

# Transportation Committee

**Business Item**

Item: 2009-213

**Meeting date: June 22, 2009**

**Council meeting: July 8, 2009**

## ADVISORY INFORMATION

<b>Date:</b>	June 16, 2009
<b>Subject:</b>	Right of Way Acquisition Loan Fund (RALF) 2008 Annual Program Plan
<b>District(s), Member(s):</b>	All
<b>Policy/Legal Reference:</b>	Council's Grant/Loan Policy
<b>Staff Prepared/Presented:</b>	Arlene McCarthy, Director, 651-602-1754 Amy Vennewitz, Dep. Director, Finance and Planning 651-602-1058 Connie Kozlak, Manager, Systems Planning 651-602-1720 Ann Braden, Senior Planner, 651-602-1705
<b>Division/Department:</b>	Metropolitan Transportation Services.

### Proposed Action

That the Metropolitan Council approve the 2009 Annual RALF Program Plan which includes the same corridors and program guidelines as the 2008 plan.

### Background

The RALF program enables the Council to make loans to cities to purchase highway right-of-way needed in advance of development. The current program plan allows loans to be made to acquire officially mapped segments of the following roadways: TH 10 in Ramsey and Anoka, TH 52/CSAH 42 in Rosemount, TH 610 in Maple Grove, I-35W/I-494 in Bloomington, CR J/I-35W in Blaine and TH 169 in Belle Plaine. The program plan may be amended as needed to include additional officially-mapped corridors. There are no new corridors recommended at this time.

### Rationale

The Council's 1998 grant/loan policy directs loan managers to take grant/loan program plans to the Council for approval on an annual basis. The Regional Administrator or designee may then execute grants and loans awarded within the guidelines of the annual program without additional Council action.

### Fund Status

The last RALF program plan was approved on June 25, 2008. Since then, two loans have been made to the City of Ramsey, one to the city of Anoka and one to Anoka County to acquire TH 10 right of way for a total of over \$3.8 million. In addition, four loans totaling approximately \$775,000 were made to the city of Bloomington for acquisitions within the I-35W/I-494 interchange area. There have been no loan repayments to the RALF fund during the past year.

As of June 12, 2009 the RALF fund balance is \$4.27 million. However, an estimated \$2.55 million of this amount is committed to preliminarily approved loans: \$750,000 for three I-35W/I-494 acquisitions in Bloomington and a combined \$1,805,000 for TH 10 right of way acquisition in the cities of Anoka and Ramsey, leaving an effective available balance of \$1.72 million. These are the only known requests at this time.

Typically, the annual RALF levy collection is about \$3.37 million. However, recently passed legislation would permit the Council to divert up to 75% of the RALF levies collected in 2009, 2010 and 2011 to fund transit operations. It is expected that between \$1.7 and \$2 million of loans made to the city of Maple Grove for TH 610 right of way acquisition may be repaid by the end of this year. (TH 610 construction will be accelerated due to federal economic stimulus funding.)

**Known Support / Opposition**

None.