
Sponsor: Economic Growth and Community Investment

Meeting Date: 1/18/2022

Title: General Fund Balance Loan for the Homeless Shelter Project

File Number: 2022-026

Background and Rationale:

With the on-set of the COVID-19 pandemic in early 2020 and the passage of the related Coronavirus Aid Relief and Economic Security (CARES) Act, Ramsey County took extensive action to address the changing needs of the homeless population. In the past, the homeless population was generally served by placing people in congregate shelters where many beds would be in the same room. There were also many encampments that occurred in public areas.

Because of the pandemic there was an urgent need to change how individuals experiencing homelessness were served and to end large encampments and congregate settings where people were living very close to each other. The county used CARES funds to open several homeless shelters with individual rooms for single people, couples, and family units to adhere to the Center for Disease Control (CDC) guidelines on social distancing. This included hotels such as Como Park and Capital Ridge and other facilities such as Luther Seminary, Mary Hall, and the use of the former Bethesda Hospital as a shelter and respite facility. This was a focused investment by Ramsey County for a time limited program to better protecting public health.

These efforts were funded through CARES Act, American Recovery Plan Act (ARPA), Emergency Solutions Grant - Covid (ESG-CV), Community Development Block Grant - Covid (CDBG-CV), other federal funds, state funding from the Minnesota Department of Human Services (DHS) and expected Federal Emergency Management Agency (FEMA) reimbursement. Ramsey County continues to provide 336 beds a day across 3 locations with 101 employees. These efforts are planned through May 2022 and monthly updates will be provided to the Ramsey County Board.

At this time, all funds have been exhausted and Housing Stability is requesting a loan of up to \$5.2 million to continue to fund the program. Housing Stability anticipates receiving approximately \$5 million from FEMA, which can take 6-12 months to receive, plus additional reimbursements from ESG-CV as eligible expenses are incurred. Since Ramsey County is unable to pay vendors at this time, Housing Stability is requesting a loan against these expected future revenue sources.

Recommendation:

The Ramsey County Board of Commissioners resolved to:

Approve a loan of up to \$5,200,000 from the county's General Fund balance to meet current cash flow needs of the Homeless Shelter Project.

A motion to approve was made by Commissioner Ortega, seconded by Commissioner McDonough. Motion passed.

Aye: - 7: Carter, Frethem, MatasCastillo, McDonough, McGuire, Ortega, and Reinhardt

By: Mee Cheng
Mee Cheng, Chief Clerk - County Board