

## Request for Board Action Details

**File #:** 2021-756

**Type:** Administrative Item      **Status:** Passed

**In control:** Housing and Redevelopment Authority

**On agenda:** 1/11/2022      **Final action:** 1/11/2022

**Title:** Environmental Response Fund Grant Awards

**Sponsors:** Community & Economic Development

**Indexes:**

**Code sections:**

**Attachments:** 1. Environmental Response Fund November 2021 Recommendations, 2. Resolution

Date	Ver.	Action By	Action	Result
1/11/2022	1	Housing and Redevelopment Authority	approved	Pass

**Sponsor:** Community & Economic Development

**Title**  
Environmental Response Fund Grant Awards

### Recommendation

1. Approve the selection of 176 South Robert Street, Kimball Court, Central Village Apartments and Saint Paul City School to receive Environmental Response Funds.
2. Authorize the award of Environmental Response Funds for 176 South Robert Street in the amount of \$198,199, Kimball Court in the amount of \$136,500, Central Village Apartments in the amount of \$43,400, and Saint Paul City School in the amount of \$154,200.
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 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 (MNDEED) and the Metropolitan Council.

Four ERF applications for funding assistance were submitted for consideration in November 2021 totaling \$531,399. The balance available in the ERF account for the current period is \$979,869.51. 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:

- 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 committee (comprised of staff from CED and Environmental Health) recommended awards totaling \$532,299 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. Applications will be accepted through May 1 for the spring funding round in 2022.

Awards of the ERF to new projects will result in the creation of 196 new housing units, all 196 of which will be affordable housing units, numerous new job opportunities as well as a substantial increase in property values.

**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 department to continue to reduce the number known brownfield properties, many of which are concentrated within areas of racially concentrated areas of poverty, and which can result in protracted disinvestment and racially disparate health outcomes. All four projects are identified as *Environmental Justice Areas of Concern* by the Minnesota Pollution Control Agency (MPCA). MPCA considers census tracts with higher concentrations of low-income residents and people of color, as well as tribal areas, as areas of increased concern for environmental justice.

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. To publicize the availability of ERF funds, CED participates in regular informational webinars with the other brownfield grant programs at MNDEED and Metropolitan Council, as well as via quarterly 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.

Inform       Consult       Involve       Collaborate       Empower

**Fiscal Impact**

Approximately \$979,869 is available to allocate in this grant round based upon average annual deed and registration fees collected through October 2021. Total ERF awards recommended are \$532,299. Therefore, the resulting fund balance after ERF awards will be \$447,570.

**County Manager Comments**

No additional comments.

**Last Previous Action**

On July 20, 2021, the Ramsey County Housing and Redevelopment Authority approved awards for Stryker Senior Housing in the amount of \$50,000, The Hollows in the amount of \$188,161, Farwell Yards in the amount of \$200,849, and Harbor at Twin Lakes in the amount of \$213,740. (Resolution H2021-005).

**Attachments**

1. Environmental Response Fund November 2021 Recommendations