

# Right-of-Way Acquisition Loan Fund Background and Lakeville Loan

Business Item No. 2021-269

October 11, 2021

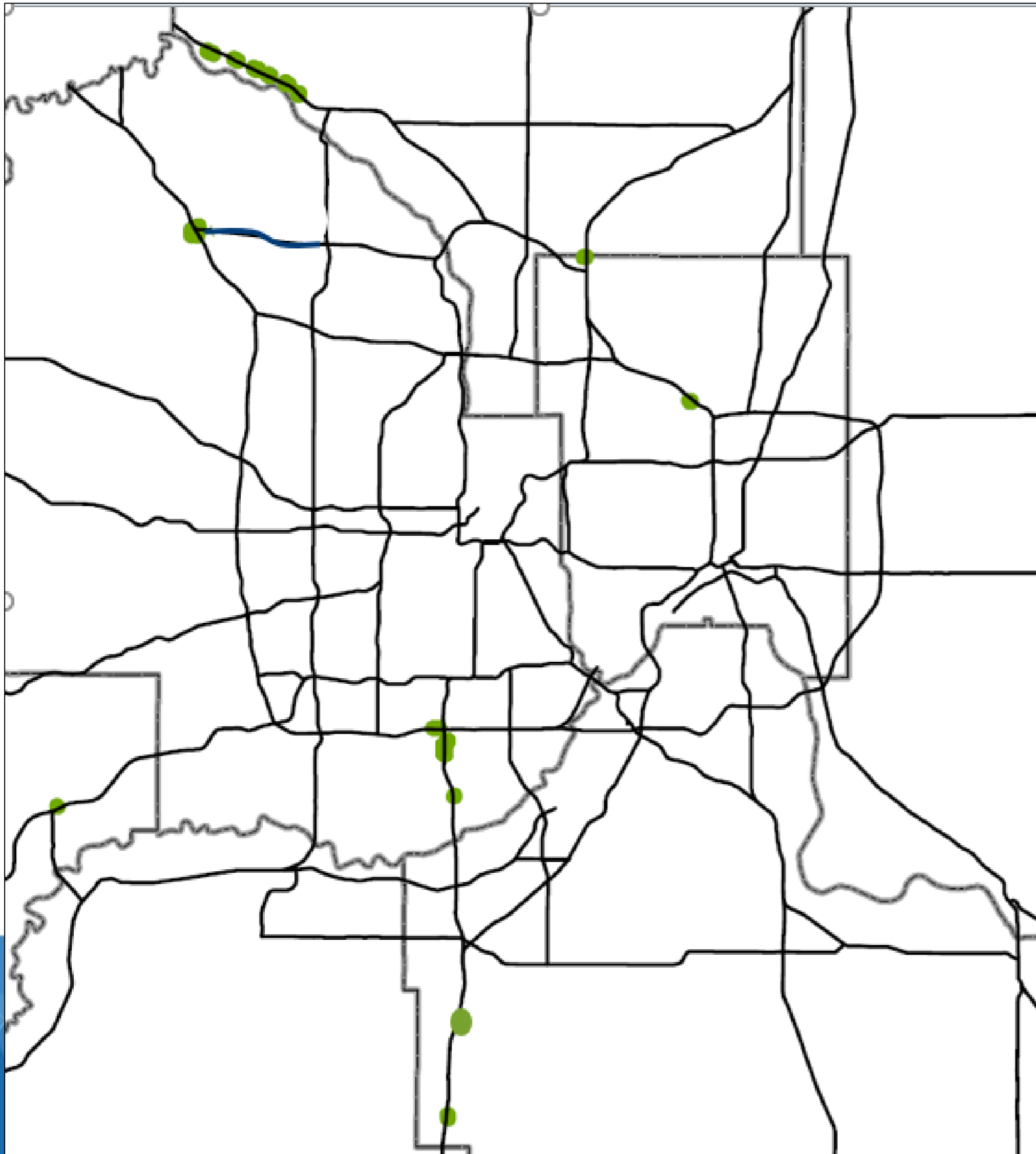
Transportation Committee



# What is the Right-of-Way Acquisition Loan Fund (RALF)?

- Established in 1982, MN Statue 473.167, Subd. 2
- Funded through regional property tax levy
- To purchase property for highway right-of-way in advance of construction in order to save money
  - Project not programmed
  - Property at risk of appreciating significantly
- MN Trunk Highways and Principal Arterials
- Repaid loans replenish the fund

# Where is RALF today?



- Fund balance is \$15.2 million
- Outstanding loans include 51 properties, \$43 million
- Up to \$30 million could be paid back in foreseeable future
- Bloomington (22), City of Ramsey (16), etc.
- No new loans since 2017

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- Proposed Action: Approve loan up to \$1.1 million to the City of Lakeville
  - 17471 Kenwood Trail
  - \$970,000 purchase
  - ~\$50,000 demolition
  - ~\$27,000 administrative costs
- For future interchange improvements
- MnDOT has approved

RALF website:

<http://metro council.org/Transportation/Planning-2/Transit-Plans,-Studies-Reports/Highways-Roads/Right-of-Way-Acquisition-Loan-Fund.aspx>

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