

# 2022 ANNUAL MANAGEMENT REPORT

OF THE RAMSEY COUNTY REGIONAL RAILROAD AUTHORITY



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# ANNUAL MANAGEMENT REPORT

of the

RAMSEY COUNTY REGIONAL RAILROAD AUTHORITY

A Component Unit of Ramsey County, Minnesota  
Year Ended December 31, 2022

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

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# RAMSEY COUNTY REGIONAL RAILROAD AUTHORITY ORGANIZATION

December 31, 2022

## 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  
Director, Public Works

Mike Rogers  
Acting Deputy Director, 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

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August 15, 2023

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, 2022. 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 2022 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 Annual Report.

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 2022 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 METRO 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 Annual Report.

**TRANSIT PORTFOLIO**

The annual Ramsey County Board Workshop 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 was held in January, 2023, to include two new county commissioners.

**OTHER WORK**

During 2022, 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, Purple Line Corridor Management Committee, Great River Rail Commission, Riverview Corridor Policy Advisory Committee and Rethinking I-94 committees.

**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.

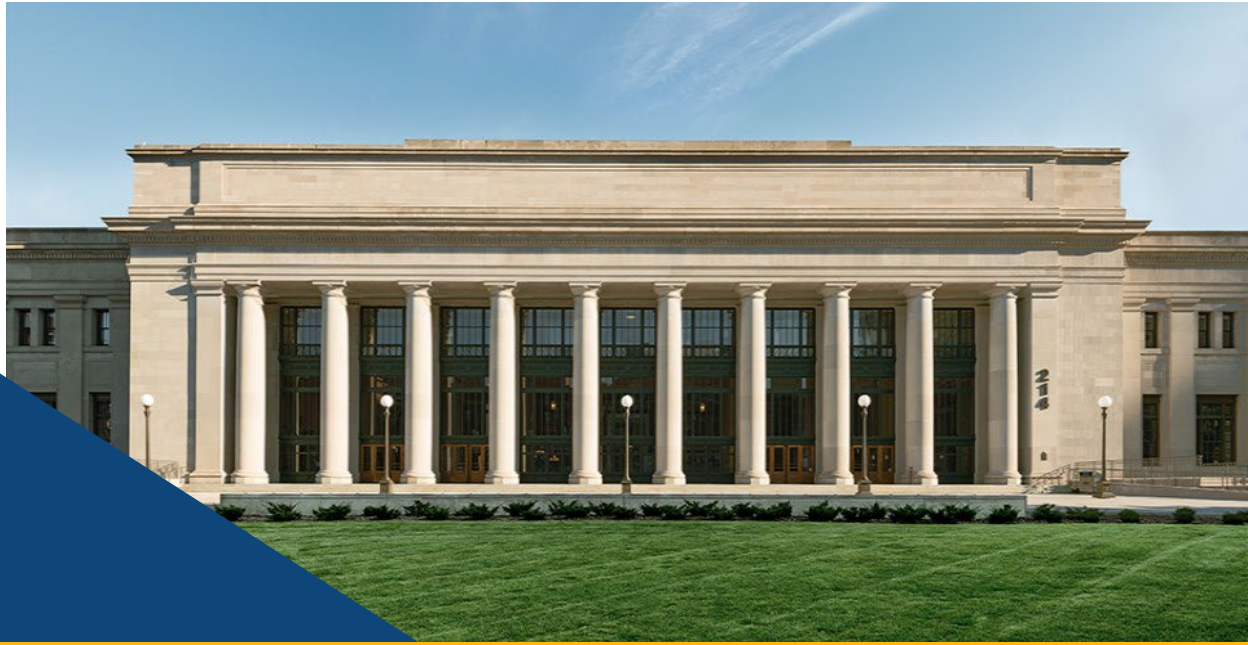
Sincerely,



Michael Rogers, 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.

Union Depot rebounded to pre-pandemic activity levels in 2022 with the return of passengers and events. Some significant events that occurred at Union Depot in 2022 include:

- Hosted the largest Hub for the Holidays season yet. Overall traffic was up 41% welcoming 169,000 visitors between the Holiday Tree Lighting and Movie Night, Bake Sale, North Pole Express, European Christmas Market and CP Holiday Train.
- Celebrated the 10-year anniversary of the restoration of Union Depot.
- Train Days was a great success with 15, 000 in attendance over the two-day event.
- Doggie Depot was back in-person with record breaking attendance. More than 6,000 people and 2,000 dogs attended. 55 vendors and rescues set up in the Waiting Room for the event.
- Executed 10 cultural events, one of which was the largest private event ever held at Union Depot, with 10,000 in attendance.
- Executed a total of 195 days of events/programs in 2022 for the building.

## UNION DEPOT

The Union Depot Multi-Modal Transportation Hub in St. Paul was purchased and restored by the RCRRA 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, 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, Metro Purple 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 2022, the project continued the Engineering Phase of the Federal Transit Administration's Capital Investment Grants Program.

This advancement, led by the Gold Line Project Office, included completing 100% plans, bidding the construction contract and awarding it to Ames Construction. Construction work started in the fall of 2022 with an official ground-breaking on October 19<sup>th</sup>. It is anticipated that the project will receive its Full Funding Grant Agreement and continue construction in 2023.



The METRO Purple Line Bus Rapid Transit (BRT) is a 15-mile line between Union Depot in Saint Paul and White Bear Lake utilizing city streets, the Ramsey County rail right of way co-located with the Bruce Vento Regional Trail and Highway 61. In 2022 a Route Modification Study was initiated due to White Bear Lake withdrawing from the project and questions about project viability post-Covid.

In spring 2022, the Purple Line began a Route Modification Study to evaluate a new northern terminus north of Beam Avenue to either end the line at Maplewood Mall Transit Center, I-35E & County Road E park & ride in Vadnais Heights or Century College on the border of White Bear Lake and Mahtomedi. These options are being evaluated for technical, operational and federal viability. Results of the Route Modification Study are anticipated in Spring, 2023.



## 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 Corridor 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.

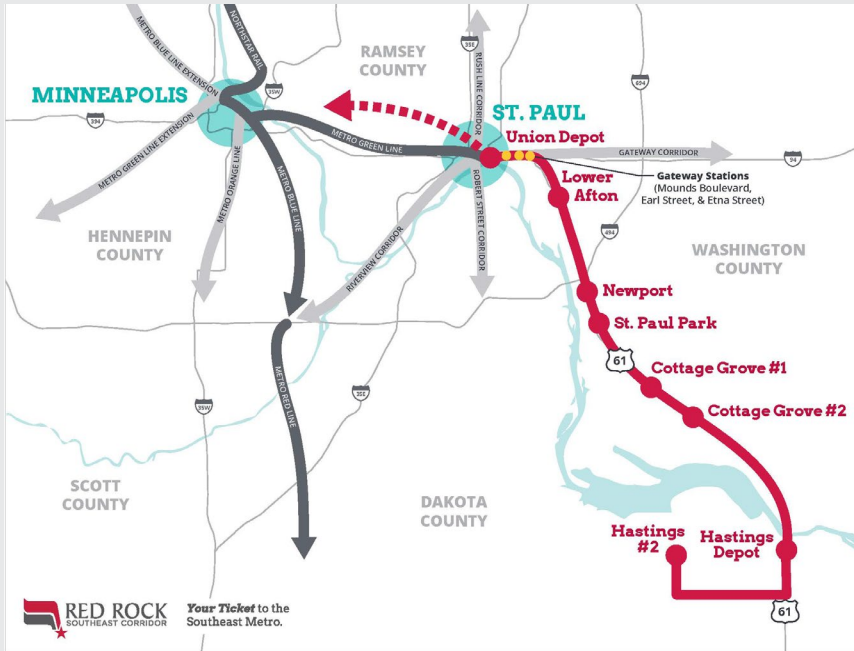


## METRO GREEN LINE LIGHT RAIL TRANSIT

2022 Twin Cities transit ridership increased by 17% from 2021 to 42.1 million rides.

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. In 2022 weekly ridership increased to 20,700 resulting in 19% of the 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 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 2022, the Red Rock Corridor Commission adopted the 2022 Work Plan and Budget. The Commission also heard a presentation from the Metro Transit Transit-Oriented Development (TOD) Office on best practices for TOD, with content on policy goals, walkability, and development trends. Finally, the Commission directed staff to develop a scope of work for a re-visioning of the corridor that reflects changes in travel patterns during the Covid-19 pandemic.

## PASSENGER RAIL

The Minnesota and Wisconsin Departments of Transportation continued to lead the work on the \$53 million Twin Cities-Milwaukee-Chicago (TCMC) Intercity Passenger Rail Project in 2022. Final Design began on the track, signal and bridge improvements, and the development of operating and cost sharing agreements among Amtrak, Canadian Pacific Railway, RCRA and the states got underway.

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

Amtrak took a major step forward in modernizing its long-distance fleet, ordering 125 new diesel-electric units in 2022. The new locomotives will reduce emissions and consume less fuel than its predecessors.

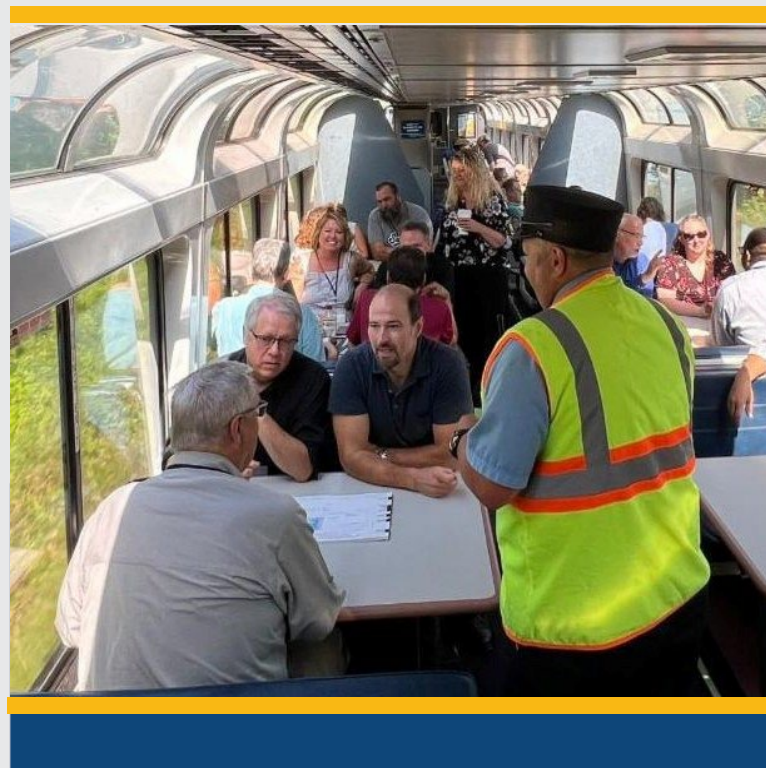
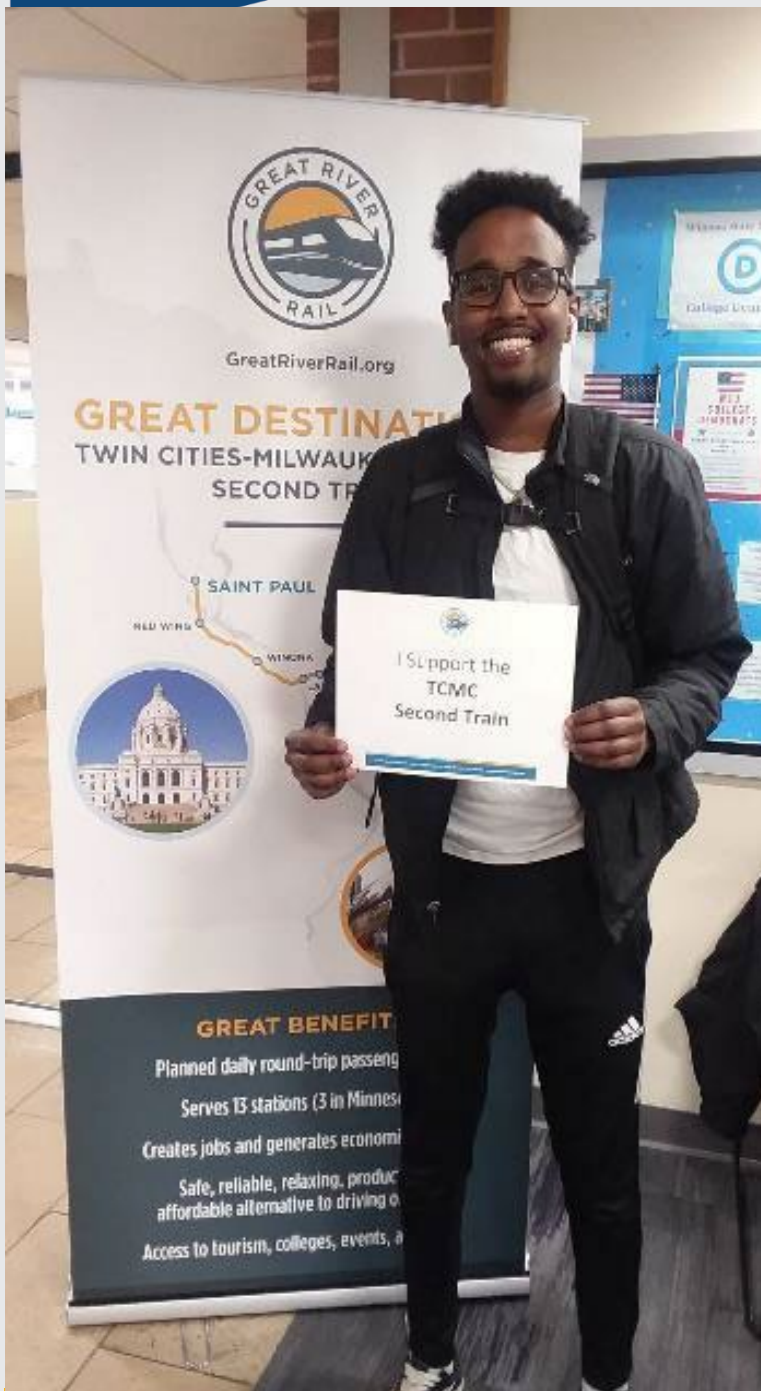


# GREAT RIVER RAIL COMMISSION

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 segment of Amtrak's *Empire Builder* route between Chicago and Saint Paul. RCRRA is a member and serves as the fiscal agent for the Commission.

The Commission began developing a marketing subcommittee to advocate for proposed legislation and help promote the Twin-Cities-Milwaukee-Chicago train once it begins service. A business roundtable group was formed in Winona and similar groups will be formed in La Crosse, Red Wing and the Twin Cities, and combined to form the marketing subcommittee.

Members of the Commission and invited guests traveled to Milwaukee, Wisconsin aboard Amtrak's *Empire Builder*. The purpose of the trip was to experience intercity passenger train travel firsthand, to tour the Milwaukee Intermodal Station and The HOP streetcar operations and maintenance facility, and to meet with elected officials and agency staff to discuss the economic and mobility benefits of intercity passenger rail and intermodal connectivity.



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**BALANCE SHEET**  
For the year ended December 31, 2022

<b>ASSETS</b>	<b>SPECIAL REVENUE FUND</b>	<b>CAPITAL PROJECTS FUND</b>
Cash and Cash Equivalents	46,860,308	35,702,442
Receivables:		
Taxes	2,459,088	-
Accounts Receivable	12,485	-
Accrued Interest	1,995	-
Leases Receivable	1,346,477	-
Due from Other Funds	-	-
Due from Other Governments	218	52,202
<b>Total Assets</b>	<b>\$50,680,571</b>	<b>\$35,754,644</b>
<b>LIABILITIES</b>	<b>SPECIAL REVENUE FUND</b>	<b>CAPITAL PROJECTS FUND</b>
Accounts Payable	612,472	-
Contracts Payable	-	481,813
Due to Other Funds	25,107	-
Due to Other Governments	42,301	13,101
<b>Total Liabilities</b>	<b>\$679,880</b>	<b>\$494,914</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>SPECIAL REVENUE FUND</b>	<b>CAPITAL PROJECTS FUND</b>
Deferred Inflows – Leases	1,290,863	-
Deferred Inflows – Other	2,471,791	-
<b>Total Deferred Inflows</b>	<b>3,762,654</b>	<b>-</b>
<b>FUND BALANCES</b>	<b>SPECIAL REVENUE FUND</b>	<b>CAPITAL PROJECTS FUND</b>
Assigned	46,238,037	35,259,730
Designated for:		
Transportation	46,238,037	35,259,730
Unassigned	-	-
<b>Total Fund Balances</b>	<b>46,238,037</b>	<b>35,259,730</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>50,680,571</b>	<b>35,754,644</b>

**STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES**  
For the year ended December 31, 2022

REVENUES	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND
Taxes	11,657,651	17,742,124
Intergovernmental	27,776	172,056
Charges for Services	68,152	-
Rental Income	2,117,911	-
Investment Earnings	1,090,135	-
Lease Interest	24,498	-
Miscellaneous	2,273	-
Total Revenues	\$14,988,396	\$17,914,180
EXPENDITURES	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND
Current:		
Transportation	8,411,545	16,265,435
Total Expenditures	8,411,545	16,265,435
Excess (Deficiency) of Revenues		
Over (Under) Expenditures	6,576,851	1,648,745
OTHER FINANCING SOURCES (USES)	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND
Transfers In	3,763,466	-
Transfers Out	(2,607,319)	-
Total Other Financing Sources (Uses)	1,156,147	-
Net Change in Fund Balances	\$7,732,998	\$1,648,745
Fund Balances – Beginning	38,505,039	33,610,985
Fund Balances – Ending	46,238,037	32,259,730



