



Housing and Redevelopment Authority Agenda

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

September 20, 2022 - 10 a.m.

Council Chambers - Courthouse Room 300

ROLL CALL

1. **Agenda of September 20, 2022 is Presented for Approval** [2022-487](#)
Sponsors: County Manager's Office
Approve the agenda of September 20, 2022.
2. **Minutes from July 12, 2022 are Presented for Approval** [2022-488](#)
Sponsors: County Manager's Office
Approve the July 12, 2022 Minutes.

ADMINISTRATIVE ITEMS

3. **Obligation of Housing and Redevelopment Authority Levy Towards Inclusive Housing Development** [2022-482](#)
Sponsors: Community & Economic Development
 1. Approve Housing and Redevelopment Authority levy funds towards the Project for Pride in Living's Restoring Waters affordable housing development project in the amount of \$1,366,767.
 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 a form approved by the County Attorney's Office.

ADJOURNMENT



Housing and Redevelopment Authority

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

Request for Board Action

Item Number: 2022-487

Meeting Date: 9/20/2022

Sponsor: County Manager's Office

Title

Agenda of September 20, 2022 is Presented for Approval

Recommendation

Approve the agenda of September 20, 2022.

Housing and Redevelopment Authority

Request for Board Action

Item Number: 2022-488

Meeting Date: 9/20/2022

Sponsor: County Manager's Office

Title

Minutes from July 12, 2022 are Presented for Approval

Recommendation

Approve the July 12, 2022 Minutes.

Attachments

1.July 12, 2022 HRA Minutes

Housing and Redevelopment Authority Minutes

July 12, 2022 - 10 a.m.

Council Chambers - Courthouse Room 300

The Ramsey County Housing and Redevelopment Authority met in regular session at 9:39 a.m. with the following members present: Carter, MatasCastillo, McGuire, Ortega, Reinhardt, and Chair McDonough. Absent: Frethem. Also present were Ryan O'Connor, County Manager, and Amy Schmidt, Assistant County Attorney.

ROLL CALL

Present: Carter, MatasCastillo, McDonough, McGuire, Ortega, and Reinhardt

Absent: Frethem

1. Agenda of July 12, 2022 is Presented for Approval [2022-382](#)

Sponsors: County Manager's Office

Approve the agenda of July 12, 2022.

Motion by MatasCastillo, seconded by McGuire. Motion passed.

Aye: Carter, MatasCastillo, McDonough, McGuire, Ortega, and Reinhardt

Absent: Frethem

2. Minutes from May 17, 2022 are Presented for Approval [2022-383](#)

Sponsors: County Manager's Office

Approve the May 17, 2022 Minutes.

Motion by Carter, seconded by MatasCastillo. Motion passed.

Aye: Carter, MatasCastillo, McDonough, McGuire, Ortega, and Reinhardt

Absent: Frethem

ADMINISTRATIVE ITEMS

3. Environmental Response Fund Grant Awards [2022-379](#)

Sponsors: Community & Economic Development

1. Approve the selection of Lauderdale Senior Housing, The Hollows, The Balsam on Broadway and 3803 Stinson to receive Environmental Response Funds.

2. Authorize the award of Environmental Response Funds as follows:

- Lauderdale Senior Housing - \$278,243.
- The Hollows - \$213,634.
- The Balsam on Broadway - \$76,454.
- 3803 Stinson - \$40,000.

3. Authorize the County Manager to enter into agreements in a form approved by the County Attorney's Office.

Motion by Ortega, seconded by MatasCastillo. Motion passed.

Aye: Carter, MatasCastillo, McDonough, McGuire, Ortega, and Reinhardt

Absent: Frethem

Resolution: H2022-009

ADJOURNMENT

Chair McDonough declared the meeting adjourned at 9:43 a.m.

Request for Board Action

Item Number: 2022-482

Meeting Date: 9/20/2022

Sponsor: Community & Economic Development

Title

Obligation of Housing and Redevelopment Authority Levy Towards Inclusive Housing Development

Recommendation

1. Approve Housing and Redevelopment Authority levy funds towards the Project for Pride in Living's Restoring Waters affordable housing development project in the amount of \$1,366,767.
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 a 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. The levy was approved as part of the 2022-23 county budget on December 21, 2021. 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 developers were encouraged to apply to the competitive Inclusive Housing Development Solicitation that opened on February 14, 2022 and closed March 14, 2022. The Inclusive Housing Development Solicitation was modeled after Ramsey County's existing process for obligating funding from the U.S. Department of Housing and Urban Development. Ramsey County marketed the solicitation on the Ramsey County website, through the Community & Economic Development newsletter and direct outreach to partner organizations. Thirty-seven eligible applications were received, staff received and scored each application. The following project is additionally recommended for HRA Levy funding as it was the next highest scoring project in the Inclusive Housing Development Solicitation that was not funded through an alternative source and the project is able to demonstrate its readiness and immediate closing.

2022 Obligations from the Inclusive Housing Development Solicitation:

Restoring Waters, Project for Pride in Living	\$1,366,767
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Restoring Waters and all previously approved projects are 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 the property's title that requires rental affordability for at least 30 years. Affordability will be monitored through an annual compliance review to ensure that the property owner is maintaining rental limits at 30% AMI. Community & Economic Development staff already monitor affordability

with Housing and Urban Development funded projects.

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 housing, 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. Generally, residents of color are more likely to rent than own their home and be cost-burdened by housing costs compared to white residents.

Community Participation Level and Impact

Community & Economic Development implemented a robust community engagement process in the creation of the ECI Plan and the approval of the HRA levy. This included engagement with residents, businesses, community organizations, other governmental agencies, elected officials, and local municipalities. Community was informed about the competitive solicitation process. 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.

☒ Inform☐ Consult☐ Involve☐ Collaborate☐ Empower**Fiscal Impact**

The project recommended for award has a total funding amount of \$1,366,767. The project was selected through the competitive Inclusive Housing Development Solicitation. Project for Pride in Living's Restoring Waters development will be the last project recommended for funding from the 2022 Inclusive Housing Development Solicitation.

On May 17, 2022, the HRA approved a total funding amount of \$7,000,000 of HRA levy and the Ramsey County Board of Commissioners approved funding of \$12,816,697 of American Rescue Plan Act and \$2,629,251 of General Obligation Bonds towards inclusive housing development.

Last Previous Action

On May 17, 2022, the Housing Redevelopment Authority approved and committed \$7,000,000 of the HRA levy towards inclusive housing development (Resolution H2022-008).

On May 17, 2022, the Ramsey County Board and committed \$12,816,697 of American Rescue Plan Act funds towards inclusive housing development (Resolution B2022-124) and approved and committed \$2,629,251 of general obligation bonds towards inclusive housing development (Resolution B2022-128).

Attachments

1. Narrative Project Description

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

This documents provides a narrative description of each project that is recommended for funding or projects that were awarded funding through the County Board or Ramsey County Housing Redevelopment Authority (HRA). Projects listed below are recommended for one of three funding sources: American Rescue Plan Act (ARPA) Funding, General Obligation (GO) Bonds, and/or HRA Levy funding. All projects applied through the Inclusive Housing Development Solicitation.

Restoring Waters (HRA Levy funding)

Restoring Waters is a planned 60-unit new construction building by Project for Pride in Living (PPL) in Saint Paul's Highland Park neighborhood. All 60-units would be affordable at 30% of the Area Median Income. All units would also have supportive services provided by Emma Norton Services, an existing Housing Support provider in Ramsey County.

The project is recommended for an award of \$1,366,767 to be considered by the Ramsey County Housing Redevelopment Authority on September 20, 2022. At the time of this application, the recommended award represented 5.8% of the total development cost. The project is expected to close in October 2022 and construction starting in Winter 2022-2023.

Mary Hall (GO Bonds and HRA Levy funding- *approved May 17, 2022*)

Mary Hall is a proposed 88-unit adaptive reuse project by AEON located in Downtown Saint Paul. The development would include 46 new units at 30% Area Median Income (AMI). The remainder of the units will be income restricted at 50% AMI. Supportive services would be provided through a Housing Support provider.

The project is recommended for two awards to be considered by County Board and HRA board on May 17, 2022. The recommendation is for \$1,485,310 of GO bonds and \$326,068 of HRA levy for a total award amount of \$1,811,378. At the time of application, this represents 8.2% of the total development cost of this new construction project. Construction is estimated to begin in 2023.

Gladstone Village (ARPA funding- *approved May 17, 2022*)

Gladstone Village is a proposed 65-unit new construction building by JB Vang Partners in Maplewood. The development would include 20 units affordable to residents making 30% AMI or below. The remainder of the units would be affordable at 50% AMI and 60% AMI. Supportive services would be provided on-site.

The project is recommended for an award of \$1,973,001 of ARPA funding to be considered by the County Board on May 17, 2022. At the time of application, the award represented 7.9% of the total development cost. On May 10, 2022 the County Board award the project HOME funding. Construction is estimated to begin in 2023-2024.

Kimball Court (GO Bonds and ARPA funding- *approved May 17, 2022*)

Kimball Court is an existing 76-unit supportive housing building owned by Beacon Interfaith Collaborative in Saint Paul's Hamline-Midway neighborhood. The proposal is to renovate the existing structure and expand the building by 22 units. All new units would be affordable at 30% AMI. Supportive Services would be provided through an existing Housing Support provider.

The project has two recommended awards, \$307,848 of general obligation bonds and \$2,941,152 of ARPA funding. The recommended awards will be considered by the County Board on May 17, 2022. The ARPA funding will support the new units. This recommended award represents 19.4% of the total development cost of this new construction and preservation project. Construction is estimated to begin in 2023.

Stryker Senior Housing (ARPA funding- *approved May 17, 2022*)

Stryker Senior is a proposed 57-unit new construction project by NEDA located on the Westside of Saint Paul. The development would include 43 units affordable at 30% AMI. The remainder of the units would be income-restricted to residents at 50% AMI.

The project has a recommended award of \$750,000 of ARPA funding. The County Board will consider the recommended award on May 17, 2022. The recommended award represents 5.4% of the total development cost of this new construction project. Construction is estimated to begin in 2023.

Treehouse (ARPA funding- *approved May 17, 2022*)

Treehouse is a proposed 36-unit new construction project by Trellis located in Saint Paul's Highland Park neighborhood. The development would include 27 units affordable at 30% AMI and the remainder of the units would income-restricted to residents making 50% AMI.

The project has a recommended award of \$490,000 of ARPA funding. The recommended award represents 3.6% of the total development cost of this new construction project and will be considered by the County Board on May 17, 2022. Construction is estimated to begin in 2023.

Dunedin Homes (ARPA funding- *approved May 17, 2022*)

Dunedin Homes is a proposed 4-unit expansion of public housing by the Saint Paul Public Housing Authority. All units would be affordable to residents making less than 30% AMI and would remain affordable in perpetuity.

The project has a recommended award of \$1,350,000 of ARPA funding. The recommended award represents 100% of the total development cost of this new construction project as Ramsey County is the only source of capital funding for this project. The County Board will consider the recommended award on May 17, 2022. Construction is estimated to begin in 2023.

Gallery Building (ARPA funding- *approved May 17, 2022*)

Gallery Building is a proposed 80-unit adaptive reuse by Reuter Walton of a commercial office building into affordable housing in Downtown Saint Paul. The proposal would have 8 units affordable at 30% AMI and the rest would be income-restricted at 50% AMI.

This project has a recommended award of \$1,500,000 of ARPA funding and will be considered by the County Board on May 17, 2022. The recommended award represents 9.1% of the total development cost of this new construction project. Construction is estimated to begin in 2023-2024.

Ashland Apartments (ARPA funding- *approved May 17, 2022*)

Ashland Apartments is a proposed 17-unit adaptive reuse of a vacant building by RS Eden in the Summit-University neighborhood of Saint Paul. All units would be efficiencies and would be affordable to residents making 30% AMI. Supportive services would be provided by RS Eden.

This project is recommended for an award of \$1,920,858 of ARPA funding and will be considered by the County Board on May 17, 2022. At the time of application, the recommended award represents 50% of the total development cost of this new construction project. Construction is estimated to begin in 2023.

McDonough Homes (ARPA and HRA Levy funding- *approved May 17, 2022*)

McDonough Homes is a proposed 7-unit expansion of public housing by the Saint Paul Public Housing Authority in Saint Paul's North End. All units would be affordable to those making less than 30% AMI and would remain affordable in perpetuity.

The project is recommended for two awards to be considered by the County Board and HRA Board on May 17, 2022. The recommendation is for \$1,891,686 of ARPA funding and \$708,314 of HRA levy. At the time of application, this recommended award represents 100% of the total development cost as Ramsey County is the only source of capital funding. Construction is estimated to begin in 2023.

Saint Paul Residence (GO Bonds funding- *approved May 17, 2022*)

Saint Paul Residence is an existing 120-unit affordable housing building operated by Catholic Charities and owned by the city of Saint Paul in Saint Paul's Saint Anthony Park neighborhood. Units are reserved for formerly homeless residents and supportive services are provided on site. The proposal is a rehabilitation project.

The project is recommended for an award of \$530,774 of GO bonds to be considered by the County Board on May 17, 2022. An existing award of \$1,750,000 of GO bonds was approved by the County Board in December 2020 as part of the 2021 Capital Improvement Program budget. The additional recommended award is due to higher-than-expected construction costs. At the time of application, the new award represents 9.4% of the total development cost. Construction is estimated to start in 2022-2023.

The Provinces (GO Bonds funding- *approved May 17, 2022*)

The Provinces is an existing 118-unit affordable housing building owned and operated by AEON in Little Canada. AEON's proposal was for a rehabilitation of the existing units and structure. All units are affordable to residents making less than 60% AMI.

The project is recommended for an award of \$305,319 of GO bonds to be considered by the County Board on May 17, 2022. At the time of application, this recommended award represents 100% of the total development cost of this renovation project. Construction is estimated to begin in 2022-2023.

Canalbrook Townhomes (HRA Levy funding- *approved May 17, 2022*)

Canalbrook Townhomes is a proposed new construction project that consists of the 6 new owner-occupied townhomes by the Rondo Community Land Trust. The project is located in Shoreview. All units will be affordable to those making less than 80% AMI.

The project is recommended for an award of \$495,000 of HRA levy funds to be considered by the HRA board on May 17, 2022. At the time of application, this recommended award represents 15.7% of the total development cost of the new construction project. Construction is estimated to begin in 2023.

Scattered Site Portfolio Acquisition (HRA Levy funding- *approved May 17, 2022*)

Twin Cities Habitat for Humanity is proposing to acquire a portfolio of single-family homes located in the communities of White Bear Township, White Bear Lake, Maplewood and Saint Paul. The homes would be renovated and sold to low-to-moderate income homebuyers.

The project is recommended for an award of \$800,000 of HRA levy funds to be considered by the HRA board on May 17, 2022. At the time of application, this recommended award represents 15.9% of the total project cost. Acquisition is expected to take place in 2022.

Twin Lake (HRA Levy funding- *approved May 17, 2022*)

Twin Lake is a proposed new 60-unit new construction project by Reuter Walton, located in Little Canada. The building would have 6 units affordable at 30% AMI and the rest of the units would be affordable to residents at 60% AMI.

The project is recommended for an award of \$1,500,000 of HRA levy funds to be considered by the HRA board on May 17, 2022. At the time of application, this recommended award represents 7.8% of the total development cost. Construction is estimated to begin in 2022.

1375 Frost (HRA Levy funding- *approved May 17, 2022*)

1375 Frost is a proposed new construction supportive housing building with 40 units by Beacon Interfaith Collaborative in Maplewood. 20 units would be affordable to residents making less than 30% AMI. The rest of the units would income restricted to those making less than 50% AMI. Supportive services will be provided on-site.

The project is recommended for an award of \$1,248,405 of HRA funding that will be considered by the HRA board on May 17, 2022. At the time of application this award represents 7.3% of total development cost. An additional HOME-American Rescue Plan was awarded to the project on May 10, 2022. Construction is estimated to begin in 2024.

Seal and Edgerton Hi-Rises (HRA Levy funding- *approved May 17, 2022*)

Seal Hi-Rise is an existing 144-unit public housing tower and Edgerton Hi-Rise is an existing 221-unit public housing tower owned and operated by the Saint Paul Public Housing Authority. Seal Hi-Rise is located in the Saint Paul's Saint Anthony Park neighborhood and Edgerton Hi-Rise is located in the Payne-Phalen neighborhood of Saint Paul. All units are affordable to those making 30% AMI or less. The proposal is to renovate certain systems and structures within these towers.

The project is recommended for an award of \$1,100,000 of HRA funding that will be considered by the HRA board on May 17,2022. At the time of application this award represents 100% of the total development cost, as Ramsey County is the only source of capital funding. Construction is estimated to begin in 2022-2023.