

Ramsey County, Minnesota Recovery Plan State and Local Fiscal Recovery Funds 2023 Report

Use of Funds

The following projects have been shifted from the indicated (original) Expenditure Category to EC 6.1: Revenue Loss as of the 2023 Q1 Expenditure report submitted April 2023.

- **Expenditure Category 1.** Public Health.
 - Trusted Messenger.
 - Appropriate Response Initiative.
 - Healing Streets.
- **Expenditure Category 2.** Negative Economic Impacts.
 - **Workforce Solutions** projects, including Connectivity Blueprint, Early Childhood Academy, Driver's License Academy, Learn and Earn, LEAP, County Case Plus, Digital Media and Youth Employment Hub, School Affiliate Efforts, Employer Engagement, Right Track Plus Expansion, and No Barrier Jobs.
 - Public Health Career Pathways.
 - Emergency Homeless Shelters.

Workforce Solutions' Right Track Plus 2021 project remains allocated under EC 2.10 with an investment of \$1 million. This project was completed in 2021 and final numbers reported in Ramsey County's 2022 ARPA Performance report. No further ARPA-funded allocations are planned for this project going forward.

Deeply Affordable Housing remains under EC 2.15 with an investment of \$37 million allocated to build or renovate multi-family housing units in Ramsey County, with 10% of these units dedicated to low-income families.

Promoting Equitable Outcomes

Deeply Affordable Housing promotes equitable outcomes by expanding the availability of affordable housing, especially units designated for families below the average median income. In Ramsey County, lower-income residents are disproportionately Black, Indigenous, and People of Color (BIPOC) community members. Ramsey County has a well-documented shortage of affordable housing that impacts a wide range of economic and social issues for those who struggle to find low-cost options in a competitive market. The lack of affordable housing also contributes to the ongoing homelessness crisis in Ramsey County, where deep racial disparities exist.

Ongoing COVID-related economic challenges have disproportionately affected lower income residents, who were more deeply impacted by changes in the labor market and the elimination of the eviction moratorium. These changes can bring families to make tough choices about which bills or emergencies they can afford to pay for, while maintaining stable housing. The

provision of more affordable housing is a crucial investment for Ramsey County to promote security and prosperity among our most vulnerable residents.

2022-2023 Project Inventory

a. *Negative Economic Impacts (EC 2)*

* 2.15 Long-term Housing Security: Deeply Affordable Housing

Project Identification Number | G111013

Funding amount | \$37 million

Project Expenditure Category | 2.15 Long-term Housing Security: Affordable Housing

Project Overview

CDC guidelines identify safe and stable housing as an essential environment to prevent the spread of COVID-19. Without adequate and affordable housing residents must “double-up” with other family members, or perhaps move into a shelter, which can increase the risk of disease. Stable housing is also necessary for students to succeed in school, especially when they are in remote school settings, as children have been during the COVID-19 pandemic.

To address this issue, and in line with County’s Economic Competitiveness and Inclusion Plan strategies, Ramsey County allocated \$37 million in ARPA funds to build a planned 600 affordable housing units throughout the county by 2026. The City of Saint Paul allocated a matching investment for a total of \$74.5 million in ARPA funds to build or renovate 1,000 housing units, including those designated for low-income families. Ramsey County’s ARPA funding investment complements other funding sources, including the HRA Tax Levy and HUD funding, to increase the overall availability of affordable housing throughout the county.

Use of Evidence

The goals of the Deeply Affordable Housing project are to increase the availability of affordable housing in Ramsey County so that ultimately, fewer residents allocate a significant portion of their monthly income to rent, especially low-income families. The evidence base for this project includes the [2018 study](#) “Unstable Housing and Caregiver and Child Health in Renter Families” published in *Pediatrics Journal*. This study found that unstable housing circumstances, including homelessness, rent strain, or experiencing multiple moves (more than two in one year) have “demonstrated associations with adverse caregiver and child health status and other household hardships,” including food insecurity.¹

Dollar Amount being allocated towards evidence-based interventions: \$ 37,000,000

b. *Revenue Replacement (EC 6)*

6.1 Provision of Government Services

- **Project Identification Number** | G111009
- **Funding amount** | \$ 68,787,813.00
- **Project Expenditure Category** | 6.1 Provision of Government Services

¹ Sandel M, Sheward R, Ettinger de Cuba S, et al. Unstable Housing and Caregiver and Child Health in Renter Families. *Pediatrics*. 2018;141(2):e20172199



Ramsey County has experienced revenue loss due to the impacts of COVID, and the losses were not immediately known. For 2020, the revenue loss calculation for Ramsey County was \$1.2 million. Ramsey County did not recognize this loss within the Treasury report in 2020. For 2021, the revenue loss calculation for Ramsey County is \$79.5 million. These figures were calculated by utilizing the GFOA Revenue Loss Calculator, and the details have been provided in the Treasury portal as part of our quarterly expenditure reporting.

Ramsey County shifted from reporting on multiple individual projects to revenue loss and is using the funds for Ramsey County Board approved projects as well as support for our overall operations. ARPA funds have been used to help reduce the funding gap in areas such as public health, workforce, employment educational training, staffing needs due to increased work volumes due to covid, county technology, etc.

Ramsey County will use the revenue loss funds for:

- \$20 million included in the 2022-2023 budget to help ensure property taxes remain low while also continuing to provide needed services to our community;
- \$3 million for IT related needs focused on shifting to a hybrid work environment while also supporting client facing services being provided in the community;
- \$1.1 million for public health to continue to work in community on vaccinations, response to COVID and other needs;
- \$7.6 million for workforce initiatives and employment educational training. This is a partnership with the City of Saint Paul, Minnesota, combining a portion of the City's ARPA funds with the County's resources to provide transformational change in response to the COVID-19 pandemic;
- \$16 million for violence prevention initiatives that offer community driven proactive wellness support, and that invest in communities to both immediately reduce violence and provide long-term benefits and innovative partnerships;
- \$21 million in remaining funds used for County staffing needs to address pandemic-related backlogs in the County Attorney's office, Financial Services and Social Services; investing in early childhood and public healthcare initiatives; and community outreach and education through Trusted Messenger initiatives.

Ramsey County continues to track, evaluate, and monitor all programs that are using ARPA dollars in an effort to learn and use this information to impact how we do business and provide services into the future.