projects in this document, listed alphabetically, are recommended for 2025 funding awards. All recommended projects are applications from the 2025 Housing Development Solicitation. Funding sources include State Affordable Housing Aid (SAHA) and Housing and Redevelopment Authority (HRA) Levy. HRA levy funds will be considered by the HRA Board on July 1, 2025. SAHA funds will be considered by the County Board on July 1, 2025. Additional award recommendations from the 2025 Housing Development Solicitation will occur at a later date.

1036 Marshall Townhomes (SAHA)

1036 Marshall Townhomes by The Rondo Community Land Trust is is a proposed new construction 6-unit affordable homeownership townhomes project in Saint Paul's Summit-University neighborhood. The townhomes will be sold to households earning 80% of the area median income (AMI) and below, with an emphasis on households earning at or below 60% AMI. This housing project is recommended for an award of \$338,397. The recommended award represents 5.1% of the total development cost. Construction is anticipated to break ground in late fall of 2025 or early spring of 2026. All homes are expected to be sold by winter of 2026.

Serenity Townhomes (SAHA)

Serenity Townhomes by Amani Construction & Development is a proposed new construction 19unit affordable homeownership townhomes project in the Dayton's Bluff neighborhood of Saint Paul. The townhomes will include 15 three-bedroom and 4 four-bedroom units and will be sold to low-to-moderate income families earning between 60% to 80% AMI. This housing project is recommended for an award of \$401,081. The recommended award represents 3.1% of the total development cost.

Duluth Street New Construction (HRA Levy)

Duluth Street New Construction is a proposed new construction project consisting of two twinhome units in Maplewood by Twin Cities Habitat for Humanity. The two units will be the first in an eventual five-unit development. The homes will be sold to homebuyers with incomes up to 80% AMI. This housing project is recommended for an award of \$200,000. The recommended award represents 17.8% of the total development cost.

Roseville Land Trust (HRA Levy)

The Roseville Land Trust project by the Roseville Economic Development Authority is a proposed construction of three single family homes in addition to the acquisition and rehab of four homes in partnership with Twin Cities Habitat for Humanity. Along with the three new

construction homes, the four single family homes will be rehabilitated and sold to homeowners making less than 80% AMI. The sale price will be structured to ensure households only pay 30% of their income for the mortgage. This housing project is recommended for an award of \$620,000. The recommended award represents 16.7% of the total development cost.

Rondo CLT Homeowner Initiated Program (HRA Levy)

Rondo CLT Homebuyer Initiated Program by the Rondo Community Land Trust is a proposed acquisition and rehabilitation of four existing single-family homes across suburban Ramsey County. The homes will be sold to households earning 80% AMI and below, with an emphasis on households earning at or below 60% AMI. The Rondo Community Land Trust will use its Homebuyer Initiated Program (HIP) to connect buyers with the homes, HIP currently has 47 approved income-qualified homebuyers on its waiting list. This housing project is recommended for an award of \$360,000. The recommended award represents 25.3% of the total development cost. The developer anticipates that it will take 18 to 24 months to complete work on the four properties.

VEER (HRA Levy)

VEER by GRO LLC is a proposed new construction housing development consisting of 36 coliving, single-room occupancy units spanning two vacant residential lots in Saint Paul's Fort Road and West Seventh neighborhood. Of the 36 units, 32 will be rent restricted to 50% AMI and the remaining four will be restricted at 30% AMI. This housing project is recommended for an award of \$1,000,000. The recommended award represents 18.7% of the total development cost. Construction is anticipated to begin in April of 2026 and finish by July of 2027.

University 40 Apartments (HRA Levy)

University 40 Apartments by Outlaw Development is a proposed new construction multifamily project consisting of 39 affordable rental units in the Hamline-Midway neighborhood of Saint Paul. Of the 39 units, 8 will be rent restricted at 30% AMI with the remaining 31 restricted at 50% AMI. The proposed development consists of a mix of efficiency and one-bedroom units. This housing project is recommended for an award of \$400,000. The recommended award represents 2.6%) of the total development cost.

Rice Line Crossing (HRA Levy)

Rice Line Crossing by 651 Sustainable LLC is a proposed new construction project consisting of 17 affordable rental units in the North End neighborhood of Saint Paul. Of the 17 units, three will be rent restricted at 30% AMI, nine will be rent restricted at 50% AMI, and the remaining five will be rent restricted at 80% AMI. The unit mix includes one, two, and three-bedroom units as well as first floor commercial space. This housing project is recommended for an award of \$400,000. The recommended award represents 5.9% of the total development cost. Construction is anticipated to finish by April of 2027.

The Aragon (HRA Levy)

The Aragon by Beacon Interfaith Housing Collaborative is a proposed 53-unit multifamily new construction in the Eastview-Conway-Battle Creek-Highwood Hills neighborhood of Saint Paul. Of the 53 units, 13 will be rent restricted at 30% AMI, 21 will be restricted at 50% AMI, and the remaining 19 will be restricted at 60% AMI. The unit mix includes one, two, three, and four-bedroom units. This housing project is recommended for an award of \$450,400. The recommended award represents 1.5% of the total development cost. Construction is anticipated to begin in late 2026 and finish by late 2027.

Hamm's Brewery East End Apartments (HRA Levy)

Hamm's Brewery East End Apartments by JB Vang partners is a proposed 110-unit affordable multifamily new construction in Saint Paul's Dayton Bluff neighborhood. Of the 110 units, 32 will be restricted at 60% AMI, 72 will be rent restricted at 50% AMI, and the remaining six units will be restricted at 30% AMI. The unit mix includes one, two, and three-bedroom units. This housing project is recommended for an award of \$1,151,625. The recommended award represents 2.4% of the total development cost.

F2F@Arcade (HRA Levy)

F2F@Arcade by Face to Face Health and Counseling Services is a proposed 24-unit affordable multifamily new construction in the Payne-Phalen neighborhood of Saint Paul. Of the 24 units, 4 will be rent restricted at 30% AMI, with the remaining 20 units being restricted at 50% AMI. All 24 units will be reserved for youth experiencing homelessness between the ages of 18 and 24 years old. The unit mix includes efficiency, one, and two-bedroom units. This housing project is recommended for an award of \$500,000. The recommended award represents 3.9% of the total development cost.

Larpenteur Ave Senior (HRA Levy)

Larpenteur Ave Senior by MWF Properties is a proposed 110-unit, age-restricted, affordable multifamily new construction in Falcon Heights. Of the 110 units, 12 will be rent restricted at 30% AMI, 4 will be rent restricted at 50% AMI, 48 will be rent restricted at 60% AMI and the remaining 40 units will be restricted at 70% AMI. All units are reserved for individuals who are 55 years of age or older. This housing project is recommended for an award of \$1,070,000. The recommended award represents 2.5% of the total development cost.



Item Number: 2025-237

Meeting Date: 7/1/2025

Sponsor: Community & Economic Development

Title

Environmental Response Fund Grant Awards

Recommendation

- 1. Approve the selection of The Beasley, Metro Deaf School, and Macalester College to receive Environmental Response Funds.
- 2. Authorize the award of Environmental Response Funds to the following projects:
 - a. The Beasley, Rondo Community Land Trust \$149,834
 - b. Metro Deaf School Addition and Parking Improvements, Metro Deaf School \$110,520
 - c. Macalester College Welcome Center and Residence Hall, Macalester College \$100,000
- 3. Authorize the County Manager to enter into necessary grant, loan or other agreements and execute amendments to those agreements in a form approved by the County Attorney's Office.

Background and Rationale

In 1997, the Minnesota Legislature enacted Minnesota Statutes Section 383A.80 enabling Ramsey County to impose a mortgage registry and deed taxes equal to .0001 percent of the value of transferred properties in Ramsey County to establish an environmental response fund. In December 2002, the Ramsey County Board of Commissioners imposed these taxes for the express purpose of creating a fund to mitigate contamination and foster redevelopment.

Applications for Environmental Response Fund (ERF) program funding are accepted on May 1st and November 1st of each year in conjunction with similar redevelopment and clean-up programs administered by the Minnesota Department of Employment and Economic Development (DEED), Metropolitan Council and Hennepin County.

Three ERF applications for funding assistance were submitted for consideration in May 2025 totaling \$460,354 in funding requests. Submissions were evaluated based on adopted Ramsey County guidelines including the degree of soil contamination clean-up, financing gap, developer capacity, project readiness and short and long -term benefits to the community. Projects are also evaluated on their ability to address the following Ramsey County goals:

- Strengthening individual, family and community health, safety and well-being.
- Cultivating economic prosperity and invest in neighborhoods with concentrated financial poverty.
- Enhancing access to opportunity and mobility for all residents and businesses.

The review committee recommends awards to three projects, including two full funding awards and one partial funding award, for a total ERF funding amount of \$360,354. These awards come with the express condition that funding may be withdrawn if not spent within 18 months of approval. Some recommendations are for partial awards due to limited funding availability.

These grant awards will support the creation of 20 new affordable homeownership units, 224 student beds, commercial spaces, and educational facilities. For project details, see attached project descriptions.

County Goals (Check those advanced by Action)

🛛 Well-being

Prosperity

Opportunity

□ Accountability

Racial Equity Impact

The Environmental Response Fund was established to improve the quality of land through environmental remediation and support increased utilization of land for the creation of housing, jobs and economic development. Racial and ethnic communities are disproportionately impacted by environmental hazards and are far more likely to live in areas with heavy pollution. The Minnesota Pollution Control Agency incorporates these factors into their definition of Environmental Justice Areas, which they define as areas where at least 40% of the population are people of color, at least 35% of households have income below 200% of the federal poverty level, at least 40% of the population has limited proficiency in English, or sites that are located in Indian County. Priority in ERF funding is given to projects located in Environmental Justice Areas. These recommended project awards will address the historic legacies of pollution on 6.8 acres of land in total, of which 6.4 acres are located in Environmental Justice Areas. In addition to this prioritization, individual projects impact racial equity in a range of ways. For more details on individual project racial equity impacts, see attached project descriptions.

Community Participation Level and Impact

To publicize the availability of ERF funds, Community and Economic Development participates in regular informational webinars with the other brownfield grant programs at DEED and Metropolitan Council, as well as through regular economic development summits with community partners. Applicants demonstrate community support for ERF project applications via either a letter of support or a city council resolution.

Fiscal Impact

There are \$971,918 of uncommitted funds available in the current ERF budget. Total ERF awards recommended in this Recommended Board Action (RBA) are \$360,354. The resulting uncommitted fund balance after ERF awards will be \$611,564.

Last Previous Action

On January 21, 2025, the Ramsey County Housing and Redevelopment Authority approved \$472,000 in Environmental Response Funds for the November 2024 round of funding and amended two previous awards to approve an additional \$50,000 in funding (Resolution H2025-005).

Attachments

1. Environmental Response Fund May 2025 Recommendations

Environmental Response Fund May 2025 Project Descriptions

The Beasley

Applicant: Rondo Community Land Trust Location: 642 Selby Avenue, Saint Paul Funding Recommendation: \$149,834

Rondo Community Land Trust is redeveloping a 0.3-acre site in the Rondo neighborhood that formerly housed a dry cleaner and four rental housing units. Environmental concerns to be remediated include PCEs, TCEs, VOCs, fill material with debris, and asbestos. When complete, the project will create 20 new affordable, cooperative homeownership units with 3,200 square feet of affordable ground-floor commercial space. The project will preserve locally-owned property in the Rondo neighborhood, providing affordable homeownership opportunities in a historically Black neighborhood and prioritizing leasing to locally-owned Black, Indigenous, and People of Color businesses.

ERF Funds Requested: \$149,834 Total Remediation Cost: \$543,034 Total Development Cost: \$17,122,119

Metro Deaf School Addition and Parking Improvements

Applicant: Metro Deaf School Location: 1125 Energy Park Drive, Saint Paul Funding Recommendation: \$110,520

Metro Deaf School (MDS) owns and operates a 6.4-acre property with a school with a small leased commercial space. Environmental concerns to be remediated include PCEs, TCEs, arsenic, lead, and chloroform. MDS plans to construct an addition that will include a gym, additional classrooms, office space, conference rooms, storage spaces, locker rooms, and common areas and also to improve accessibility of its parking lot by resurfacing and re-sloping the lot. This will allow the school to improve recreational facilities and grow, hiring new teachers and increasing enrollment. The school is located in an Environmental Justice Area, as defined by MPCA, because it is 43.6% people of color. EJ areas are prioritized for remediation funding through ERF because they have historically borne the disproportionate impacts of pollution.

ERF Funds Requested: \$110,520 Total Remediation Cost: \$110,520 Total Development Cost: \$9,410,520

Macalester College Welcome Center and Residence Hall

Applicant: Macalester College Location: 1655 Grand Avenue, Saint Paul Funding Recommendation: \$100,000

Macalester College is redeveloping a 0.2-acre site into a college welcome center and residence hall. Historical uses of the site include a dry-cleaning facility and petroleum storage.

Environmental concerns to be remediated include PCEs, TCEs, and others. The project will create a new campus welcome center, including a café, offices, and public-facing spaces, as well as residential facilities for 224 students. The welcome center will strengthen the college's ability to recruit and retain a diverse student body and includes substantive collaboration with indigenous communities to incorporate indigenous public art and design elements into the building, in acknowledgement of the Dakota land where the campus sits.

ERF Funds Requested: \$200,000 Total Remediation Cost: \$200,000 Total Development Cost: \$95,000,000