

RETTMAN'S RAMSEY REPORT

2017

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 or send a note to us, Room 220 ,City Hall/Court House, 15 West Kellogg Boulevard, St. Paul, MN 55102.

507 N. Dale Street....

What does an old church with a small congregation, a city inspection, a lawsuit, a tax-forfeited property, trespass, alcohol and a vegetable garden have in common? They all are part of the sad tale about a parcel in the city of Saint Paul.

In 1888 German immigrants built a church on property designated as 507 N. Dale Street. Known as St. Matthew's Evangelical Lutheran Church, it was gutted by a fire in 1918 then re-constructed using at least the original stained glass windows. The new Gothic-style brick building included a tall steeple that was easily recognizable from a distance. The prominent steeple and location near the busy Dale Street and University Avenue intersection made Saint Matthew's Church a Frogtown neighborhood landmark. That year (1918) also marked the first time that English was spoken in the church—although the congregation continued to hold services in German through 1950.

In 1950, the Evangelical Lutheran congregation departed the neighborhood and soon after, the church became home to The First Church of the Nazarene. In 1964, St. John's Church of God in Christ moved in, followed by the Lively Stone Temple of Jesus Christ Apostolic Faith in 1968.

Then, in 1986 the building became home to the Rock of Ages Missionary Baptist Church. The congregation stopped using the church for services in the mid-1990's and by 2008 the walls of the old St. Matthew's Church were bowing outward and the sanctuary ceiling was collapsing. These structural deficiencies had rendered the building unsafe for church use and water damage further threatened the building. A contractor estimated that the costs to stabilize the building might exceed \$200,000 and a full rehabilitation could be over \$800,000.

The small Rock of Ages congregation had the steeple repaired, but they lacked the financial wherewithal to pay for the required stabilization so they put the

building up for sale. For whatever reason, purchase offers were turned down.

A year earlier (2007) the building had been declared “Unfit for Human Habitation” by the city. That began a long battle between the city and the church to save the building. In spite of pleas for assistance and some unsuccessful efforts to raise funds, the building stood until 2009 when it was demolished by the city of St. Paul due to its deteriorated condition. Assessments for the demolition and cleanup exceeded \$80,000.

Since the property was no longer used for religious purposes it was also placed back on the tax rolls in accordance with state statute. The congregation made some payments toward taxes and assessments over a period of time but in August of 2013 the property reverted to the State of Minnesota as tax-forfeited. The forfeiture began a lengthy process designed to recover taxes owed, to allow the previous owner an opportunity to pay off the tax debt and to put the property back to use.

Minnesota tax-forfeited lands statutes require all counties to act as the agent for the state, in this case, Ramsey County. They also permit the municipality to purchase or otherwise acquire such lands for re-development. The city chose not to exercise its rights to do so for this property.

Also by statute, a property owner has a right to re-purchase the property under certain conditions and within a set timeframe. In 2014, the owner appealed to the County Board who granted a 90-day window to meet the terms of a repurchase agreement. The required deposit was never made and the terms of the contract were not completed by the Rock of Ages congregation.

In the meantime, the church congregation sued the city in an attempt to recover damages for their loss but they did not seek to keep ownership of the property itself.

In 2016 two neighborhood groups expressed a desire to use the now-vacant land for community gardens. Technically, these parcels are property of the state held in trust by counties, but counties have an ability to put them to temporary use. To do so generally requires a contract defining the use, the length of time to be used, possible costs, cleaning up the site after use and providing proof of insurance that protects the state and county should something happen on the site.

On four separate occasions Commissioner Rettman’s staff had informed the groups who to contact and a possible route to work out get an agreement to use the site for gardens. An agreement never came to fruition but county staff eventually prepared a contract and sent it out to the groups but it was never signed. Thus, it remained the county’s job to mow the site, keep it clean, shovel sidewalks in the winter and do other maintenance as needed in addition to carrying the liability.

However, during the summer someone installed raised garden beds and planted vegetables that could provide food for community members during the growing season. Even though this use constituted trespass, no one was arrested or charged, nor did the county pursue legal action against anyone.

It appears that the unpermitted use of the site along with a documented celebration that involved alcoholic beverages pushed county staff to fence the property in the fall after the end of the growing season. This action is consistent with other fence

installations on tax-forfeited lands and some county properties to stop illegal use and illegal dumping.

By spring of 2017 the lawsuit against the city had been dismissed by Minnesota courts, the appeal process had expired with no further action and all other actions to re-acquire the property had expired so the vacant land upon which the church once stood went to public auction on May 19. It was purchased for an unknown future use.

During this time some area residents have asked that this and other tax-forfeited properties be given to a local organization for use as gardens or to rehab structures. State statutes have strict provisions about the disposal of TFL properties and they essentially prohibit counties from giving them away or directing them to individuals or organizations for any non-public use. Cities, however, may buy TFL properties for a number of purposes or acquire them and then sell them for redevelopment projects.

It is illegal for a county to designate or require that a TFL property be given to a specific individual or organization regardless of use. If a commissioner were to recommend it, that act would be unethical and perhaps much more.

TCAAP Update

Ramsey County Commissioner Janice Rettman has for a long time expressed deep concerns about the financing, tax capacity, development rules and future pollution liability for the former TCAAP site, now called Rice Creek Commons. In 2014 Rettman voted against the proposed allocation of an additional \$1.7 million of county funds stating that "To me, that sort

of sets TCAAP as an ongoing part of the county's budget."

Despite early promises of quick payback from the site, County Manager Julie Kleinschmidt said that it was now true that the contingency fund would never be paid back and that it could be 15 years or more before the county would actually begin to see any payback on its multi-million dollar investment.

Fully developed, the site could generate an estimated \$13 to \$15 million in local tax revenue but that depends on the kind of development that occurs there and the type of tax breaks Arden Hills wants and that developers will demand for their investment in the site. Three years later, the undeveloped site is ready for new construction yet continues to be exempt from taxes without any prospects for a groundbreaking at this point.

In 2016 the joint Arden Hills/Ramsey County authority voted to make the site a "net-zero energy" redevelopment by adding a 40-acre solar electric installation and to make all residential neighborhoods electric-only with heating and cooling provided by ground water pumped through a treatment system. Cost of that project has not been announced nor do we know who would finance or pay for the systems. Federal tax credits could offset some of the costs but they may disappear in 2018.

On Tuesday, December 20, 2016 the Ramsey County Board of Commissioners approved (6-1, Rettman) the master development plan for the TCAAP site. The plan will guide the development of the 427 acre site and be enforced by the city of Arden Hills.

Commissioner Janice Rettman voted against the proposal for a number of reasons including (1) the reduced housing density (2) the lack of a definition for affordable housing and (3) a lack of commitment or even direction for public transportation. In her comments she stated that “It is not codified in there (the master plan)... I was hoping that this (plan) would have that specificity.”

The original city/county agreement called for a total of 1700 housing units of different sizes to meet a variety of individual and family housing needs. The adopted plan, agreed to by Commissioners Huffman and Ortega who represent the county on the (Ramsey County/Arden Hills) Joint Powers Board set the maximum number of units at 1400. This is significant because the Metropolitan Council has already stated that they would not pay for an extension of the A-Line Rapid Transit bus to the site if the housing density couldn't support it.

Other public transportation service would also be limited. But residents will need the bus system to get to and from jobs and other necessary services. It also means that several hundred vehicles per day will be added to the already stressed freeway and highway system where public transportation could help ease congestion.

As Rettman pointed out, this also conflicts with the county's adopted goals to *Cultivate economic prosperity and invest in neighborhoods with concentrated financial poverty* and to *Enhance access to opportunity and mobility for all residents and businesses through connections to education, employment and economic development throughout our region*. Without rapid and efficient bus service potential workers in Saint Paul and other

communities, especially those who live in areas of poverty will not be able to access jobs in an area that they helped pay for.

In addition, Rettman pointed out that there is no definition for affordable housing which gives the city the ability to set a higher “affordable” income depending on what averages they use. For instance, the median income in Saint Paul is much lower than in the county taken as a whole, and the median for Ramsey County is much lower than one that includes the entire metropolitan area. Again, this conflicts with Ramsey County's adopted goals and could prevent current county residents from moving into an area that they helped clean.

On March 14 of this year the Ramsey County Board adopted an ordinance to grant itself powers to coordinate the planning and development of TCAAP with the city of Arden Hills. Without this action, which is permitted under state statute and required by the county charter, the county did not have legal authority for planning and development of property in a city. By law that legal responsibility would fall to the city itself. Given that the county already adopted the master it has little leverage to argue for higher density or affordable housing.

Meanwhile...

Nearly the same day the Rice Creek Commons Project (TCAAP) received an environmental award for cleaning up the property they were informed that any development will be delayed for several months with first occupancy pushed out a year or more from the original plan.

While the surface has been cleaned to residential standards, underground water pollution, identified a number of years ago, is still a big problem and will remain so for years to come. The U.S. Army operates facilities to pump and clean groundwater but after 30 days the locations need to be changed which calls for further study and decisions. Those pumping station locations and related pipelines could impact the location of future development so the Master Plan, set to be adopted at the end of May will be delayed until the end of 2017.

Finally, Alatus, LLC, the selected developer for the TCAAP site has offered the city of Arden Hills 1.6 acres of land for \$1 for a possible new city hall. The city council has appointed a 12-member commission to study the options which should include costs and re-use of the 15-year old current city hall. Other options to be considered are a park or open space, recreation center or community center.

If the city accepts the acreage, the total future property taxes collected will be reduced placing a higher burden on all other county properties. That information was not presented to the County Board when the various plans, costs and expected tax generation were presented and approved.

CTIB Ends Its Run

In 2008 the seven metropolitan counties - Anoka, Carver, Dakota, Hennepin, Scott, Ramsey and Washington created a joint powers board to impose a $\frac{1}{4}$ of one percent sales and use tax (usually referred to as a sales tax) plus a motor vehicle sales excise

tax (motor vehicles are exempt from "sales tax") for the purpose of developing a metro area transportation system and supporting the Metropolitan Council's transit operations.

Funds are distributed throughout the seven-county area by grants approved by the joint powers board and recommended by the GEARS Committee. But in order to speed projects up the joint powers board may issue bonds that are paid by the tax proceeds over a period of 20 or 25 or even 30 years. To date there are bonds committed for things such as light rail transit, bus rapid transit, operating costs for these systems as well as on-going support for the metro area bus system.

Earlier this year the Dakota County Board of Commissioners determined that they were not currently receiving nor likely receive a benefit equal to their costs (tax revenue collected in that county) so they notified the Joint Powers Board that they would be withdrawing from the metropolitan counties group. That action triggers a long process during which Dakota Counties responsibilities toward bond payments, committed projects and Metropolitan Council operational costs can be calculated, as well as each county's share of the undistributed funds.

Dakota County requested a refund of \$29 million while preliminary accounting by the CTIB Board was closer to \$14.8 million. Through negotiations a separation agreement was struck in which Dakota would receive \$21.3 million from the unused funds. However, the loss of one metro county also means the end of CTIB because the law permitting the formation of the group requires that all seven counties be a member.

In addition to distributing the undesignated funds, the closing agreement calls for the Metropolitan Council to fund the annual \$1.25 million in operating costs for the Red Line - the state's first bus rapid route that runs along Cedar Avenue in Dakota County. The previous agreement called for Dakota County to pay for 100 percent of the future operating costs but the Met Council agreed to pick up Red Line costs because it will need to issue Certificates of Participation for projects.

Also, Hennepin County will take over the remaining local share of funding Southwest Light Rail, meaning the Met Council will not have to issue Certificates of Participation (COPs) at a cost of \$4.5 million annually for that project. Ramsey County will need to fund the Rush Line, Riverview and support for the Green Line. In addition to Dakota County, Anoka County will receive a distribution of \$5.18 million.

CTIB closed its accounts September 30th.

Sales Tax Will Rise In Ramsey County

In 2008 the state legislature authorized counties outside of the metropolitan transportation area, or more than one county outside of the metropolitan transportation area acting under a joint powers agreement, to adopt a sales tax of up to one-half of one percent on retail sales and uses and an excise tax of \$20 per motor vehicle purchased or acquired from any person engaged in the business of selling motor vehicles at retail within the jurisdiction of the taxing authority. Those dollars must be used only for transportation purposes.

Authorized expenditures include (1) payment of the capital cost of a specific transportation project or improvement;

(2) payment of the costs, which may include both capital and operating costs, of a specific transit project or improvement; (3) payment of the capital costs of a safe routes to school program or (4) payment of transit operating costs. Except for taxes for operating costs of a transit project or improvement, or for transit operations, the taxes must terminate when revenues raised are sufficient to finance the project

The seven-county metropolitan area operating under a joint powers authority (CTIB) could also adopt these taxes, though they are limited to a ¼ of one percent sales and use tax, and pool all of their resources to fund larger projects and related operating costs. Authorized expenditures also include things like light rail transit and bus rapid transit lanes and service.

But the dissolving of CTIB, the metro-county joint powers board means each county is now permitted to adopt the sales tax and vehicle tax for use only within the county it is collected. Ramsey County staff has proposed raising these taxes up to ½ of one percent and \$20 per vehicle, the maximum amount allowed under state law. A public was held on June 6th with only a few people appearing to speak on the issue.

On June 13 the County Board approved the tax increase on a 5-1 vote. Commissioner Janice Rettman voted against the increase noting earlier that much work can be done without the maximum levy. The other CTIB counties adopted local sales and use taxes and motor vehicle taxes as follows:

Anoka County (no change): .25 % & \$20
Dakota County (no change): .25 % & \$20
Hennepin County (increase): .50 % & \$20
Washington Cty (no change): .25 % & \$20

Medical Examiner Honored

On May 5th Ramsey County Medical Examiner Dr. Michael McGee and his staff were honored by LifeSource, the Upper Midwest non-profit organization that connects transplant donors and recipients.

In 2016 Dr. McGee and his team received permission from 43 families for donations that resulted in 135 life-saving organ transplants. It is estimated that about seventy percent of the potential donors are under the jurisdiction of a medical examiner or coroner. That means they are on-call 24 hours a day and must be able to deal with families in extreme stress from a tragic death, still do their job of legal investigations and yet ask permission for organ donations.

Volunteers Needed

In 2016, 1969 volunteers provided 111,359 hours of service to Ramsey County programs. That translates to the equivalent of over 53 full-time staff and over \$2.6 million worth of service using the average hourly earnings rate from the U.S. Bureau of Labor. Of those, 116 people served on various boards and commissions.

There are a wide variety of opportunities to use your skills to serve people and make the county a better place to live. For further information and a list of volunteer options go to the county webpage at <https://www.ramseycounty.us/your-government/volunteer>

Work for Ramsey County?

Due to attrition, Ramsey County has an almost consistent need for telephone

communicators at the Dispatch Center. This is the first line of contact with citizens who dial 911 for emergencies or call the non-emergency number for information or to report situations that don't demand quick attention. This is an entry-level position that could lead to other positions including as a 911 dispatcher. Check the Ramsey County website periodically to see if this or other positions are open or use this link:

<https://www.governmentjobs.com/careers/ramsey>

Or,

If construction work is more your style, contractors are looking for skilled workers to get their building projects done on time and on budget. Skills such as pipefitters, elevator operators or heat and frost insulators offer paid apprenticeship programs that can lead to good wages and a bright future. For more information go to

<http://www.dli.mn.gov/appr.asp> or

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