

## RETTMAN'S RAMSEY REPORT

Summer 2013

Dear District 3 Resident:

I hope this letter provides you with information on some of the issues being discussed by the Ramsey County Board of Commissioners. The views expressed in this newsletter are mine and/or my staff's and are provided to citizens as a part of my responsibility to keep you informed on what I am doing as your County Commissioner. If I, or my staff, can be of assistance to you please call us at 266-8360, send an e-mail to [janice.rettman@co.ramsey.mn.us](mailto:janice.rettman@co.ramsey.mn.us) or send a note to us, Room 220 ,City Hall/Court House, 15 West Kellogg Boulevard, St. Paul, MN 55102.

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### TCAAP Site Update

#### Sale Approved By Feds

On March 27<sup>th</sup> of this year the Ramsey County Board of Commissioners was notified that the Congressional Oversight Committee issued a "letter of concurrence" on the county's offer to purchase (OTP) the TCAAP site meaning that the county's offer was accepted.

On May 9<sup>th</sup> the General Services Administration (GSA) made a public announcement that the sale has been completed noting that it is "part of GSA's ongoing efforts to dispose of excess federal property to save taxpayer dollars and make more efficient use of the government's real estate assets."

*"The sale of surplus federal real estate not only saves taxpayer dollars, but also puts properties to new uses at the local level, sparking commercial economic activity," said GSA Great Lakes Regional Administrator Ann P. Kalayil . "The TCAAP sale directly supports President Obama's directive to shrink the federal real*

*estate footprint to reduce costs and bolster efficiency."*

*The deal transfers ownership of 397 acres to Ramsey County immediately, while the remaining 30 acres will be transferred to the county after it conducts environmental remediation, which is expected to take approximately three years. This sale a good example of GSA's commitment to work with communities like Ramsey County and make more efficient use of surplus federal properties. GSA's disposal team in Boston facilitated the sale, and this transaction is another example of GSA's mission to deliver better value and savings for the American people."*

Unfortunately, because the Army and the GSA failed to completely clean up the polluted site, Ramsey County will now be paying over \$20 million to do that work.

A ground breaking, actually a "building breaking" to signify the de-construction, was held on Friday, June 7, 2013. The county's contractor, Carl Bolander & Sons, has already been working on the site under a temporary

lease agreement with the federal government. Thus far the power plant has been demolished and two manufacturing buildings have been dismantled and are ready for demolition. About 200 buildings of various sizes will be razed and removed. During this summer Bolander will be separating materials for recycling or re-use and those materials will then be hauled away. The remaining materials will be handled in ways to limit the amount headed to landfills.

The TCAAP site is a federal Superfund contaminated site encompassing 2,370 acres. More than 600 acres were declared surplus in 2002 and the county now owns over 700 acres including 173 acres for the Public Works site. The cleanup is expected to take at least two years with the cost to clean the property to standards for residential use is estimated at more than \$22 million. In addition, the GSA has already spent over \$200 million and will continue to monitor wells for pollutants for many years to come.

Once cleaned, the land will be prepared for development which will include construction of utilities, sewers and some streets based on a plan jointly developed by the County and the city of Arden Hills. The long-term plan is to sell the area to developers within the next 10 to 15 years. Cleanup is expected to take about two years and addition time for construction of some of the roads, sewers and water mains.

#### Bonds Approved For TCAAP Cleanup

On Tuesday, June 4th the Board of Commissioners approved the sale of \$12 million in bonds to partially pay for the purchase of Twin Cities Army Ammunition Plant (TCAAP) site. The Board had approved the expenditure of these funds on Tuesday, March 12<sup>th</sup> as part of the annual Capital Improvement Program budget. The funds will be used to help clean up the site and prepare it for future development. The bonds will be paid back out of the County Environmental Charge (CEC) Fund. Should there be any proceeds from the sale of the property some of it would go back into the CEC fund which is also known as the Solid Waste Fund. Another \$14 million is anticipated from a second bond sale for TCAAP in 2014.

This fund is supported by fees on garbage collection bills and by state law must be used for recycling, reuse and other efforts to reduce the amount of solid waste going into landfills. Commissioner Janice Rettman voted against the use of the CEC fund on a several occasions including the proposed bond sale on March 12<sup>th</sup>. It is her belief that whether a loan or grant, the use of the CEC fund is not appropriate and was not the intended purpose. She has referred to this action many times as a bait and switch to county residents. Equally, she has continued to demand that the property must not become a tax increment financing (TIF) district because residents and property tax payers would not see property tax relief for 30 more years.

The bonds were sold on June 4<sup>th</sup> at an interest rate of 3.22% over the twenty-year life. Unlike bonds for improvements to county properties, these bonds are taxable meaning that the holders must pay income tax on the interest they earn over the life of the transaction. When compared to the tax-exempt bonds issued on the same day for capital improvements (see article below) this will cost county property tax payers an additional .86% in interest.

Commissioner Janice Rettman was the lone vote against the sale.

#### **Capital Improvement Bonds Sold**

On Tuesday, June 4<sup>th</sup> the Ramsey County Board of Commissioners approved the sale of \$22,700,000 in bonds to pay for improvements to county property and rights-of-way. The County's bond consultant, Springsted, Inc., stated that 8 bids were received and that the lowest was from a group with 21 members at 2.36%, which is a very good rate. Springsted also said that this is the 13<sup>th</sup> year in a row that Ramsey County has had a AAA rating from both Standard & Poors (S&P) and Moodys bond rating agencies. The county is one of just 53 counties nationwide that have such a rating, or just 1.7% of all U.S. counties. S & P also noted that the county budget is stable, without problems and adjustments are made during the year to accommodate changes such as the loss or gain from grants or other revenue.

Commissioner Janice Rettman asked about the computer aided dispatch (CAD) proposal noting

that two cities have notified the Board that they already have working field systems that may not mesh with the county's CAD system since they do not work with the existing Saint Paul CAD and are state-of-the-art already. County staff reported that they are working with the Roseville and Saint Anthony (for Falcon Heights & Lauderdale) Police Departments and the county contractor to come up with proven technology that will allow the communications to work without great additional cost. CAD gives an officer access to information on the scene for such things as outstanding warrants, locations, names of contacts for alarms, etc.

The projects approved for funding in 2014 are:

Annual CIP Program	\$3,500,000 (10 year)
Fish Creek Corridor Land Acquisition	\$125,000 (20 year)
Landmark Tower Roof & Tuck Pointing	\$1,936, 800 (20 year)
Boys Totem Town Land Acquisition / Design	\$5,000,000 (20 year)
Computer Aided Dispatch/ Mobile System (CAD)	\$5,000,000 (10 year)
Ramsey County Broadband Project	\$7,000,000 (10 year)
Bond Issuance Costs & Contingency	\$138,200 (20 year)
<b>Total Costs</b>	<b>\$22,700,000</b>

### County Board Approves Salary Increase

In a rare close vote the Ramsey County Board of Commissioners on Tuesday, June 4<sup>th</sup> approved an ordinance to increase their salary by 1% for 2014. The Ramsey County Home Rule Charter authorizes the Board to determine the salary by ordinance and any change in a current ordinance must be approved before July 1<sup>st</sup> of the year before it goes into effect.

A public hearing on the proposal was held on May 28<sup>th</sup> and only one person spoke. Richard Moses, a former Charter Commission member, stated that he had sought to limit commissioners'

ability to raise their salaries every year without some sort of cap but had failed to get the needed support. He said that the proposed 1% increase, equal to that for most county employees, was a step in the right direction but the Charter still allowed unlimited raises and that language should be changed.

When the ordinance came up for approval there was no discussion on it, but in the recent past some commissioners noted that they had not had an increase in a few years and that the current proposal was equal to that of most of the county's employees for 2014. Some commissioners also felt that, in the future, their salary increases should be tied to the increases approved for most county employees. With a few exceptions, the County Manager has been consistent in keeping increases the same for the various bargaining units and non-union employees.

In addition to their salary, commissioners are often given per diems for some of the many boards and commissions they sit on representing the county. As in the past and under the new ordinance, those per diems are returned to the county budget and are included as part of the fixed salary. The one exception is for any commissioner who is serving as an officer for the Association of Minnesota Counties.

The salary increase was approved (4-3) with Commissioners Janice Rettman, Blake Huffman and Mary Jo McGuire voting against it.

Ramsey County residents now have 45 days after the publication of the ordinance to file a petition challenge to the ordinance. Such a petition must be signed by at least 10 percent of those who voted for President of the United States in the last general election. Based on the numbers from the 2012 election, at least 27,882 signatures are be required on a petition to challenge. Any person who signs the petition but is not a registered voter will not have their name counted.

The approved increase in rate of pay will take effect on January 1 of 2014 and continue at that rate until a future board adopts a new salary ordinance. Commissioners cannot opt out of the increase but may give some of their salary back to the county for specified or unspecified use.

## **ERF Funding Returns To Ramsey County**

In 1997 the Minnesota State Legislature adopted a policy to allow Ramsey and Hennepin counties to add a small tax on mortgage registrations in those counties to help fund projects that required cleanup of environmental contaminants and construction debris on properties in the county. Due to the county's small size, long history and relatively dense population developers are not surprised to find environmental problems once ground is broken. The last-in ERF program helps cover those costs.

The tax, .0001% of the mortgage principal and of the property value, is paid at the time of closing on the loan. This amounts to about \$32 on a \$150,000 mortgage. Since inception, it has generated over \$7,000,000 in Ramsey County to help cleanup environmental problems, most of which are discovered after new construction begins, often leaking, unknown oil storage tanks.

Despite some strong efforts on the part of the county, including testimony from Commissioner Janice Rettman, the 2012 legislature failed to act on the request and the program ended under the sunset clause. The newly-elected 2013 legislature took it up again with a great deal of interest especially from the testimony of Janice Rettman, HRA staff and the results of the program. Rettman noted that the county "set a high standard to get these properties back on the tax rolls and to create jobs in the community." As of December 2012 the fund has helped create 4,759 new jobs, 1592 new housing unit ((36% or 571 affordable units), cleaned up 233.5 acres held administration fees to just 2%. "That is a lot of bang for the money spent."

One of the goals of the program is to get the funds "out the door" and working as quickly as possible. Another is to equally split the available funds between the city of Saint Paul and the rest of the county. The fund distribution fluctuates greatly depending on the timing of projects, but it is currently at about 55% city and 45% suburban. The county ERF funds are "last in" meaning all other funding must be secured and the county is never added to the line of title.

On Tuesday, June 18th the County Board approved a resolution re-instituting the collection of the tax, spoke of the value it brings

to the county and commended Janice Rettman, HRA staff and county staff for their efforts at the legislature.

## **Trail Issue Remains Unresolved**

The I-35E trail issue remains unresolved as the county and the Minnesota Department of Transportation work on the cost estimates and who will pay for a trail to replace the Minnesota Department of Natural Resources' trail being removed by MNDOT as part of the reconstruction of 35-E on the east side of Saint Paul.

We last reported that the five Ramsey County Commissioners who met with Jim Tolaas (Public Works) and Wayne Norris (MNDOT) on February 27 expressed their frustration that the current plan didn't include the replacement path as the Board requested and Saint Paul's proposed bike path on Westminster Street was not comparable to a pedestrian trail. Commissioner Jim McDonough stated that "I thought we made it clear that the path was a county priority. And that it needed to be included."

At that meeting Commissioner Janice Rettman pointed out that

- (1) Federal environmental justice rules require mitigation with an equal or better facility;
- (2) Even at quiet times Maryland is a very busy street that is difficult to get across;
- (3) Numerous accidents already occur on Maryland in this area;
- (4) The east side replacement "path" proposed by MnDOT does not allow access to the Gateway State Trail and Trout Brook Regional Trail;
- (5) The plan does not create safe bike or pedestrian travel routes west across the Maryland Bridge; and
- (6) Access to the trail on the west of I-35E is either a 10' drop from the bridge or a long travel on the busy and narrow L'Orient Street.

During this year's legislative session State Representative Tim Mahoney included language to require a path in a MNDOT financing bill but that language was removed at the last minute at the request of MNDOT.

Commissioner Rettman continues to push for the replacement path, which may be required under federal rules requiring replacement of public facilities, and has been meeting with the Commissioner of MNDOT and a number of elected officials. The old path was used for many years by so many people as a way to get from the east side of the freeway to the west for work, shopping and recreational purposes. "This is a social justice issue and I will not let it go away as MNDOT seems to hope for."

The plan under consideration has a 10-foot wide trail from Maryland north to Arlington Avenue where users could connect to the Gateway State Trail or cross over the freeway and connect to the Trout Brook Regional Trail. The cost estimates are about \$2,736,000 which is about 2-1/2 times more than the MNDOT-proposed noise barrier but that barrier would not need to be installed. On the south side, users would be able to access to the Bruce Vento Trail, the Sam Morgan Trail along the Mississippi River and to the newly re-furbished Union Depot.

The I-35E project will cost about \$238 million including a new MnPass lane available to multi-occupancy vehicles and individuals who pay a fee.

### **Reuse, Recycle, Renovate, Reinvest**

On June 25<sup>th</sup> the Ramsey County Records and Revenue Department gave the County Board an update on the 4R (Reuse, Recycle, Renovate, Reinvest) Program for tax forfeited properties. Under the program forfeited properties with buildings are evaluated to determine if the building can be repaired to code or if the condition warrants removal of the structure. If repairable, the cost to repair for sale is evaluated to make certain such repairs are reasonable and cost effective. While a goal, this does not necessarily mean all costs must be recovered because such investment usually triggers investment in neighboring properties improving the broader tax base.

Since its inception in 2011, a total of 86 properties have been reviewed, 8 renovations have been completed, 17 structures were removed, 13 have been re-purchased by the owner or are in the process, and 7 have been purchased by a city. In addition, 4 renovations are in progress and another 10 are on the waiting list.

Those buildings that are demolished are first emptied of all re-usable and recyclable materials including roof shingles that will be ground up for trail bedding or other construction needs.

There are 157 parcels with structures that could be added to the list in August but only about 20 to 30 are expected to forfeit. The remainder will be repurchased by the owners or they will have paid the taxes and penalties owed. Those 20 to 30 new properties will be evaluated once they are cleared by the county.

Tax forfeited properties are those that the owner has failed to pay taxes due and related penalties for a period of time. By state law these properties belong to the state who relies on counties to sell the properties for the best price. Funds received are used to pay off the tax owed to each jurisdiction, primarily the city, the county and the school, district. Staff reported that it is unusual that properties with structures reach the forfeiture level because in the past, owners have taken steps to retain the property and pay off the taxes due.

In 2005 there were 2 or 3 properties that went into foreclosure but that peaked in 2011 with over 150. According to the staff report:

*There is a question whether the recent increase in properties with structures getting to forfeiture is a natural post-recession symptom of declining market values and tightened credit that will diminish the farther we get from the recession or whether the recent trends reflect the new normal. Time will tell.*

As of May 2013, the average cost for renovation was \$173,898 and the average sale price was \$112,000. But the property was also returned to the tax rolls, quality housing achieved and the vitality of a neighborhood enriched. Staff will report back later with some recommendations to improve the program and lower costs.

## City Council Seat To Change Hands

The Ward 1 Saint Paul City Council seat that overlaps Ramsey County Commission District 3 will soon have a new person representing the ward. Current councilmember Melvin Carter, III announced he is leaving the post July 5<sup>th</sup> after accepting a position in the Minnesota Department of Education. Once vacant, the City Council will appoint an interim councilmember to serve until someone is elected in November.

County Commissioner Janice Rettman and her staff, Mark Voerding and Linda Jungwirth, represent the North End/ South Como and Frogtown neighborhoods that overlaps Ward 1 and works closely with residents of these communities on a wide variety of issues and interests including working at each of the neighborhood cleanups.

## Summer Hours Set For Compost Sites

After an series of on-again, off-again openings due to our unusually late spring, Ramsey County compost sites finally opened in late April. Summer hours are as follows:

Monday, Wednesday & Friday - 11:00 to 7:00  
Tuesdays & Thursdays - Closed  
Saturdays – 9:00 A.M. to 5:00 P.M.  
Sundays – 11:00 A.M. to 5:00 P.M.

Closed:           Memorial Day – May 27<sup>th</sup>;  
                      Independence Day – July 4<sup>th</sup>;  
                      Labor Day – September 2nd

The yard waste site has since been expanded thanks to Commissioner Janice Rettman and some District 3 residents who brought brush and tree branches, including Christmas trees, into the program. The woody material is ground up and used to create hot water and electrical energy at the St. Paul District Energy Plant.

## District Council News And Schedules

DISTRICT 5 (651-774-5234)

[www.paynephalen.org](http://www.paynephalen.org)

Board of Directors

4<sup>th</sup> Tuesday, 6:30 p.m.

@ SPPD Eastern District

722 Payne Avenue

DISTRICT 6 (651-488-4485)

[www.district6stpaul.org](http://www.district6stpaul.org)

Board of Directors

1<sup>st</sup> Monday, 6:30 p.m.

@ North Emanuel Lutheran Church

301 West Hatch Avenue

DISTRICT 7 (651-298-5068)

<http://www.frogtownmn.org/>

Board of Directors Meeting

2<sup>nd</sup> Tuesday, 6:30 p.m.

@ West Minnehaha Rec Center

DISTRICT 8 (651-228-1855)

[www.summit-u.com/](http://www.summit-u.com/)

Board of Directors Meeting

4<sup>th</sup> Tuesday, 7:00 p.m.

@ St. Albans Community Room

665 Selby Avenue

DISTRICT 10 (651-644-3889)

<http://www.district10comopark.org/>

Board of Directors Meeting

3<sup>rd</sup> Tuesday, 7:00 p.m.

@ Como Park Historic Street Car Station

1224 N. Lexington Parkway

DISTRICT 11 (651-646-1986)

[www.hamlinemidwaycoalition.org](http://www.hamlinemidwaycoalition.org)

Board of Directors Meeting

3<sup>rd</sup> Tuesday, 6:30 p.m.

Hamline Library

@ 1558 West Minnehaha Avenue

DISTRICT 12 (651-649-5992)

<http://sapcc.org/>

Board of Directors Meeting

2<sup>nd</sup> Thursday, 7:00 p.m.

@ 890 Cromwell Avenue

DISTRICT 13 (651-645-6887)

<http://www.unionparkdc.org/>

Board of Directors Meeting

1<sup>st</sup> Wednesday, 7:00 p.m.

@ SPPD Western District Station

389 N. Hamline Avenue

CITY OF FALCON HEIGHTS (651-792-7600)

[www.ci.falcon-heights.mn.us](http://www.ci.falcon-heights.mn.us)

City Council Meetings ; 2<sup>nd</sup> and 4<sup>th</sup> Wednesdays,

7:00 p.m. @ Falcon Heights City Hall

2077 W. Larpenter Avenue