

Request for Board Action Details

File #: 2021-212

Type: Administrative Item **Status:** Passed

In control: Housing and Redevelopment Authority

On agenda: 5/4/2021 **Final action:** 5/4/2021

Title: Environmental Response Fund Grant Awards

Sponsors: Community & Economic Development

Indexes:

Code sections:

Attachments: 1. Description of Environmental Response Fund Recommendations November 2020, 2. Resolution

Date	Ver.	Action By	Action	Result
5/4/2021	1	Housing and Redevelopment Authority	approved	Pass

Sponsor: Community & Economic Development

Title
Environmental Response Fund Grant Awards

Recommendation

1. Approve the selection of Amber Union (2077 Larpenteur Avenue, Falcon Heights) and Frogtown Crossroads (663 University Avenue W, Saint Paul) to receive Environmental Response Funds.
2. Authorize the award of Environmental Response Funds for Amber Union in the amount of \$200,000 and Frogtown Crossroads in the amount of \$20,845.
3. Authorize the County Manager to enter into 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 twice each year in conjunction with similar redevelopment and clean-up programs administered by the Department of Employment and Economic Development and the Metropolitan Council.

Two (2) Environmental Response Fund applications for funding assistance were submitted for consideration in November 2020 totaling \$220,845. Funds available to award are \$971,703.

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 of Ramsey County's investment. Applicants are also asked and evaluated on the project's ability to address the following Ramsey County goals: strengthen individual, family and community health, safety and well-being, cultivate economic prosperity and invest in neighborhoods with concentrated financial poverty, and enhance access to opportunity and mobility for all residents and businesses. Community and

Economic Development staff recommend awards totaling \$220,845 with the express condition that funding will be withdrawn if not spent within 18 months of approval. Unspent funds may be reallocated to future projects.

County Goals (Check those advanced by Action)

- Well-being Prosperity Opportunity Accountability

Racial Equity Impact

Once approved, this action will enable the Community and Economic Development Department to continue to reduce the number of known brownfield properties (a property with a presence or potential presence of a hazardous substance, pollutant, or contaminant), many of which are located within areas of racially concentrated areas of poverty. Partnering with communities and property owners to reinvest in these complex contaminated sites results in an increase in community health and cultivates new economic prosperity and community wealth building within communities where historic disinvestment has occurred. Lastly, ERF funds are first awarded to projects that are creating affordable housing for residents in areas with limited housing options.

Community Participation Level and Impact

The requirement set by the Ramsey County Housing and Redevelopment Authority to maintain an equal fund balance between city and suburban projects guides funding decisions. Information about this action is in Ramsey County Board documentation and is published on the county website at

<https://www.ramseycounty.us/your-government/leadership/board-commissioners/board-meetings-information>.

- Inform Consult Involve Collaborate Empower

Fiscal Impact

Approximately \$971,703 is available to allocate in this grant round based upon average annual deed and registration fees collected in 2020. Unspent funds may be reallocated to future projects. Applications will be accepted through May 3, 2021 for the Spring funding round in 2021.

County Manager Comments

Housing and Redevelopment Authority approval is required for expenditures from the Environmental Response Fund program. Award of the Environmental Response Fund to new projects will result in the creation of 165 new housing units, 70 new jobs and 27 jobs retained, as well as a substantial increase in property values.

Last Previous Action

On August 18, 2020, the Ramsey County Housing and Redevelopment Authority approved awards for TGLDC LLC in the amount of \$200,000, Hazel Assisted Living in the amount of \$60,883, and United Village at Midway in the amount of \$100,000. (Resolution H2020-010).

Attachments

1. Description of Environmental Response Fund Recommendations November 2020