



# Right-of-Way Acquisition Loan Fund update & BI 2022-300



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# RALF Program



- Program created in 1982 by Minnesota Legislation
- Revolving loan fund established via Council's levy
- Interest free loans
- To towns, cities and counties
- For MN state highways and principal arterials
- To purchase property for highway right-of-way in advance of construction in order to save money
- Originally intended for completion of highways on new alignments (e.g. MN 610) and targeted for undeveloped properties
- Financial evaluation in 2013

# Guidelines



- Project is not programmed but is likely to happen in the next 5-20 years
- Properties are at risk of appreciating significantly before the highway project will be built
- Highway project is consistent with the Transportation Policy Plan (TPP)
- Corridor is officially mapped—Properties are shown within the proposed route of a state trunk highway (or principal arterial)
- Current RALF requirements adopted by the Met Council in March 2014

# Recently



- In 2017 and 2021 loans to Lakeville for total of \$1.8m
- 12/31/2021
  - 52 outstanding loans @ \$47.1m
  - \$14.3m cash balance
- Since 12/31/2021
  - 3 loans to Richfield fully repaid at \$7,000,000
  - Anoka County partial repayment \$273,619 (Jan. 24 Business Item 2022-20)
  - Maple Grove partial repayment \$899,454 (Aug. 22 Business Item 2022-221)
  - City of Ramsey repayment \$697,383
- Reduced interest in program as less need for highway ROW.
- Upcoming: City of Ramsey/Hwy 10 repayment early 2023

# Council Role



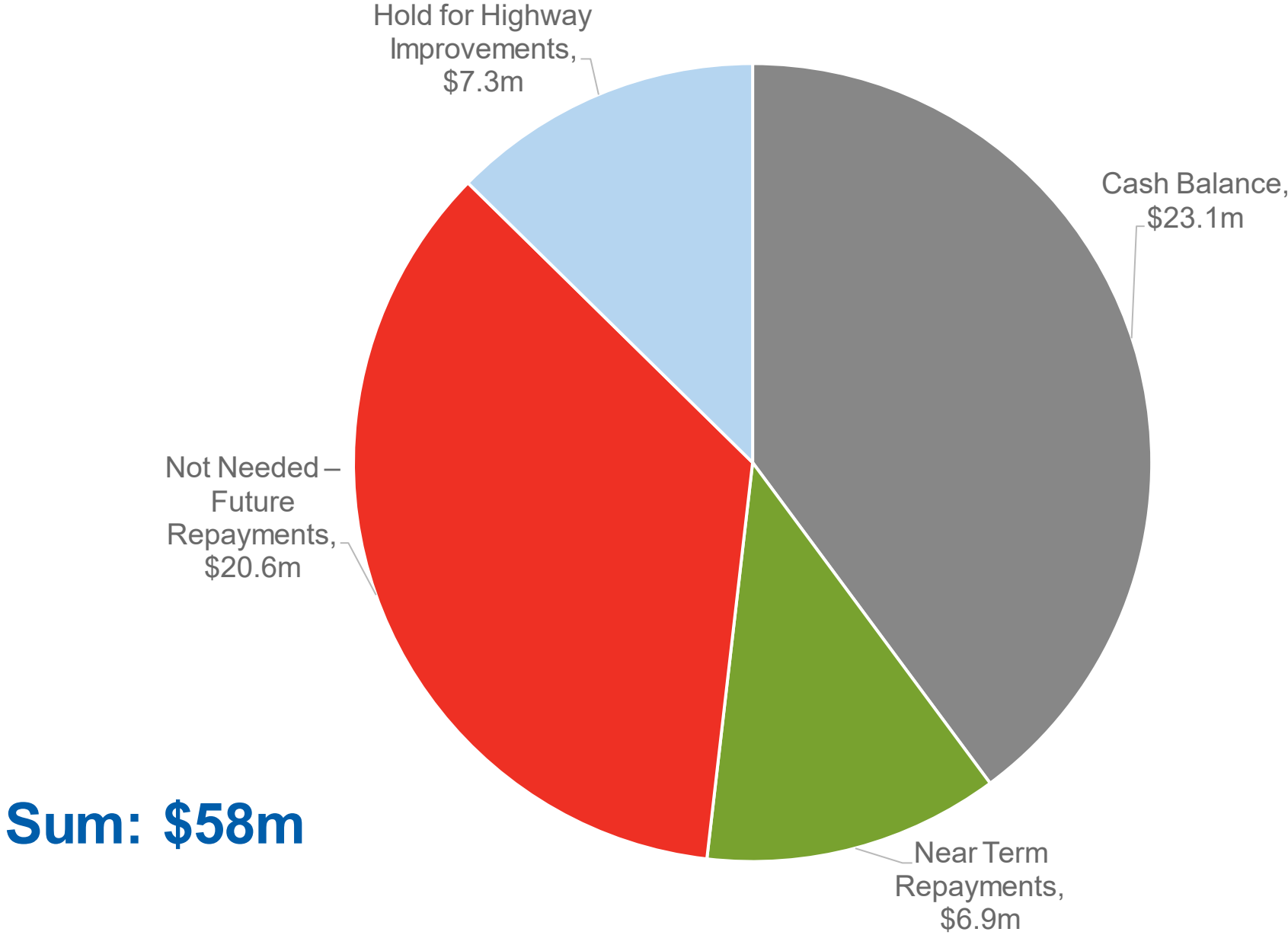
- Approve new loans
- Repayments
  - Approve partial loan repayments
  - Approve parcels not needed for highway improvements
- Council action not required for repayment of loans for intended highway purpose

# Outstanding loans



- Near term anticipated payments
  - \$6.9m on 12 loans in City of Anoka, City of Ramsey, Maple Grove
- Hold for future highway projects
  - \$7.3m on 20 loans in Lakeville and Bloomington
- Not needed, future repayments
  - \$20.6m on 22 loans in City of Anoka, City of Ramsey, Bloomington, Blaine, Chaska, and Shoreview
  - To be sold at “market value” per law

# Current financial summary



# Future work



- Resolve loans for property not needed
- Develop process for remaining balance in 2023-2024
  - Needs stakeholder input
  - Council action
  - Legislative changes

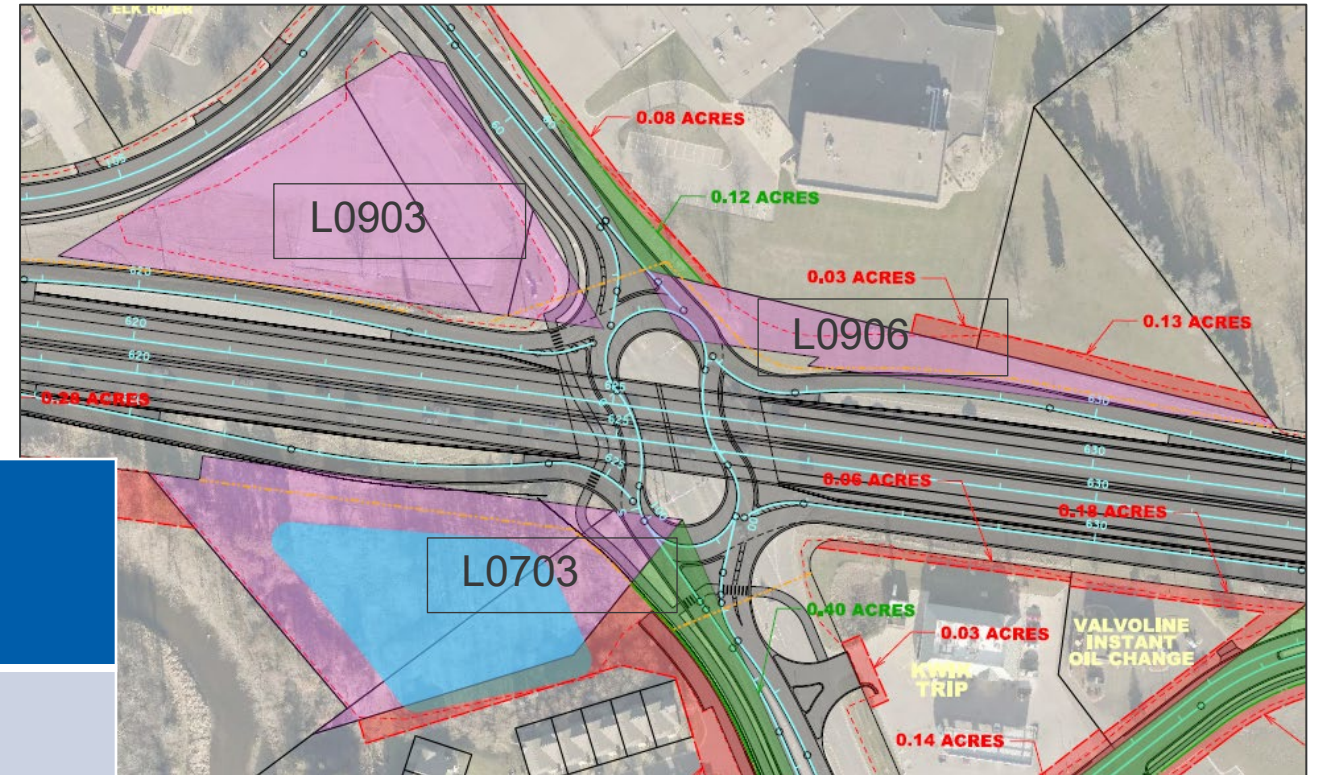


# City of Anoka

## Business Item 2022-300

### Proposed Action

That the Metropolitan Council approve the partial release of a restrictive covenant on 0.23-acres of land within the City of Anoka in exchange for a partial repayment of Right-of-Way Acquisition Loan Number L0903 (RALF Loan L0903).



Loan No.	Property Description	Current Loan Balance	Proposed Repayments	Remaining Balance
L0703	5800 Highway 10	\$815,528	\$815,528	\$0
L0903	1125 West Main Street	\$1,368,284	\$244,173	\$1,124,111
L0906	1055 Highway 10	\$124,323	\$124,323	\$0
	<i>sum</i>	<b>\$2,308,136</b>	<b>\$1,184,025</b>	<b>\$1,124,111</b>