

MEMORANDUM

TO: Ramsey County, Minnesota
FROM: Bruce Kimmel, Senior Municipal Advisor
DATE: May 3, 2023
SUBJECT: Rice Creek Commons - Horizontal Development Funding Options

As we have discussed previously, Ramsey County, Alatus LLC, and the City of Arden Hills possess a range of mechanisms with which they may collaborate to fund the “horizontal development” that is required for future vertical development. This list does not represent an Ehlers or County position on funding site work and infrastructure but includes the following tools, in no particular order:

- County cash reserves;
- County LRIP and/or other grant funds;
- County GO Bond (general purpose) proceeds;

- Alatus equity and preferred equity (including partners);

- City cash reserves;
- City GO Utility Revenue Bond proceeds;
- City GO Improvement Bond proceeds; and
- City GO Tax Increment Revenue Bond proceeds.

Meanwhile, potential future cost recovery mechanisms include the following:

- Land sale proceeds at RCC;
- Property tax increment (capturing new County, City, and School District taxes) at RCC;
- County property taxes (outside of TIF) at RCC;
- County sales taxes (transportation local option) at RCC;
- Alatus profits from future vertical development at RCC;
- City property taxes (outside of TIF) at RCC;
- City water, wastewater, and stormwater charges at RCC;
- City special assessments (to repay Improvement Bonds) at RCC;
- City development and licensing fees at RCC; and
- City lodging taxes at RCC.