

2023 ANNUAL MANAGEMENT REPORT

OF THE RAMSEY COUNTY REGIONAL RAILROAD AUTHORITY



A large graphic consisting of a blue trapezoidal shape on the left and a yellow diagonal line extending from the top left towards the right, set against a white background.

ANNUAL MANAGEMENT REPORT

of the

RAMSEY COUNTY REGIONAL RAILROAD AUTHORITY

A Component Unit of Ramsey County, Minnesota
Year Ended December 31, 2023

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



CONTENTS

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

RAMSEY COUNTY REGIONAL RAILROAD AUTHORITY ORGANIZATION

December 31, 2023

Authority Members

Rafael Ortega	Chair
Trista Martinson	Vice Chair
Victoria Reinhardt	Secretary/Treasurer
Nicole Frethem	Member
Mary Jo McGuire	Member
Rena Moran	Member
Mai Chong Xiong	Member

Brian Isaacson
Director, Public Works

Mike Rogers
Deputy Director, Multi-Modal Planning

Support & Advisory Staff

Johanna Berg
Ramsey County EGCI
Deputy County Manager

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

Kari Collins
Ramsey County Economic Development
Department
Director, Community & Economic Development

Jean Krueger
Ramsey County Property Management
Director of Property Management



May 1, 2025

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, 2023. 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 Saint 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 and the Ramsey County Property Management Department.

FINANCIAL REPORTING

Although the RCRRA is a legally separate entity, its operations are part of the operations of Ramsey County. The 2023 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 Consolidated Financial 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 2023 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 Consolidated Financial 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.

OTHER WORK

During 2023, 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, cooperation and contributions of Ramsey County Human Resources Department, 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.

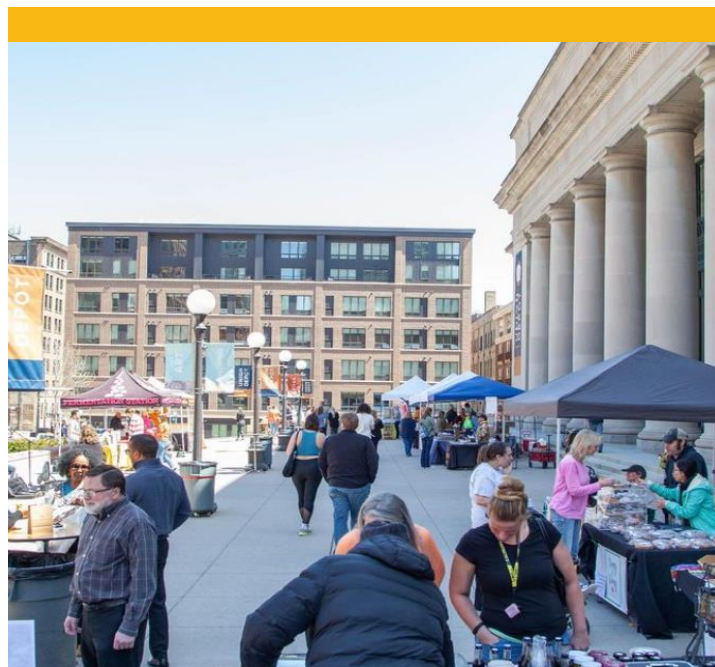
Union Depot continues to see increased activity level with passengers and events. Overall building traffic for 2023 saw a remarkable 47% increase from 2022. Some significant events that occurred at Union Depot in 2023 include:

- Hosted the largest Hub for the Holidays season yet. Hub for the Holidays traffic overall increased 48% from 169,000 in 2022 to over 250,000 in 2023.
- Created a new BIPOC market highlighting vendors of the BIPOC community and featured varying types of merchandise and art. The event brought in 2,000 attendees!
- Executed 16 cultural events, a 60% increase from 2022, including Festival de las Calaveras and the Center for Hmong Arts and Talent Expo.
- A record 67 Waiting Room events were held. This included 26 weddings.
- Executed a total of 208 days of events/programs in 2023 for the building. This is a new record!

UNION DEPOT

The Union Depot Multi-Modal Transportation Hub in Saint 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 complements the function of downtown Saint 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 Saint 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 or near 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. Construction began in October 2022 and in April 2023 the Federal Transit Administration awarded a \$229.3 million Full Funding Grant Agreement to the project.

Construction advanced rapidly in 2023 and included the completion of sections of corridor grading and utilities as well as the Earl St., Etna St. and Ruth Street bridges. The completion of construction is anticipated in the fall of 2024 with the project opening to the public in March of 2025.



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. The study determined ending at Maplewood Mall Transit Center proved to be the only option that would be viable for federal funding.

The Purple Line is now studying an alternative route that will use Maryland and White Bear Avenues to travel to the Maplewood Mall area instead of the route through the Bruce Vento Regional Trail Corridor, north of Maryland Avenue. The Project will compare these two routes to determine which provides the greatest benefit to area residents and businesses. Results of the study are anticipated in Fall 2024.



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-Saint 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 conclude in 2024. The work includes environmental and project development work to refine the alignment – including engineering, station area planning, 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

2023 Twin Cities transit ridership increased by 16% from 2022 to 48.7 million rides.

The METRO Green Line Light Rail Transit (LRT) line is 9.8 miles between downtown Saint 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 Saint Paul, the State Capitol, the Midway area, the University of Minnesota and downtown Minneapolis.

In 2022, METRO Green Line total daily weekday ridership was 20,700 resulting in 19% of the daily weekday rides system wide. In 2023 weekly ridership increased to 24,503 resulting in 17.9% of the total daily weekday rides system wide. A total of 47 light rail vehicles are assigned to the METRO Green Line.



One of eight new concepts for the Red Rock Corridor, with microtransit zones south of I-494 and express bus along I-494 between the Mall of America and Gold Line terminus in Woodbury.

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 2023, the Red Rock Corridor Commission adopted the 2023 Work Plan and Budget and contracted with East Metro Strong to conduct a revisioning of the corridor that reflects changes in travel patterns during the Covid-19 pandemic. The community engagement and travel pattern analysis conducted during the revisioning process yielded eight new concepts for the corridor, all of which include microtransit zones, deviated local bus service, or fixed-route local bus service south of I-494. Two concepts reroute the northern terminus of the corridor from Union Depot to the Sun Ray Gold Line station or Gold Line terminus in Woodbury, while six add east-west express bus along I-494 between the Mall of America and the Gold Line terminus in Woodbury.

PASSENGER RAIL

The Minnesota, Wisconsin and Illinois Departments of Transportation continued to lead the development of the Twin Cities-Milwaukee-Chicago (TCMC) Second Train in 2023. A TCMC Start of Service committee was formed with staff from the three states, Amtrak, the Federal Railroad Administration and Ramsey County to develop operating and cost sharing agreements, to access the federal grant for start-up operating costs and line up equipment and trained crews.

Amtrak and the RCRRRA began negotiations to amend the Operating and Lease agreements that would allow the TCMC Second Train to layover and receive light maintenance and servicing at Union Depot.

The TCMC Second Train is anticipated to start service in 2024.



GREAT RIVER RAIL COMMISSION

The Great River Rail Commission is a joint powers board comprised of officials from local and regional governments along the Amtrak *Empire Builder* route between Saint Paul, MN and La Crosse, WI. The Commission advocates for faster and more frequent passenger rail service within the segment of Amtrak's *Empire Builder* route between Chicago and Saint Paul. RCRRRA is a member organization and serves as the fiscal agent for the Commission.

The Commission formed business roundtable groups in Red Wing, Winona and La Crosse in 2023 to plan for the start of the Twin-Cities-Milwaukee-Chicago (TCMC) Second Train. When the service start date is announced, these groups will work together to promote access to events and destinations in their communities by train.

The Commission actively lobbied the state legislature in 2023 in support of MnDOT's request for funding to match a federal grant for start-up operating costs of the TCMC. Funding was approved for the first two years of operation.

The Commission welcomed three new member organizations in 2023; Washington County, the city of Newport and Wacouta Township.



BALANCE SHEET
For the year ended December 31, 2023

ASSETS	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND
Cash and Cash Equivalents	51,716,708	47,014,804
Receivables:		
Taxes	2,504,452	-
Accounts Receivable	284,632	-
Accrued Interest	116	-
Leases Receivable	1,264,464	-
Due from Other Funds	-	-
Due from Other Governments	225	99,098
Total Assets	\$55, 770,597	\$47,113,902
LIABILITIES	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND
Accounts Payable	1,252,722	-
Contracts Payable	-	340,824
Due to Other Funds	28,231	-
Due to Other Governments	123,225	-
Total Liabilities	\$1,404,178	\$340,824
DEFERRED INFLOWS OF RESOURCES	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND
Deferred Inflows – Leases	1,163,472	-
Deferred Inflows – Other	2,515,029	51,644
Total Deferred Inflows	\$3,678,501	\$51,644
FUND BALANCES	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND
Assigned	50, 687,918	46,721,434
Designated for:		
Transportation	50,687,918	46,721,434
Unassigned	-	-
Total Fund Balances	\$50, 687,918	\$46,721,434
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$55,770,597	\$47,113,902

**STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES**
For the year ended December 31, 2023

REVENUES	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND
Taxes	11,369,407	18,471,392
Intergovernmental	20,610	351,974
Charges for Services	-	-
Rental Income	1,976,353	-
Investment Earnings	3,217,353	-
Lease Interest	21,197	-
Miscellaneous	263,982	-
Total Revenues	\$16,868,902	\$18,823,366
EXPENDITURES	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND
Current:		
Transportation	9,959,157	7,361,662
Total Expenditures	\$9,959,157	\$7,361,662
Excess (Deficiency) of Revenues		
Over (Under) Expenditures	\$6,909,745	\$11,461,704
OTHER FINANCING SOURCES (USES)	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND
Transfers In	488,000	-
Transfers Out	(2,947,864)	-
Total Other Financing Sources (Uses)	(2,459,864)	-
Net Change in Fund Balances	\$4,449,881	\$11,461,704
Fund Balances – Beginning	46,238,037	35,259,730
Fund Balances – Ending	\$50,687,918	\$46,721,434

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