

**Policy Presentation:
Update on Solicitations for Critical Corridors,
Community Development Block Grant, and Housing Development**

Agenda

- Background
 - Critical Corridors Solicitations
 - Community Development Block Grant (CDBG)
Public Services, Programs and Facilities
Solicitation
 - Housing Development Solicitation
-

Background



A Holistic Plan

County Goals

- 1 Cultivate economic prosperity and invest in neighborhoods with concentrated financial poverty
- 2 Enhance access to opportunity and mobility for all residents and businesses

Strategies

1 Ensure place-based inclusion, create resilient and equitable communities

- Preserve and increase the supply of rental housing units for lowest-income residents
- Expand affordable homeownership opportunities and improve housing stability for communities that have experienced historic wealth extraction
- Foster inclusive economic development within county transit, economic, and cultural corridors
- Support communities in equitable site development



2 Foster economic competitiveness, innovation, and transformation

- Sustain and accelerate workforce recovery programs
- Develop pathways to entrepreneurship and Black, Latinx, Asian, and Indigenous business ownership
- Attract and grow high-wage industry and innovation: technology, advanced manufacturing, and life sciences
- Strengthen business retention and expansion infrastructure to support communities



Critical Corridors Solicitations

Critical Corridors

- Background
 - Definition: major transportation, economic, and cultural corridors.
 - Funded by the Housing & Redevelopment Authority (HRA) levy.
 - Total funding available for 2023: ~\$1.7M.
- Program Goals
 - Boost connectivity between transportation, housing and jobs.
 - Create more compact, walkable environments.
 - Enhance pedestrian access and safety.
 - Support vibrant business districts.
- Programs
 - Pre-Development Planning
 - Commercial Corridor Initiative
 - Development & Infrastructure

Critical Corridors Solicitation

- Community & Economic Development (CED) hosted the first Critical Corridors solicitations in Fall 2022.
- Two solicitations were hosted in this spring:
Pre-Development Planning and Commercial Corridor Initiative.
 - ~\$200,000 available.
 - Timing:
 - Solicitations opened: March 7, 2023.
 - Solicitations closed: April 4, 2023.
 - Policy Presentation to County Board: May 2, 2023.
 - Award Recommendations to HRA Board: June 6, 2023.
- Development & Infrastructure:
 - ~1.5M available.
 - Timing: Fall 2023

Pre-Development Planning



Program Purpose:

- Assist local communities in preparing for equitable redevelopment and public improvements within critical corridors.
- Facilitate pedestrian, bicycle, and transit access to connect residents to housing, jobs and destinations while furthering environmental, public health, racial equity and economic prosperity goals.

Pre-Development Planning

- Received eight eligible applications for a total of \$293,000 in requests:
 - Five applications in the City of Saint Paul, for a total of \$158,000 in requests.
 - Three applications in Suburban Ramsey County, for a total of \$135,000 in requests.
- Applications include activities in four cities:
 - Falcon Heights
 - Maplewood
 - Saint Paul
 - Vadnais Heights

Commercial Corridor Initiative



Program Purpose:

- Strengthen suburban small business districts by investing in pathways to entrepreneurship for racially and ethnically diverse communities and supporting thriving main streets.

Commercial Corridor Initiative

- Received three eligible applications for a total of \$101,900 in requests:
 - Eligibility limited to Suburban Ramsey County.
- Applications include activities in four cities:
 - Gem Lake
 - Mounds View
 - Vadnais Heights
 - White Bear Lake

Evaluation Process

- Evaluation Teams included representatives from:
 - Ramsey County: CED, Public Works & Multi-Modal Planning, Workforce Solutions.
 - Outside partners: Metropolitan Consortium of Community Development (MCCD) (Open to Business), Metropolitan Council.
- Reviewers independently evaluated applications.
- Evaluation Teams discussed and prioritized applications.
- CED Leadership reviewed and made funding recommendations, taking into account:
 - Geographic distribution of projects.
 - Funding needs.

Next Steps

- Award recommendations will be presented to the Housing and Redevelopment Authority on June 6, 2023.
- Next solicitation: Development & Infrastructure, Fall 2023.

2023 Community Development Block Grant (CDBG) Public Services, Programs and Facilities Solicitation

CDBG Public Services, Programs and Facilities

- Background
 - CDBG is an annual entitlement grant from HUD administered by Community & Economic Development
 - The 2023 award is \$1,202,421
 - Serves low-to-moderate income suburban residents and/or suburban low-to-mod suburban census block groups

- Eligible Uses
 - Public Services (up to 15% of grant)
 - Public Facilities (infrastructure improvements, nonprofit facilities)
 - Housing Programs
 - Owner-occupied housing rehabilitation
 - Affordable rental rehabilitation
 - Owner-occupied housing acquisition
 - Administration (up to 20%)

Solicitation Timeline

- 2023 CDBG Public Services, Programs and Facilities Solicitation
 - Solicitation opened: February 14, 2023
 - Solicitations closed: March 21, 2023
 - Review Process: March 21 - April 6, 2023
 - Public Comment Period: April 8 - May 8, 2023
 - Policy Presentation to County Board: May 2, 2023.
 - Public Meeting at Roseville Library: May 8, 2023, 6-7pm
 - Award Recommendations to HRA Board: May 9, 2023

Summary of Applications

- Received 15 eligible applications requesting \$1,831,179
 - 8 applications requested \$597,180 for Public Services
 - 4 applications requested \$682,000 for Housing Programs
 - 3 applications requested for \$552,000 for Facilities

*Three applications from the 2023 Housing Development Solicitation were also eligible for CDBG funds under housing acquisition and rehabilitation

Recommended CDBG Activities

Public Services

- MN One Stop for Communities Program Services- \$40,000
- HOME Line Tenant Hotline - \$39,937
- HousingLink Rental Housing Search - \$19,000
- Open Arms of MN, Nutrition Program - \$20,000
- White Bear Area Food Shelf, Food Support - \$20,000
- Keystone Community Services, Mobile Food Shelf - \$20,000
- Interfaith Action of Greater Saint Paul, Department of Indian Work - \$20,000

Housing Acquisition, Rehabilitation and Facilities

- Slipstream Inc., Manufactured Home Critical Repair- \$225,000
- CAPRW, Single Family Critical Repair and Rehab- \$150,000
- Twin Cities Habitat for Humanity, Acquisition Rehab - \$150,000
- Hammer Residences, Scattered site rehab - \$148,000
- MN One Stop for Communities Acquisition- \$90,000
- Twin Cities Habitat for Humanity, A Brush with Kindness - \$10,000
- Hearts and Hammers- \$10,000

2023 Housing Development Solicitation

2023 Housing Development Solicitation

- The 2023 Housing Development Solicitation consolidates four funding sources into a “one-door” application for public, nonprofit and private developers:
 - American Rescue Plan Act (ARPA)
 - Community Development Block Grant (CDBG)
 - Home Investment Partnerships Act (HOME)
 - Housing Redevelopment Authority (HRA) levy
- General Eligible Uses:
 - New construction of affordable multi-family rental housing, including permanent supportive housing.
 - Rehabilitation of affordable multi-family rental housing, including permanent supportive housing.
 - Acquisition funds for existing owner-occupied units for affordable homeownership projects.

Timeline

- Solicitation opened: February 14, 2023
- Solicitations closed: March 14, 2023
- CDBG/HOME project review: March 15- April 6, 2023
- ARPA/HRA project review: March 15- April 24, 2023
- CDBG/HOME recommendations to HRA Board: May 9, 2023
- ARPA recommendations to County Board: June 6, 2023
- HRA recommendations to HRA: June 6, 2023

Summary of Applications

- Received 27 eligible applications for a total request of \$65,777,465
 - Three applications are for single family acquisition funds with a total request of \$5,560,000
 - 13 applications are for new construction with a total request of \$32,578,659
 - 11 applications are for preservation of existing housing units with a total request of \$27,638,806
- Geographic Split
 - 19 applications are for projects within the City of Saint Paul with a total request of \$50,805,763
 - Eight applications are for projects in Suburban Ramsey County with total a request of \$14,971,702
 - Communities include Little Canada, Maplewood, Roseville, Saint Paul, Shoreview and White Bear Lake

Evaluation Process

- CED staff review applications for initial eligibility
- Each application is reviewed and scored in four categories by internal team that includes CED, Policy & Planning and Finance
 - Financial and Project Feasibility (30 points)
 - Affordability (30 points)
 - Organizational Capacity (10 points)
 - Strategic Alignment and Priorities (30 Points)
 - Economic Competitiveness and Inclusion Plan
 - Deeply Affordable Housing Initiative Engagement Report
 - Equitable Development Framework
- Additional review is done by Housing Stability, City of Saint Paul, State of Minnesota and Baker Tilly, county's third-party financial advisor.

Next Steps

- HOME and CDBG recommended awards will be presented to the Housing and Redevelopment Authority on May 9, 2023.
- HRA recommended awards will be presented to the Housing and Redevelopment Authority on June 6, 2023.
- ARPA recommended awards will be presented to the County Board on June 6, 2023.
- Emerging Developers Solicitation will open in Summer 2023.

Thank you!