

# 2021 ANNUAL MANAGEMENT REPORT

OF THE RAMSEY COUNTY REGIONAL RAILROAD AUTHORITY



RAMSEY COUNTY  
Regional Railroad Authority

Back Side of Cover



# **ANNUAL MANAGEMENT REPORT**

of the

**RAMSEY COUNTY REGIONAL RAILROAD AUTHORITY**

A Component Unit of Ramsey County, Minnesota  
Year Ended December 31, 2021

**Prepared by: Ramsey County Public Works, Property Management  
and Finance Departments  
Ramsey County, Minnesota**

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# CONTENTS

- 01 Organization
- 02 Letter of Transmittal
- 04 Union Depot
- 05 Gold Line Bus Rapid Transit  
Purple Line Bus Rapid Transit
- 06 Riverview Corridor Streetcar  
Green Line Light Rail Transit
- 07 Red Rock Corridor  
Passenger Rail
- 08 Great River Rail Commission
- 09 Balance Sheet
- 10 Comparative Statement



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Back Side of Tab



## RAMSEY COUNTY REGIONAL RAILROAD AUTHORITY ORGANIZATION

December 31, 2021

### Authority Members

Rafael Ortega	Chair
Victoria Reinhardt	Vice Chair
Toni Carter	Secretary/Treasurer
Nicole Frethem	Member
Trista MatasCastillo	Member
Jim McDonough	Member
Mary Jo McGuire	Member

Brian Isaacson  
Deputy Director of Multi-Modal Planning

### Support & Advisory Staff

John Choi  
Ramsey County Attorney  
County Attorney

Alexandra Kotze  
Ramsey County Finance Department  
Chief Financial Officer

Chetan Ganatra  
Ramsey County Information Services  
Chief Information Officer

Jean Krueger  
Ramsey County Property Management  
Director of Property Management



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## Section II

### Letter of Transmittal

Back Side of Tab

July 1, 2022

Ramsey County Regional Railroad Authority  
Board of Commissioners  
15 West Kellogg Boulevard  
Suite 220  
Saint Paul, MN 55102

Dear Honorable Chair and Members:

The Annual Management Report of the Ramsey County Regional Railroad Authority (RCRRA) is submitted for the fiscal year ended December 31, 2021. This report was prepared by the Ramsey County Public Works Department, Ramsey County Property Management Department and the Ramsey County Finance Department.

### **ORGANIZATION AND PURPOSE**

The RCRRA was organized by Resolution 87-230, April 20, 1987, by the Ramsey County Board of Commissioners pursuant to Minnesota Statutes 1986, Chapter 398, now Minn. Stat. Ch. 398A.03, as a “political subdivision and local government of the State of Minnesota to exercise thereunder part of the sovereign power of the state.” The RCRRA is dedicated to a long-range vision of transit services to meet changing needs for today and for succeeding generations. The RCRRA is composed of the seven members of the Ramsey County Board of Commissioners with its registered office in St. Paul, County of Ramsey, Minnesota. Neither the State of Minnesota, nor the County of Ramsey, nor any other political subdivision is liable for obligations of the RCRRA.

The RCRRA Board is responsible for adopting the annual budget, which is consistent with generally accepted accounting principles (GAAP) in the United States. Ramsey County and RCRRA use a two-year budget approval cycle, where during the first year, budgets are prepared, deliberated and approved no later than December 31. During the second year of the budget cycle, concentration is placed on performance measures. Performance measures and supplemental addenda for the second year are also approved no later than December 31 in the second year.

Minnesota Law §275.065 requires RCRRA, as a special taxing district, to certify a proposed maximum tax levy each year to the County Auditor by September 30. The certified proposed maximum tax levy is the amount that is used for the Proposed Property Tax notices mailed to each property owner in the County in November each year. The RCRRA approves the maximum tax levy along with the annual budget in December. An important provision of the property tax law is that the approved tax levy cannot be more than the proposed maximum tax levy certified by RCRRA.

RCRRA activities are staffed and managed by employees of the Ramsey County Public Works Department.

### **FINANCIAL REPORTING**

Although the RCRRA is a legally separate entity, its operations are part of the operations of Ramsey County. The 2021 RCRRA general operations, capital project activity and fund balance is included and audited with the financial information of Ramsey County and reported in the Ramsey County Comprehensive Annual Financial Report (CAFR).

RCRRA activities are primarily financed by RCRRA property taxes. Other financing sources may include revenues from rent, parking, and events held at Union Depot, licenses and permits from RCRRA owned property, and state and federal grant funds.

RCRRA 2021 financial information is included in the financial section of this management report.

### **LOCAL SALES TAX**

Per Ramsey County Board Resolution B2017-142, dated 6/13/17, the Ramsey County Board terminated the Joint Powers Agreement establishing the Counties Transit Improvement Board (CTIB). This allows the counties that were part of CTIB to impose a one-quarter percent sales and use tax within their individual county to be used for designated transit and transportation purposes.

The Ramsey County Board agreed this sales tax is to be used to fund a portion of the METRO Green Line Light Rail Transit net operating costs, as well as a portion of the capital and operating costs for the METRO Gold Line Bus Rapid Transit project, the Purple Line Bus Rapid Transit project (formerly the Rush Line Corridor Bus Rapid Transit project), and the Riverview Corridor Modern Streetcar project.

The transit sales tax is administered by Ramsey County and not held in the RCRRA fund, so the activity is included in the Ramsey County CAFR.

### **TRANSIT PORTFOLIO**

On November 16, 2021, an annual Ramsey County Board Workshop was held to update the County Board on a transit portfolio that detailed program management, assumptions, risks and affordability for advancing the METRO Gold Line, METRO Purple Line, and Riverview Corridor projects, as well as funding Union Depot operations, RCRRA staffing, and Ramsey County's METRO Green Line light rail transit operating obligations. At this workshop, the County Board endorsed staff direction.

### **OTHER WORK**

During 2021, RCRRA commissioners and staff members participated in the Transportation Advisory Board, Red Rock Corridor Commission, Gold Line Joint Powers Board, Gold Line Corridor Management Committee, Rush Line Corridor Task Force, Rush Line Corridor Policy Advisory Committee, Great River Rail Commission and Rethinking I-94 committees.

2021 was an unusual year for residents, businesses and the overall community with it being the second year of a global COVID-19 public health crisis, widespread social unrest, economic recession and high unemployment. This required a focused and flexible response, guided by a strong sense of priorities and principles.

### **ACKNOWLEDGMENTS**

We thank the RCRRA board members for their interest and support in planning and conducting the financial activities of the Regional Railroad Authority in a responsible manner.

We also appreciate the assistance and cooperation of Ramsey County Property Management, Ramsey County Human Resources, Attorney's Office, County Manager's Office, and the Finance Department throughout the year.

Sincerely,




Brian Isaacson, Deputy Director of Multi-Modal Planning  
Ramsey County Public Works



Alexandra Kotze, Director, CFO  
Ramsey County Finance Department





Jones Lang LaSalle Americas Inc. has managed the operations of the building and property since 2012. The Ramsey County Property Management Department oversees the agreement and management of Jones Lang LaSalle Americas Inc. for the Union Depot.

The Union Depot hosts a multitude of indoor/outdoor events, including public events, private events, arts and cultural festivals, concerts, yoga classes, games, tours and more.

The COVID-19 pandemic continued to have an impact on the operations at Union Depot in 2021. The facility remained open serving the needs of tenants, transit and transportation passengers, and commuters but the event activity and overall traffic was reduced. Some significant events that occurred at Union Depot during 2021 include:

- Doggie Depot moved to a virtual format with online vendor promotions, activities and contests.
- Train Days was a huge success with 10,000 in attendance over the day-day event.
- The Hub for the Holidays included the holiday tree lighting, bake sale and European Christmas Market. Record-setting attendance.
- A record 42 events were held in the Waiting Room, 32 of them weddings.
- Executed nine cultural events, eight with over 500 in attendance.
- St. Paul Food Truck Festival served 35,000 in one day! Sold out all drive-in movies held in the parking lot over a five-month long series.

## UNION DEPOT

The Union Depot Multi-Modal Transportation Hub in St. Paul was purchased and restored by the RCRA to maximize the Union Depot's development as a multi-modal transportation hub, as well as become an attraction and destination that compliments the function of downtown St. Paul and the region. The \$243 million renovation project opened in 2012, financed by federal, state and local funds.

The Union Depot encompasses 33 acres of land and approximately 1/3 of the downtown St. Paul Riverfront. The renovated depot provides connections to Amtrak (service began in 2014), buses (Metro Transit, Greyhound, megabus.com, Treasure Island shuttles, connection to Minnesota Valley Transit Authority, and other smaller bus services), METRO Green Line Light Rail Transit (service began in 2014), and future transit lines (METRO Gold Line Bus Rapid Transit, Rush Line Bus Rapid Transit, and Riverview Corridor Streetcar service). Additionally, Hertz Car Rental service began in 2016 and other transportation modes are served at Union Depot, including automobiles, bicycles and pedestrian connections. Some eco-friendly transportation amenities provided at Union Depot include electric vehicle charging stations, car sharing services, fuel efficient vehicle parking, a full-service bicycle center, and bicycle storage and parking.

## METRO GOLD LINE BUS RAPID TRANSIT



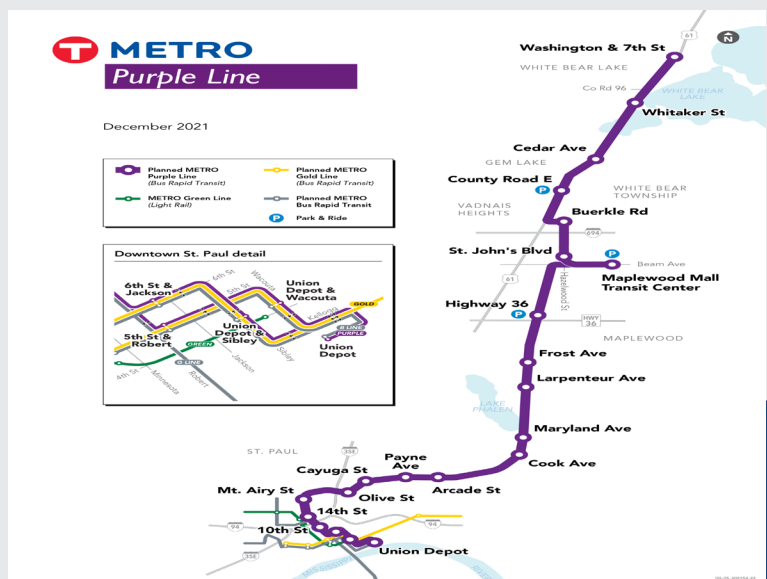
The METRO Gold Line Bus Rapid Transit (BRT) is a 10-mile line that will connect Union Depot in Saint Paul to Maplewood, Oakdale and Woodbury. In 2021, the project completed Project Development and advanced into the Engineering of the Federal Transit Administration's Capital Investment Grants Program.

This advancement, led by the Gold Line Project Office, included revising the project scope and budget, completion of 90% engineering plans, the purchase of right-of-way along the corridor, and the development of bid packages for the relocation of utilities. It is anticipated that the project will receive its Full Funding Grant Agreement and begin construction in 2022.



The METRO Purple Line BRT (formerly the Rush Line) is a 15-mile line between Union Depot in downtown Saint Paul and downtown White Bear Lake generally along Robert Street, Jackson Street, Phalen Boulevard, Ramsey County rail right of way co-located with the Bruce Vento Regional Trail and Highway 61. In December 2021, the Environmental Analysis Phase concluded. This phase included the completion of an Environmental Assessment and associated engineering and community engagement. Key METRO Purple Line milestones in 2021 include:

- Ramsey County published the project's Environmental Assessment in May, initiating a 45-day public comment period featuring online and in-person open houses.
- In October and December, respectively, the Federal Transit Administration and Federal Highway Administration issued favorable environmental decisions based on the project's Environmental Assessment.
- In October, Ramsey County committed \$39.9 million of county funding for the next phase of the project.
- Leadership of the project transitioned from Ramsey County to the Metropolitan Council in December.
- Also in December, the Federal Transit Administration granted the project approval to enter the Project Development phase of the Capital Investment Grants program as a New Starts project.



## METRO PURPLE LINE BUS RAPID TRANSIT



## RIVERVIEW CORRIDOR STREETCAR

The Riverview Corridor continued work on the Engineering and Pre-Environmental (EPE) phase. This phase will further analyze the locally preferred alternative, a 12-mile modern streetcar line connecting Union Depot in downtown Saint Paul to Minneapolis-St. Paul (MSP) International Airport and the Mall of America generally along West Seventh Street.

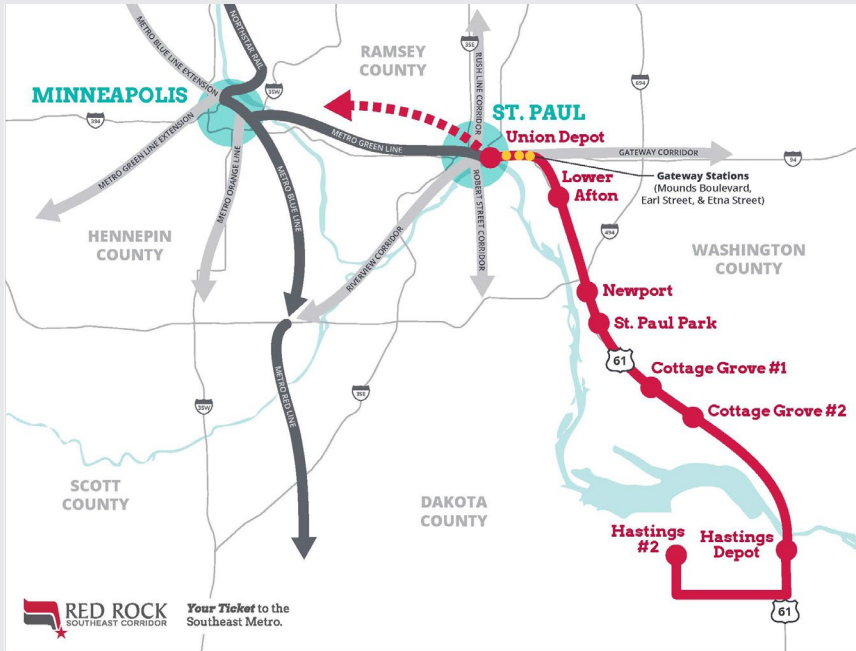
The Riverview Modern Streetcar will start in downtown Saint Paul and continue service to the MSP Airport, Bloomington South Loop and the Mall of America via the Blue Line.

The EPE phase is currently underway and will take approximately three years to complete. It includes the undertaking of environmental and project development work to refine the alignment – including engineering, station area planning, early environmental work and community engagement – to prepare for a future phase submission of an Environmental Impact Statement to the Federal Transit Administration.



## METRO GREEN LINE LIGHT RAIL TRANSIT

Due to the COVID-19 pandemic, Twin Cities transit ridership dropped by 6.5% between 2020 and 2021 to 35.8 million. The METRO Green Line Light Rail Transit (LRT) line is 9.8 miles between downtown St. Paul and downtown Minneapolis. This line opened in 2014 with 18 stations. It links five major centers of activity in the Twin Cities region: Downtown St. Paul; the State Capitol, the Midway area, the University of Minnesota and downtown Minneapolis. In 2021, METRO Green Line total daily weekday ridership was 17,800 resulting in 18% of the daily weekday total. A total of 47 light rail vehicles are assigned to the METRO Green Line.



## RED ROCK CORRIDOR

The Red Rock Corridor runs 20 miles from Hastings to Union Depot generally along Highway 61. A bus rapid transit implementation plan study was completed in 2016 with a focus on improving existing bus service prior to the long-term implementation of bus rapid transit in the corridor.

In 2021, the Red Rock Corridor Commission adopted the 2021 Work Plan and Budget. RCRRA is a financial party to the Red Rock Corridor Commission.

## PASSENGER RAIL

The Minnesota Department of Transportation and Wisconsin Department of Transportation led work on the \$53 million Twin Cities-Milwaukee-Chicago (TCMC) Intercity Passenger Rail Study in 2021.

The project secured \$43 million in 2020 from Wisconsin, Amtrak and the Federal Railroad Administration. In June 2021, the Minnesota legislature included \$10 million for capital costs for the TCMC Second Train project in the transportation bill which was signed by Governor Walz. \$12.6 million in operating funds have been secured through a Federal Railroad Administration grant to offset a portion of the cost of the first three years of operation.

Once operational, the TCMC Second Train is forecast to carry 124,000 trips a year and utilizes the RCRRA owned Union Depot as its Twin Cities station.



# GREAT RIVER RAIL COMMISSION



The Great River Rail Commission is a joint powers board comprised of officials from local and regional agencies that advocates for faster and more frequent passenger rail service within the federally designated high-speed rail corridor that connects the Twin Cities to Milwaukee and Chicago. RCRRRA is a member and serves as the fiscal agent for the Commission.

During the 2021 legislative session, the Commission advocated for state funding to match a federal grant secured by the Minnesota and Wisconsin Departments of Transportation for the Twin Cities-Milwaukee-Chicago Second Train. The Commission met virtually with key state legislators, held three virtual town hall meetings and distributed hundreds of pieces of information about the benefits of the Twin Cities-Milwaukee-Chicago Second Train.

The Commission is also supportive of legislative initiatives and bonding measures to improve freight rail safety and increase capacity.





Back Side of Tab

## BALANCE SHEET

### For the year ended December 31, 2021

ASSETS	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND
Cash and Cash Equivalents	39,322,442	34,534,388
Receivables:		
Taxes	364,725	-
Accounts Receivable	23,318	
Due from Other Funds	-	-
Due from Other Governments	351	-
Total Assets	\$ 39,710,836	\$ 34,534,388

LIABILITIES	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND
Accounts Payable	776,713	-
Contracts Payable	-	589,581
Due to Other Funds	26,533	-
Due to Other Governments	22,538	333,822
Total Liabilities	\$ 825,784	\$ 923,403

DEFERRED INFLOWS OF RESOURCES	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND
Deferred Inflows	\$ 380,013	\$ -

FUND BALANCES	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND
Assigned	38,505,039	33,610,985
Designated for:		
Transportation	38,505,039	33,610,985
Unassigned	-	-
Total Fund Balances	\$ 38,505,039	\$ 33,610,985
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 39,710,836	\$ 34,534,388

**STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES**  
**For the year ended December 31, 2021**

REVENUES	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND
Taxes	19,876,639	7,450,000
Intergovernmental	197,865	-
Charges for Services	713,480	-
Rental Income	1,378,949	-
Investment Earnings	14,896	-
Miscellaneous	815,094	487,398
Total Revenues	\$ 22,996,923	\$ 7,937,396

EXPENDITURES	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND
Current:		
Transportation	7,785,988	6,586,913
Total Expenditures	7,785,988	6,586,913
Excess (Deficiency) of Revenues		
Over (Under) Expenditures	\$ 15,210,935	\$ 1,350,483

OTHER FINANCING SOURCES (USES)	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND
Transfers In	-	-
Transfers Out	(5,871,441)	-
Total Other Financing Sources (Uses)	(5,871,441)	-
Net Charge in Fund Balances	\$ 9,339,494	\$1,350,000
Fund Balances – Beginning	29,165,545	32,260,502
Fund Balances – Ending	\$ 38,505,039	\$ 33,610,985

