



**Housing and Redevelopment
Authority (HRA) Levy Update –
City of Saint Paul
November 6, 2024**



Agenda

- Introduction
 - Ramsey County Commissioner Mai Chong Xiong, District 6 and Chair of Ramsey County Housing and Redevelopment Authority
- Ramsey County Housing and Redevelopment Authority (HRA) Levy
 - Ramsey County Community & Economic Development (CED) Department Areas of work
 - Economic Competitiveness and Inclusion Plan
 - Spending Highlights – Saint Paul
 - Down Payment Assistance Programming
- Local Area Housing Aid (LAHA) i.e. Housing Sales Tax funded programming
- Ramsey County Rental Assistance

Vision

A vibrant community where all are valued and thrive.

Mission

A county of excellence working with you to enhance our quality of life.

Goals



WELL-BEING



PROSPERITY



OPPORTUNITY



ACCOUNTABILITY

Introduction



Strategic Priorities

The Board of Commissioners establishes the vision, mission and goals that guide Ramsey County: well-being, prosperity, opportunity, and accountability.

Vision: A vibrant community where all are valued and thrive.

Mission: A county of excellence working with you to enhance our quality of life.

Goals:

1. Strengthen individual, family and community health, safety and **well-being**
2. Cultivate economic **prosperity** and invest in neighborhoods with concentrated financial poverty
3. Enhance access to **opportunity** and mobility for all residents and businesses
4. Model fiscal **accountability**, transparency and strategic investments

Countywide Strategic Plan

Seven strategic priorities *(available online)*

1. Residents first: effective, efficient and accessible operations
2. Advancing racial and health equity and shared community power
3. Aligning talent attraction, retention and promotion
4. Putting well-being and community at the center of Justice System Transformation
5. Advancing a holistic approach to strengthen individuals and families
6. Responding to climate change and increasing community resilience
7. Intergenerational prosperity for racial and economic inclusion



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Ramsey County Community and Economic Development Department (CED)

Josh Olson, Interim Director
Community & Economic Development Department



Ashland Apartments, Saint Paul

What is the Community & Economic Development Department?

Housing Infrastructure Programs



Redevelopment Programs







Real Estate Projects



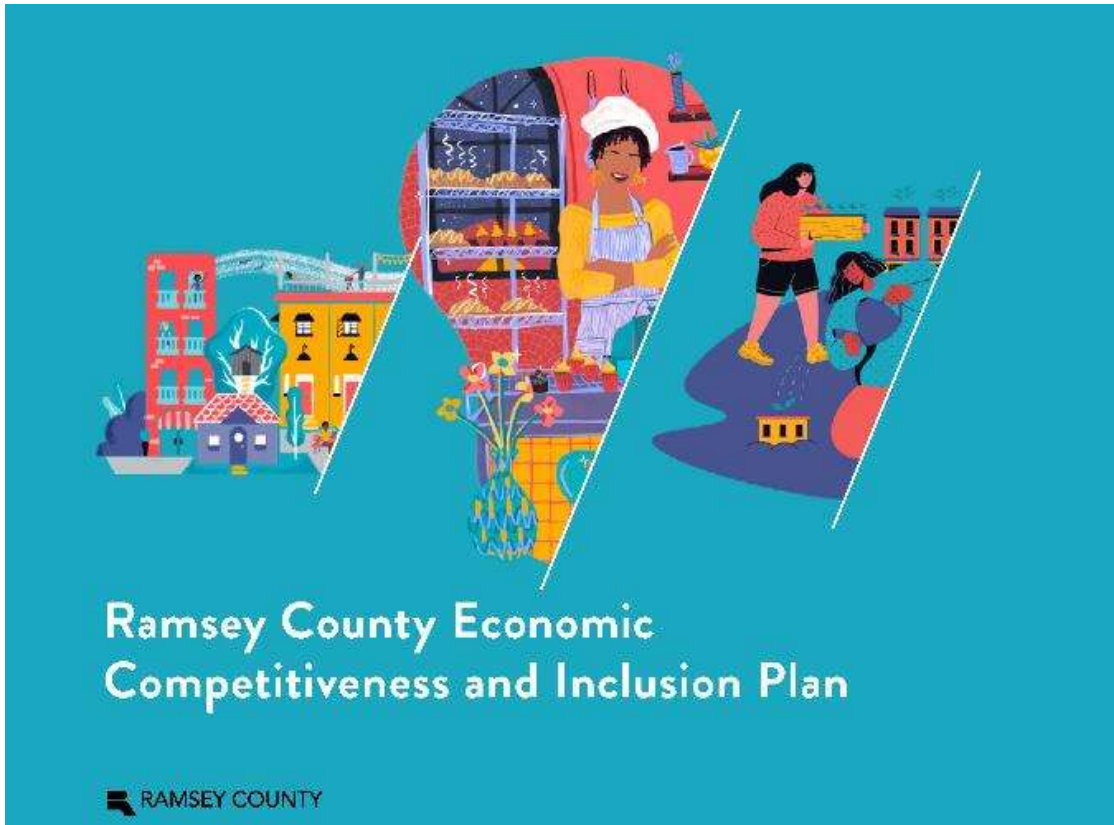
Business Support & Growth Programs



Identifying CED's role and funding

| | Pre 2019 <i>Baseline</i> | 2019 <i>Transition</i> | 2020/21 <i>COVID/ECI Plan</i> | 2022 <i>HRA Levy Starts</i> | 2023-2024 | 2025 & <i>Looking forward</i> |
|--|--|---|---|---|---|--|
|  | <ul style="list-style-type: none"> ✓ Administer HUD entitlement programs. | <ul style="list-style-type: none"> ✓ Open to Business. ✓ Regional Portal (RCMB). ✓ Corridor Revitalization Pilot. ✓ \$8.9m GO Bonding for Affordable Projects | <ul style="list-style-type: none"> ✓ Finalized ECI Plan. ✓ Deployed \$25M in COVID small business relief. ✓ NOAH II Impact Fund. ✓ Dedicated \$37m ARPA funds to affordable projects. | <ul style="list-style-type: none"> ✓ Housing Development Solicitation. ✓ Critical Corridor Program debut. ✓ Down Payment Assistance revamp.. | <ul style="list-style-type: none"> ✓ Site Assessment Grant debuts. ✓ Emerging and Diverse Developers Program introduced. ✓ ARPA funds awarded to affordable projects • 'Support and Stabilize'. | <ul style="list-style-type: none"> • Small Business Reimagination Grant. • ECI Plan 2.0. |
| | | |  KEY POINT: <i>A more responsive, diverse mix of programming</i> | | | |
|  | <ul style="list-style-type: none"> • CDBG/HOME • ERF | <ul style="list-style-type: none"> • CDBG/HOME • ERF • GO Bonds - NEW | <ul style="list-style-type: none"> • CARES - NEW • CDBG-CV - NEW • CDBG/HOME • ERF • GO Bonds • HOME-ARP - NEW | <ul style="list-style-type: none"> • ARPA - NEW • CDBG/HOME • ERF • HRA Levy - NEW • GO Bonds | <ul style="list-style-type: none"> • ARPA • CDBG/HOME • ERF • HRA Levy • LAHA - NEW • SAHA - NEW | <ul style="list-style-type: none"> • CDBG/HOME • ERF • HRA Levy • LAHA • SAHA |
| | | |  KEY POINT: <i>A more sustainable, locally driven funding model</i> | | | |

 [View acronym key at end of presentation](#)



The strategies in the **ECI Plan** prioritize inclusion in future investments and other actions related to housing, job creation, workforce development and place-based investments.

[View the full plan](#)

[Track the progress](#)

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Housing and Redevelopment Authority (HRA) Levy





Housing and Redevelopment Authority (HRA) Levy

- County approves HRA area of operation (excluding North Saint Paul) and approves 2022-2023 budget with levy for Housing and Redevelopment Authority.
 - Ramsey County was the *last metropolitan county to levy* from its Housing and Redevelopment Authority
- \$12.6 Million (2024 approved HRA Levy)
- Funding is guided by Economic Inclusion and Competitiveness Plan (Released: March 2021)

Programming Funded by Ramsey County HRA Levy

Housing Programs

- Affordable Housing infrastructure investments
- Down payment assistance (First Home)
- Emerging & Diverse Developers Program

Redevelopment Programs

- Critical Corridors
 - Planning
 - Development + Infrastructure
 - Suburban Commercial Corridor Initiative
- Site Assessment Grants (SAG)

➔ Strive for 50/50 spending parity (Saint Paul/Suburbs) ➔➔➔

| ➔➔➔ Spending by Programmatic Areas (Avg. of 2022 & 2023) | |
|---|---------------|
| 73% | Housing |
| 17% | Redevelopment |
| 10% | Admin |

| Geographic Spending Parity (2023) | |
|--------------------------------------|-------------|
| 49.2% | Suburban RC |
| 50.8% | Saint Paul |

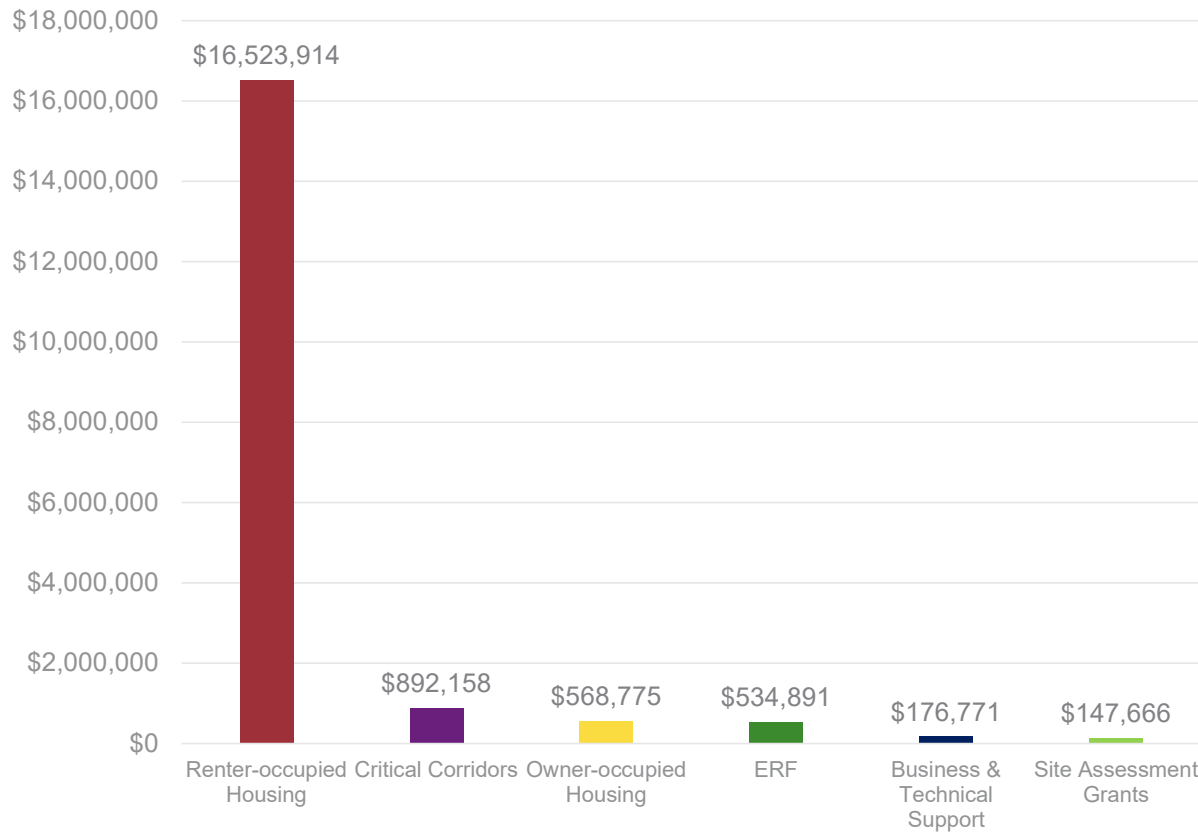
HRA Levy spending in Saint Paul

- In 2023, over \$5 million went to projects located in Saint Paul

| HRA Levy supported projects (2023) | | |
|--|---|---|
| Inclusive Housing Solicitation | Emerging & Diverse Developers Program | Critical Corridors |
| 833 University, Model Cities; Dunedin Hi-Rise; Hamline Hi-Rise; Ravoux Hi-Rise; Iowa Hi-Rise; Rondo Community Land Trust Homebuyer program | Gloryville; 796 Coliving Little Mod; Face2Face @1170 Arcade; Woodbridge Street Duplex; 1698 Lafond Duplex; 750 Chatsworth Lofts; Youngman Flats | Marshall Avenue Flats; El Patio de la Plaza Expansion; Serenity Townhomes |
| \$2,125,000 | \$1,750,000 | \$892,158 |

- Also supported projects through the Site Assessment Grant (SAG) and individuals participating Emerging and Diverse Developers (EDD) programs.

2023 Saint Paul Spend Highlights - All Funding Sources



Affordable Housing Infrastructure

- \$16.5M for new construction and preservation of 22 renter-occupied housing projects.
 - \$3.4M invested in ten projects led by emerging developers
- \$375K (HRA Levy) to Rondo CLT to acquire and rehab ten single-family or duplexes.

Redevelopment Programming

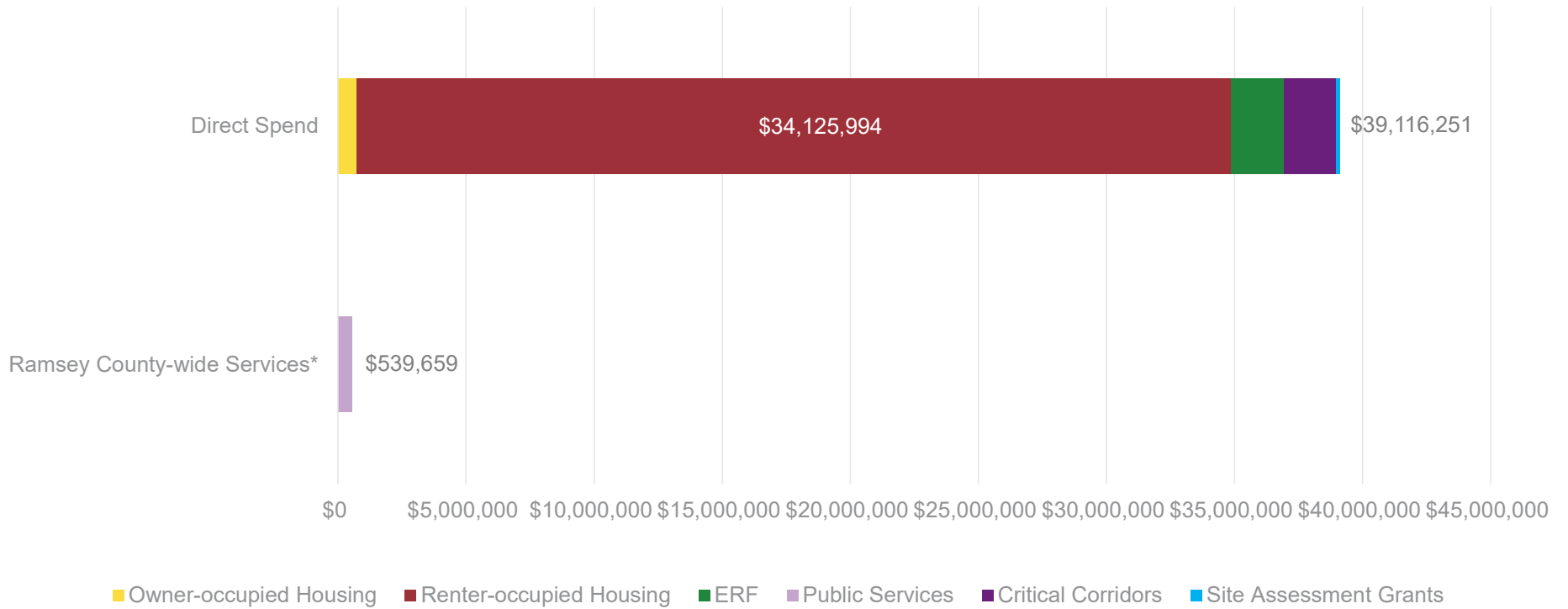
- Three critical-corridors projects
- Seven Site Assessment Grants (SAG) projects
- Four Environmental Response Fund (ERF)

Business Programming

- Six CEO Next participants (Funded through Gen Levy)

2021-2023

Saint Paul Spend Profile – All Funding Sources



* Examples of Ramsey County-wide services include EDD TA Program, Open to Business, CEO Next etc.



First Home Downpayment Assistance

- Provides downpayment assistance to **first-time** (FT) and **first-generation** (FG) homebuyers.
- Program started in Late 2022, complements Inheritance Fund (early 2023).
- \$20,000 deferred loan due upon sale/refinance for FT.
- Up to 25% of purchase price for FG, 5% forgiven per year, due upon sale/refinance for FG.
- First mortgage lenders usually apply on behalf of residents.
- Available in Suburban Ramsey County (and in Saint Paul when RC makes capital investment in unit).

First Home Outcomes (January 2023 - June 2024)

- 52 loans totaling \$3.51 million
 - 92% are first-generation buyers
 - 87% are ethnically and racially diverse
 - 25 were Black/African American
 - 10 were Hispanic/Latino
 - 10 were Asian
 - 10 borrowers were between 30-50% AMI
 - 13 borrowers between 51-60% AMI
 - 23 borrowers were between 61- 80% AMI
 - 6 borrowers were between 81-100% AMI

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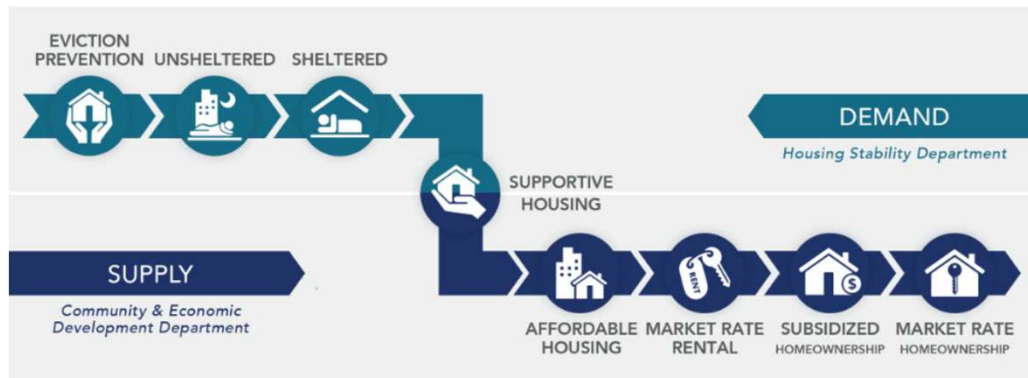
Local Affordable Sales Tax (LAHA) Funded Programming



Local Affordable Housing Aid (LAHA)

- Local Affordable Housing Aid (LAHA) is a 0.25% sales tax collected by Minnesota Department of Revenue across the seven-county metro area for affordable housing.
- State-Allowed Eligible Uses:
 - Financing the supply of affordable housing (single family or multifamily).
 - New construction (up to 80% Area Median Income (AMI)).
 - Rehabilitation (up to 80% AMI).
 - Homeownership Assistance (up to 115% AMI).
 - Financial Support for Nonprofit Housing Providers.
 - Rental Assistance (up to 80% AMI).
 - Shelter Capital and Operations.
- Ramsey County's 2024 aid amount is \$6,011,349.
 - Invest in lower AMI residents

Recommendations for County's 2024 LAHA



| <i>Eligible Use</i> | <i>2024 Fund Distribution</i> | <i>Housing Continuum/Responsible Dept.</i> |
|--|-------------------------------|--|
| Emergency Rental Assistance | \$1 Million | Eviction Prevention, HSD |
| Portfolio Stabilization of Existing Housing (Support & Stabilize) | \$5 Million+ | Eviction Prevention/ Supportive Housing/ Affordable Housing Preservation, CED |
| Affordable Housing Creation/ Preservation | Any Unallocated | Supportive Housing/ Affordable Housing Investments, CED |

Support and Stabilize

- Some existing affordable housing buildings, especially those with permanent supportive housing units, are not breaking even.
 - Increased costs (insurance, maintenance, security, utilities).
 - Decreased revenue (slow unit turn, slower leasing, non-payment of rent).
 - Residents
 - Hiring and staff retention issues.
- Competitive solicitation of 2024 LAHA to provide stabilization funds for operating reserves and ongoing operations.
- Focus will be on buildings with supportive housing units.
- Support and Stabilize is scheduled to open in Mid-November with responses due in December 2024.
- 2025 LAHA funds will be discussed with County Board in Q1 2025.

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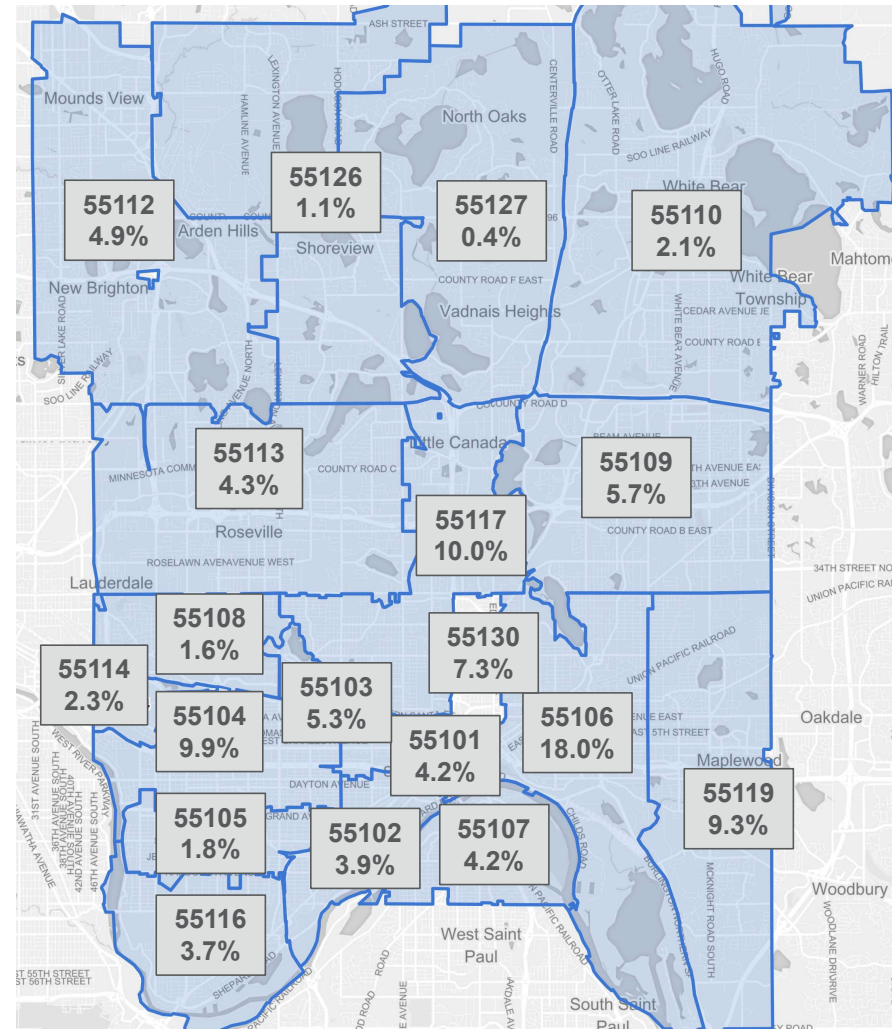
Ramsey County Rental Assistance



Emergency Rental Assistance (ERA) – Recipients by Zip Code

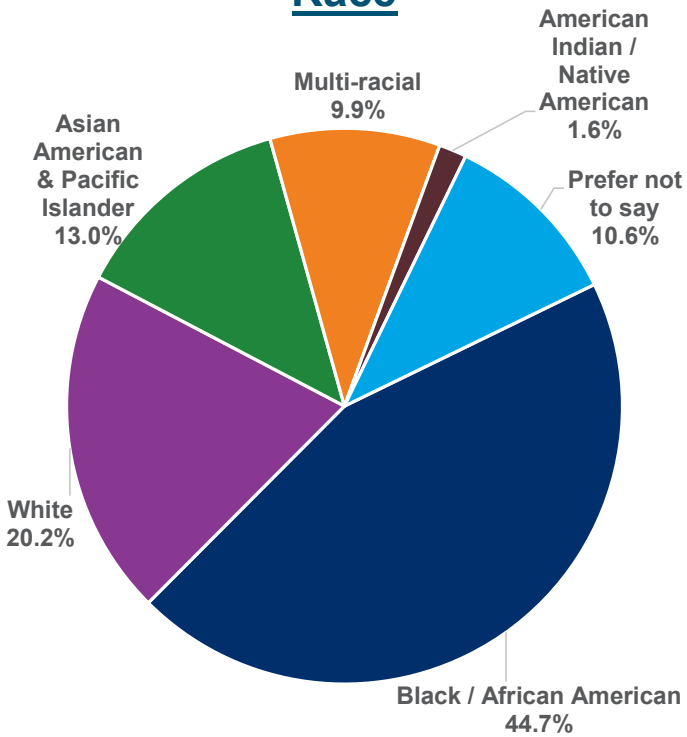
- **3,450 households** were served by COVID-era client-directed ERA* in the previous biennium through Ramsey County and the City of St. Paul.
- Highest concentrations of usage reflected in zip codes where there is high poverty – 55117, 55106, 55104, 55117

*Data does not include other ERA programming such as the landlord-directed program or Highway to Housing.

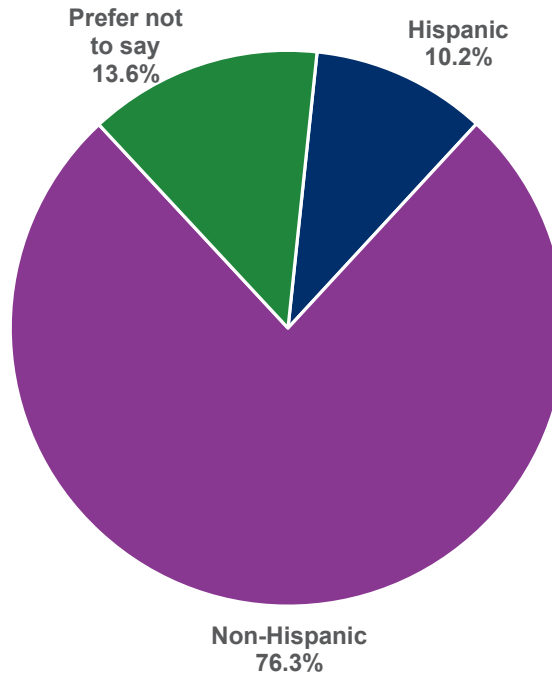


Emergency Rental Assistance (ERA) – Recipient Demographics

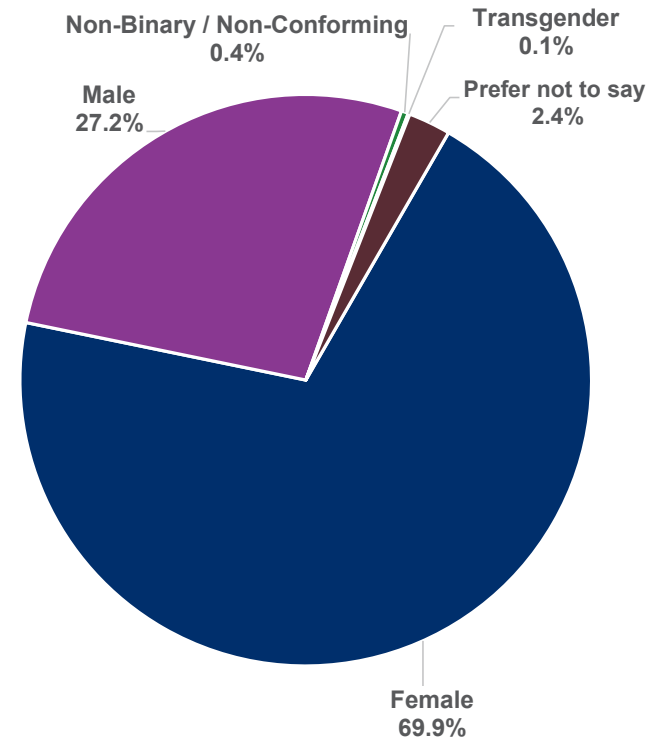
Race



Ethnicity



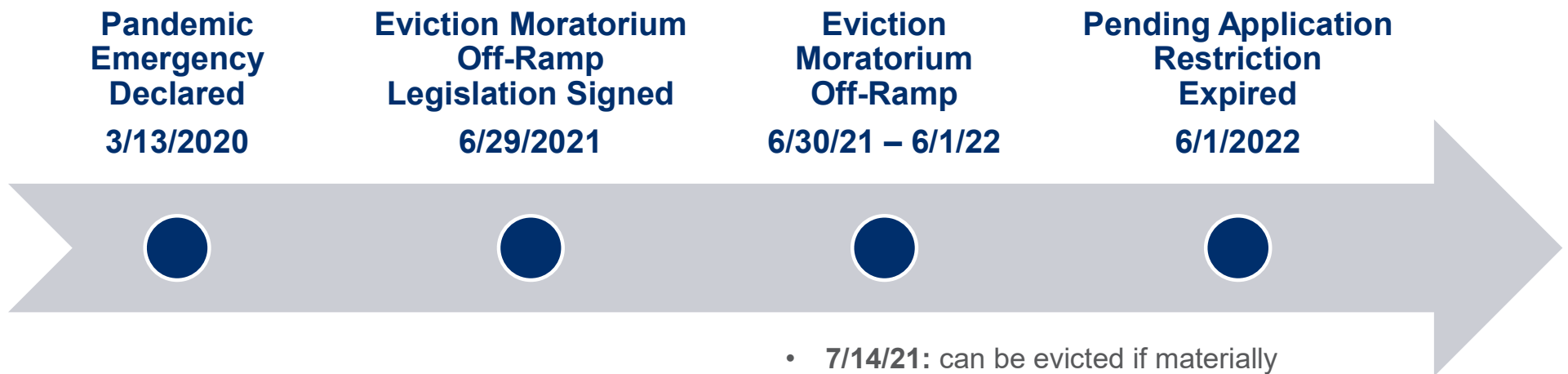
Gender



Emergency Rental Assistance – Housing Court Project (2023)

- \$1.4M provided over a 6-month period to 364 households.
- Average amount owed \$3700
- 46% resided in zip codes of high poverty

Pandemic Eviction Moratorium Timeline



- **7/14/21:** can be evicted if materially violated lease.
- **9/12/21:** can be evicted if hadn't paid rent and not eligible for Emergency Rental Assistance (ERA).
- **10/12/21:** all lease termination and eviction protections lifted unless eligible for ERA and had pending application.

New Laws – Effective January 2024

1. Landlord must provide tenant with 14-day notice of intent to evict before filing an eviction for nonpayment of rent.

Homeline Recording on Pre-eviction notices:

<https://homelinemn.org/10136/recording-of-9-20-23-tenant-landlord-webinar-on-new-laws-pre-eviction-notices/>

2. An agency letter of guarantee received by the landlord during the 7 days after court has the same effect as a payment.

Eviction Data

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|------|------|------|------|------|------|------|------|------|------|------|
| Evictions | | | | | | | | | | | |
| Number of Evictions | 3021 | 2870 | 2746 | 2638 | 2408 | 2416 | 884 | 807 | 3241 | 2942 | 1392 |
| % initiated by the PHA | | | | | | | | | | | |
| % of filings initiated by the PHA | 2.4% | 3.4% | 2.6% | 2.4% | 2.7% | 3.5% | 0.8% | 3.2% | 3.3% | 5.7% | 8.8% |
| Disposition of Cases Filed | | | | | | | | | | | |
| Dismissed | 12% | 392 | 482 | 527 | 554 | 577 | 206 | 149 | 1053 | 781 | 350 |
| Eviction | 33% | 1038 | 1019 | 862 | 840 | 776 | 203 | 109 | 1134 | 1176 | 769 |
| Settled | 52% | 1650 | 1420 | 1525 | 1351 | 1605 | 373 | 115 | 1521 | 1872 | 1077 |
| Closed Administratively | 3% | 55 | 94 | 28 | 47 | 51 | 10 | 7 | 46 | 16 | 6 |
| Yearly Breakdown of Cases Resulting in Eviction by Disposition | | | | | | | | | | | |
| Non-Payment of Rent | 76% | 64% | 77% | 89% | 88% | 94% | 78% | 15% | 83% | 82% | 82% |
| Failure to Vacate | 7% | 20% | 5% | 8% | 8% | 2% | 2% | 12% | 3% | 6% | 7% |
| Other | 17% | 16% | 18% | 3% | 4% | 4% | 19% | 73% | 14% | 11% | 11% |
| Fail to Appear (FTA) on Eviction Cases | | | | | | | | | | | |
| Number of FTA on Eviction cases | 1167 | 857 | 989 | 939 | 686 | 794 | 253 | 349 | 1164 | 1129 | 329 |
| % of FTA on Eviction cases | 39% | 30% | 36% | 36% | 28% | 33% | 29% | 43% | 36% | 38% | 28% |

* Data through June 2024

Eviction Court Summary

- Since October 2023, nearly 15,000 residents have sought assistance through Family Homeless Prevention Assistance Program (FHPAP), Emergency Assistance (EA), Emergency Solutions Grant (EGA), or both.
 - EA has a yearly budget of \$2.7M and EGA \$1.5M.
 - FHPAP operates on a biennial budget totaling \$11 Million (10/1/23 – 9/30/25):
 - \$5.8 is allocated for financial assistance to prevent homelessness; of this amount approximately 20% is administered in Housing Court.

Eviction Court Summary (continued)

- In Housing Court alone, since March 2024-September 2024 (8 months):
 - 913 residents came through the Financial Clinic
 - Residents owed a combined total of \$3.2M
 - The average amount owed was \$3,500 (Highest \$30,000, lowest \$53).



Acronym Key

HUD: U.S. Department of Housing & Urban Development.

CDBG: Community Development Block Grant

CDBG-CV: Community Development Block Grant – COVID19 allocation.

HOME: Home Investment Partnership Program.

HOME-ARP: Home Investment Partnership Program – American Rescue Plan allocation

GO Bonds: General Obligation Bonds.

ERF: Environmental Response Fund.

ECI Plan: Economic Competitiveness & Inclusion Plan.

ARPA: American Rescue Plan Act

TFL: Tax Forfeited Land

RCMB: RamseyCountyMeansBusiness.com

LAHA: Local Affordable Housing Aid

SAHA: State Affordable Housing Aid