

Business Item

Transportation Committee



Committee meeting date: May 12, 2025

For the Metropolitan Council: May 28, 2025

Business Item: 2025-121

Right-of-Way Acquisition Loan Fund repayment from City of Ramsey for Parcel along US 10 east of Ramsey Blvd NW.

District(s), member(s): District 9, Morales
Policy/legal reference: Minn. Stat. § 473.167, Subd. 2
Staff prepared/presented: Tony Fischer, Transportation Planner (651-602-1703)
Amy Vennewitz, Director Transportation Planning (651-602-1058)
Division/department: MTS

Proposed action

That the Metropolitan Council authorize the City of Ramsey to sell one parcel purchased with Right-of-Way Acquisition Loan Fund loan number L0603 for the appraised value and forward those funds to the Council in satisfaction of this loan.

Background

Minn. Stat. Section 473.167, Subd. 2 established the Right-of-Way Acquisition Loan Fund (RALF) program to allow the Council to make interest free loans to cities to purchase right-of-way needed for future highway use prior to its development or redevelopment, with the goal of avoiding more costly acquisitions.

In 2006, the Council made a RALF loan in the amount of \$468,015 to the City of Ramsey (the City) to purchase property at 7039 Highway 10 in the City with the expectation that the property would be needed for MnDOT's realignment of Highway 10 along the BNSF rail tracks north of this property.

More recently MnDOT, Anoka County, local partners, and the Council cooperatively developed a revised plan for Highway 10 improvements that no longer required realignment along the rail tracks and the use of this property. These improvements are currently underway in the corridor, including ongoing work to convert a signalized intersection to a grade separated interchange at Ramsey Boulevard NW immediately west of this parcel.

RM Golf Carts has been leasing this property from the City while the parcel was being held for future highway improvements. Because it has become clear that this property is not needed for highway improvements, RM Golf Carts expressed interest in purchasing it. Minnesota statute permits this sale, but it must be at market value. The Council's appraisal of the property valued it at \$550,000. RM Golf Carts has agreed to this sales price.

With the Council's authorization in this business item, the City, the property's owner and RALF loan recipient, will sell the property to RM Golf Carts for the \$550,000 and forward those funds to the Council to satisfy the Council's RALF loan.

Rationale

The Council loaned funds to the City to purchase property expected to be needed for improvements to Highway 10. MnDOT no longer needs this parcel for these improvements. Minnesota statute and a loan agreement between the Council and the City require that, upon Council approval, the City sell the property at market value and forward those funds to the Council in full satisfaction of the loan.

Thrive lens analysis

On Feb. 12, 2025, the Council adopted Imagine 2050, which builds on policy direction in Thrive MSP 2040. Under the Thrive lens, this action most directly affects and supports the Thrive outcome of Stewardship by supporting a program for the economic acquisition of right-of-way for highway improvements and in this case disposing of surplus property.

Funding

This transaction includes one loan repayment in the amount of \$550,000. All loans in this program are interest free as designated in Minn. Stat. § 473.167, subd. 2.

Small business inclusion

There are no direct impacts to small businesses with the proposed action.

