



Roseville Economic Development Authority (REDA)

Agenda

Monday, September 16, 2024

6:00 PM

City Council Chambers

(Any times listed are approximate – please note that items may be earlier or later than listed on the agenda)

- 6:00 p.m. **1. Roll Call**
Voting and Seating Order: Groff, Strahan, Etten, Schroeder, and Roe
- 6:02 p.m. **2. Pledge of Allegiance**
- 6:03 p.m. **3. Approve Agenda**
- 4. Public Comment**
- 5. Business Items**
- 6:04 p.m. a. Authorize a Professional Services Agreement with Stantec to conduct a Housing Needs Assessment
- 6:20 p.m. b. Review a preliminary budget and adopt a Resolution requesting a preliminary tax levy collectible in 2025
- 6:35 p.m. **6. Adjourn to City Council**

ROSEVILLE
REQUEST FOR COUNCIL ACTION

Date: 9/16/2024
Item No.: 5.a.

Department Approval

Janice Gundlach

City Manager Approval

Samuel Truog

Item Description: Authorize a Professional Services Agreement with Stantec to conduct a Housing Needs Assessment

Background

At the July 15th meeting of the Roseville Economic Development Authority (REDA), staff presented proposals for a Housing Needs Assessment. These proposals were in response to the initial REDA discussion from May 13, 2024 regarding the need to conduct a study given the last study was completed in 2018. Six proposals of varying detail were provided to the REDA. After discussing the merits of the six proposals, as well as key attributes staff weighed the proposals against, the REDA agreed with the staff recommendation to work with Stantec and directed staff to bring forward a professional services agreement to conduct the Housing Needs Assessment as outlined in their proposal. The Professional Services Agreement is provided as Attachment 1 and the Stantec proposal is contained within Exhibit A. In addition, the REDA had a few additional questions that staff could not address, so staff offered to have representatives from Stantec appear before the board to provide brief comments and address any questions. Tom Leighton and Spencer Cox of Stantec will be present at the meeting and are prepared to address the board.

As a reminder, the process staff used to solicit proposals wasn't traditional given the full parameters of a study were not well-defined when staff commenced meeting with consultants. Rather, staff met with consultants to understand what types of data/information could be studied related to homelessness and social service needs that could reveal gaps in local housing offerings. Community Development staff, the Housing Navigator and a Social Worker from the Police Department conducted the meetings, reviewed the proposals, and found the Stantec proposal offered the proper balance of data and how that data might inform housing policy.

Policy Objectives

The REDA's role is to coordinate and administer housing, economic development, and redevelopment efforts for the city.

Equity Impact Summary

There are significant equity impacts related to housing, which is why staff have been advocating for an updated study that goes beyond the examination of housing needs based primarily on demographic data, which doesn't, on its own, offer a holistic picture of the city's housing health. The type of study requested to be conducted specifically addresses equity impacts, including homelessness and affordability of certain types of housing products and populations served. Any potential strategies unveiled by the study may require additional equity impact analyses.

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Budget Implications

The REDA budgets \$5,000 annually for marketing. These funds have been primarily used to fund housing/market studies. Since the last study was completed, \$30,000 has been budgeted for marketing and not otherwise been spent. This budget savings, along with other REDA fund balance, is recommended to be used to fund the Stantec study of \$57,500. As of August 31, 2024 the REDA's general fund balance was \$413,802, which more than meets the 35% policy threshold for the general REDA operating budget, even after spending \$57,500 on the proposed housing study. 35% of the staff-proposed 2025 preliminary REDA budget is \$157,450.

Staff Recommendations

Authorize a Professional Services Agreement with Stantec to conduct a Housing Needs Assessment.

Requested Council Action

By motion, authorize the President and Executive Director to enter into a Professional Services Agreement with Stantec to conduct a Housing Needs Assessment.

Prepared by: Jeanne Kelsey, Housing and Economic Development Program Manager

Attachments: 1. Professional Services Agreement

**ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY
PROFESSIONAL SERVICES AGREEMENT**

This Professional Services Agreement (“Agreement”) is made on the 16th day of September, 2024, , between the Roseville Economic Development Authority, a body corporate and politic organized and existing under the laws of the State of Minnesota (the “Authority”), and Stantec Consulting Services, INC ,a Corporation organized under the laws of the State of New York (the “Contractor”, each a “Party” and together the “Parties”).

1. Scope of Work. The Contractor agrees to provide the professional services described in **Exhibit A** (“Work”) which is attached to this Agreement and incorporated by this reference. All Work provided by Contractor under this Agreement shall be provided in a manner consistent with the level of care and skill ordinarily exercised by professional consultants currently providing similar services.

2. Term and Termination. The term of this Agreement will commence on October 1, 2024. Unless extended by written agreement of the Parties, this Agreement will terminate no later than February 28, 2025, or upon completion of the Work, whichever occurs first. This Agreement may be terminated earlier by either Party with or without cause, by delivering, a written notice at least thirty (30) days prior to the date of such termination to the other Party. The date of termination shall be stated in the notice. Upon termination the Contractor shall be paid for services rendered and eligible reimbursable expenses incurred by the Contractor through and until the date of termination. If the Authority terminates this Agreement for cause, the notice shall so-state, and no further payment shall be due to the Contractor following the delivery of the termination notice.

3. Compensation for Work. The Authority agrees to compensate Contractor the in accordance with **Exhibit B** attached hereto for the Work. Any changes in the Work which may result in an increase to the compensation due the Contractor shall require prior written approval of the Authority.

4. Method of Payment. Following the conclusion of each calendar month, Contractor must submit an itemized invoice detailing actual hours worked and actual expenses incurred for Work performed under this Agreement during the previous month. Invoices submitted shall be paid in the same manner as other claims made to the Authority. Invoices shall contain the following:

a. For compensation based on hours worked by various individuals, for each individual, their name, job title, the number of hours worked, rate of pay and description of the Work performed. For reimbursable expenses an itemized listing including, as applicable, receipts for such expenses.

b. Upon request of the Authority, Contractor must also provide the Authority’s project number, a progress summary showing the original (or amended) amount of the Agreement, the current billing, past payments, the unexpended balance due under the Agreement.

c. A statement dated and signed by the Contractor: “I declare under penalty of perjury that this account, claim, or demand is just and correct and that no part of it has been paid.”

5. Representatives and Notices: The below-named individuals will act as the representatives of the Parties with respect to the work to be performed under this Agreement. Any termination notice issued under this Agreement shall be either hand delivered or sent by U.S. Mail to the below-named individuals:

To Authority:

Roseville Economic
Development Authority
2660 Civic Center Drive
Roseville, MN 55113
Attn: Executive Director

To Contractor:

Stantec Consulting Services, Inc.
733 Marquette Avenue, Suite 1000
Minneapolis, MN 55402
Attn: Tom Leighton

6. Assignment or Subcontracting. The Contractor shall not assign or enter into subcontracts for services provided under this Agreement without the written consent of the Authority. If subcontracts are approved and entered into, the Contractor shall promptly pay any subcontractor involved in the performance of this Agreement as required by, and the Contractor shall otherwise comply with, the State Prompt Payment Act.

7. Independent Contractor. All Work provided pursuant to this Agreement shall be provided by Contractor as an independent contractor and not as an employee of the Authority or the City of Roseville, Minnesota (the "City") for any purpose. Any and all officers, employees, subcontractors, and agents of Contractor, or any other person engaged by Contractor in the performance of the Work pursuant to this Agreement, shall not be considered employees of the Authority or the City. Contractor, its employees, subcontractors, or agents shall not be entitled to any of the rights, privileges, or benefits of the Authority's or the City's employees, except as otherwise stated herein.

8. Annual Review. Following the anniversary date of each year of this Agreement, the Authority shall have the right to conduct a review of the performance of the Work performed by the Contractor under this Agreement. The Contractor agrees to cooperate in such review and to provide such information as the Authority may reasonably request. Following each performance review the Parties shall, if requested by the Authority, meet and discuss the performance of the Contractor relative to the remaining Work to be performed by the Contractor under this Agreement.

9. Compliance with Laws and Regulations. The Contractor shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations in the performance of the Work.

10. Non-Discrimination. During the performance of this Agreement, the Contractor shall not discriminate against any person, contractor, vendor, employee or applicant for employment because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, sexual orientation or age. The Contractor shall post in places available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause and stating that all qualified applicants will receive consideration for

employment. The Contractor shall incorporate the foregoing requirements in all of its subcontracts for Work done under this Agreement and will require all of its subcontractors performing such Work to incorporate such requirements in all subcontracts for the performance of the Work. The Contractor further agrees to comply with all aspects of the Minnesota Human Rights Act, Minnesota Statutes 363.01, et. seq., Title VI of the Civil Rights Act of 1964, and the Americans with Disabilities Act.

11. Data Practices Act Compliance. Contractor acknowledges that all data provided, produced, or obtained under this Agreement shall be protected, maintained, and administered in accordance with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13 (the “Act”), and that with regard to such data Contractor must comply with the Act as if it were a government entity. Contractor will immediately report to the Authority any requests from third Parties for information relating to this Agreement.

12. Audit Disclosure. Under Minn. Stat. § 16C.05, subd. 5, Contractor’s books, records, documents, and accounting procedures and practices relevant to this Agreement, including books and records of any approved subcontractors, are subject to examination by the Authority, the City and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years after the termination of this Agreement.

13. Indemnification. The Contractor agrees to indemnify and hold the City, the Authority, and the officers, employees, and representatives harmless (but not defend) from and against all liability, damages, costs, judgments, losses and expenses, including but not limited to reasonable attorney’s fees, arising out of or resulting from any negligent act, error or omission of the Contractor, its officers, agents, employees, contractors and/or subcontractors, pertaining to the performance or failure to perform the Work. Nothing herein shall be construed as a limitation on or waiver of any immunities or limitations on liability available to the Authority under Minnesota Statutes, Chapter 466, or other law.

Neither the Authority nor the Contractor shall be liable to the other or shall make any claim for any incidental, indirect or consequential damages arising out of or connected to this Agreement or the performance of the services on this project. This mutual waiver includes, but is not limited to, damages related to loss of use, loss of profits, loss of income, unrealized energy savings, diminution of property value or loss of reimbursement or credits from governmental or other agencies.

14. Insurance. Prior to starting the Work and during the full term of this Agreement, the Contractor shall procure and maintain insurance Contractor shall obtain, at Contractor's expense, as follows:

- a. Workers Compensation insurance in accordance with Minnesota law;
- b. Professional Liability Insurance covering any damages caused by an error, omission or any negligent act.

- c. Automobile insurance for owned, hired and non-owned vehicles;
- d. Coverage shall be sufficiently broad to cover to all duties and obligations undertaken by Contractor in this Agreement including duties related to indemnification;
- e. Insurance must be on an “occurrence” basis, and, other than Workers Compensation, the limits of such policies must be no less than \$1,000,000 per occurrence and \$1,500,000 aggregate.
- f. Policies must be held by insurance companies licensed to do business in the state in Minnesota and having a current A.M. Best rating of no less than A-, unless otherwise agreed to by the Authority in writing.
- g. Contractor must provide a copy of: (i) a certification of insurance satisfactory to the Authority, and (ii) if requested, the Contractor’s insurance declaration page, riders and/or endorsements, as applicable, which evidences the compliance with this Paragraph, must be filed with the Authority prior to the start of Contractor’s Work. Such documents evidencing insurance shall be in a form acceptable to the Authority and shall provide satisfactory evidence that the Contractor has complied with all insurance requirements.

15. Ownership of Documents. All plans, diagrams, analysis, reports and information generated in connection with the performance of this Agreement (the “Information”) shall become the property of the Authority (upon full payment of all monies owed to Contractor), but the Contractor may retain copies of such documents as records of the services provided. The Authority may use the Information for any reasons it deems appropriate without being liable to the Contractor for such use. The Contractor shall not use or disclose the Information for purposes other than performing the Work contemplated by this Agreement without the prior consent of the Authority.

16. Conflicts. No salaried officer or employee of the Authority or the City and no member of the City Council of the City or the Board of Commissioners of the Authority shall have a financial interest, direct or indirect, in this Agreement. The violation of this provision shall render this Agreement void.

17. Waiver. Any waiver by either Party of a breach of any provisions of this Agreement shall not affect, in any respect, the validity of the remainder of this Agreement or either Parties’ ability to enforce a subsequent breach.

18. Governing Law. This Agreement shall be controlled by the laws of the State of Minnesota. Any disputes, controversies, or claims arising under this Agreement shall be heard in the state or federal courts of Minnesota and the Parties waive any objections to jurisdiction.

19. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be considered an original.

20. Severability. The provisions of this Agreement are severable. If any portion hereof is, for any reason, held by a court of competent jurisdiction to be contrary to law, such decision shall not affect the remaining provisions of this Agreement.

21. Entire Agreement. Unless stated otherwise in this, the entire agreement of the Parties is contained in this Agreement. This Agreement supersedes all prior oral agreements and negotiations between the Parties relating to the particular scope of work covered by this Agreement. No other agreements between the Parties are affected by this Agreement. Any alterations, amendments, deletions, or waivers of the provisions of this Agreement shall be valid only when expressed in writing and duly signed by the Parties, unless otherwise provided herein.

IN WITNESS WHEREOF, the undersigned Parties have entered into this Agreement as of the date set forth above.

ROSEVILLE ECONOMIC
DEVELOPMENT AUTHORITY

STANTEC CONSULTING
SERVICES, INC.

By: _____
President

By: Jan Lighta
Its: Associate.

By: _____
Executive Director

By: _____
Its: _____

EXHIBIT A



Our team has administered and written local zoning and subdivision regulations and we understand how they can shape or inhibit housing development.

Work Plan

The following details how we plan to execute this project based on our understanding of Roseville's context, challenges, and opportunities. We will work with you to refine the work plan as needed to best meet your goals and objectives for the project.

Task 1: Project Management and Coordination

1.1: KICK-OFF MEETING WITH CITY STAFF

We will launch the project with a kick-off meeting with City staff to review the scope and schedule in detail, confirm project goals and expectations, and plan the stakeholder outreach. We will also confirm project management protocols regarding communications, data exchanges, invoicing, etc.

1.2: SITE TOUR

An initial site tour with you will be helpful in getting familiar with your local housing context.

1.3: ONGOING COORDINATION WITH CITY STAFF

We will set recurring project management meetings with City staff at appropriate intervals such as bi-weekly. These meetings will occur virtually.

Task 2: Stakeholder Engagement

2.1: HOUSING STUDY COMMITTEE

When housing studies are intended to set the stage for strategic action, there are benefits to utilizing a steering

committee or advisory committee so that a contingent of stakeholders is informed about your housing context, and is exposed to some of the best practices in housing strategy. After study completion, committee members can be an important source of local support for taking action. Alternatively or additionally, it can be helpful to share research and strategic options with the City Council itself in work sessions or smaller meetings.

This budget supports up to three meetings with the EDA.

2.2: STAKEHOLDER AND DEVELOPER INTERVIEWS

We use an extensive set of third-party data resources, but we will also work with City staff and the housing committee to identify additional stakeholders and people familiar with the local housing market. These meetings yield insights about housing market dynamics and inform us about housing-related programs or initiatives that are already in place. Stakeholders might include public officials, developers, property managers, housing advocates, neighborhood representatives, business owners, and other people familiar with local housing needs and market dynamics.

We will facilitate these conversations in focus group or individual interview format as appropriate. This proposal assumes an estimated one focus groups and ten individual interviews.

2.3: PRESENTATION TO CITY COUNCIL

In addition to any City Council engagement requested in the course of the study, key findings and recommendations of the final deliverable will be presented to the EDA at the conclusion of the study.

2.4: HOMELESSNESS STAKEHOLDER MEETINGS

Stantec will meet with stakeholders and service providers who play a role in fostering and promoting the financial and sociological wellbeing of Roseville's community generally, and with respect to homeless individuals and families specifically. These are likely to be a mix of focus groups and structured interviews. They will build our understanding of community needs and of homelessness in Roseville, and direct us to supplementary sources of information. They will fill out our understanding of the existing programmatic landscape supporting community needs and addressing homelessness. And they will contribute to our exploration of strategic actions that can be considered to broaden Roseville's attention to these needs and issues.

Task 3: Demographic And Economic Analysis Of Residents And Workers

The demographic character of Roseville residents are important to understand because they bear on the demand for housing for people of different ages and income levels. Understanding the economic base of the City and region is important in projecting housing demand into the future.

3.1: DEMAND DRIVERS

Stantec will analyze drivers of housing demand represented by population growth, employment growth, and demographic shifts.

3.2: POPULATION DEMOGRAPHICS

Stantec will analyze and describe characteristics of Roseville's residential population, including age/life stages, household/family types, race/diversity, education, income, home values, tenure, and housing cost burden. We will also look at measures of community wellbeing related to health issues, food access, transportation availability, and community safety. We will analyze metrics related to homelessness in Roseville.

3.3: ECONOMIC BASE AND EMPLOYEE DEMOGRAPHICS

Stantec will describe Roseville's economic and job base—noting employment trends, industry mix, employment inflow/outflow, and demographic characteristics of people who work in Roseville.

Data Sources. Stantec will use various census products and proprietary data sources for the demographic and economic base analyses, including Decennial Census and American Community Survey (ACS) products, OnTheMap, LODS & LEHD data, ESRI Business Analyst, and Replica data.

Task 4: Housing Market Analysis

4.1: MARKET CONTEXT MAP

Stantec will build an illustrative map highlighting community assets and locational context features that would be relevant to and of interest to developers considering housing development in Roseville. The map may identify retail or storefront districts, major arterials, job centers, significant parks amenities, and schools. The market context map is utilized to orient prospective developers to the location and community assets of Roseville. It may have ongoing value after the completion of the housing study for developer recruitment.



4.2: DEVELOPMENT TRENDS

Through building permit data, Costar information, rental licensing information (if available), and information from City staff, Stantec will collect information relevant to the development and preservation of new housing over the last decade. We will illustrate the trendline of housing development by housing types, and project that into the future.

4.3: MARKET DYNAMICS

Rental rates and vacancy levels are market demand indicators for rental housing. Sale prices are market demand indicators for ownership housing. Stantec will analyze these data and others. We will build our understanding of the dynamics of housing development, and the potential for attracting various types of new multifamily housing to Roseville, through research interviews with developers that have worked in Roseville or nearby communities.

Data Sources: Stantec will use local building permit records, Costar data, assessor records, and rental licensing information (if available)—supplemented with local knowledge and research interviews—to characterize development trends and market dynamics in the rental and ownership housing market.

Task 5: Housing Inventory

5.1: HOUSING INVENTORY ANALYSIS

Roseville existing housing inventory will be analyzed through a series of maps and tables to understand the range and number of housing options that already exist in Roseville. Maps will highlight types of housing, including senior housing developments, affordable housing developments, housing by a decade of development, and if the data exists, housing conditions.

To supplement the complete housing inventory we provide detailed information on every multifamily housing project of ten or more units that are existing or under development, paying particular attention to any age-restricted senior housing and rent-restricted affordable housing. This property will include distinguishing characteristics such as rents, vacancies, and amenities.

Data Sources: Stantec will use two primary information sources for the Housing Analysis.

1. City or county parcel data
2. Costar • a development market information base with national coverage.

5.2: HOMELESSNESS ANALYSIS

Stantec will analyze conditions and metrics related to homelessness in order to summarize the current status of homelessness in Roseville. We will utilize sources of information such as the Minnesota Homeless Management Information System (HMIS), Wilder Research's 2023 Statewide Homeless Study, the Minnesota Interagency Council on Homelessness, and the Roseville Area School District. Indicators and findings may include characteristics of the people experiencing homelessness or are at risk of homelessness, the quantity and types of available shelter sites, and associated services within the community.

These data sources will be supplemented by local community knowledge to fill in the information gaps.

Task 6: Housing Gap Analysis

6.1: HOUSING GAP ANALYSIS BY TENURE, TYPE, SIZE AND AFFORDABILITY

Stantec has developed a cutting edge housing gap analysis that to our knowledge is unique in the industry—the purpose of which is to provide a much more detailed understanding of the alignment between Roseville's population and its existing housing stock. In brief, we use computer modeling and all available current housing market data to estimate values, bedroom counts, and rent rates for every residential property in Roseville's housing inventory. We use a different set of information sources to categorize Roseville's current household makeup by the size and cost of housing they need.

When we align those two analyses, we have absolutely up-to-date and detailed information about the types of housing that are abundant and that are lacking, thus illuminating our understanding of local housing needs across those parameters.

6.2: QUALITATIVE CONSIDERATIONS

In addition to the detailed housing gap analysis described above, we will summarize what we've learned about housing needs through other aspects of the analysis, including the stakeholder interviews. We will describe Roseville subpopulations that have housing needs, such as residents in particular life stages, or workforce households needed to support area employers.

6.3: FORECAST OF HOUSING NEEDS

Based on what is learned above, we will forecast the housing needs in Roseville for the upcoming five to ten years by housing type and affordability for both ownership and rental housing. We will also estimate and forecast demand for senior housing development.

ENGAGEMENT- ANALYTICAL PHASE

We like to pause and digest the findings from the preceding analysis with our clients at the conclusion of the analytical phase, or in installments along the way. The conclusion of the analytical phase is also an idea time to present what we've learned to a housing committee or City Council in a workshop format for discussion and feedback.

Feedback received in these discussions will lead to refining the analysis.

Task 7: Housing Strategies and Action Plan

Stantec puts a great emphasis on the part of a housing study that focuses on the opportunities for undertaking strategic action to meet local housing needs. We have deep expertise in identifying best practices and developing innovative solutions—and in facilitating constructive conversations with staff and decision makers about those strategic opportunities.

7.1: STRATEGY DEVELOPMENT

Based on our analysis and identification of housing needs, as well as input from City staff and housing committee members, we will develop a menu of candidate strategies for consideration—and we will associate those strategies with case studies or best practices from other locations where possible. Strategies may span a broad spectrum of housing development and preservation actions, including:

- Regulatory strategies, such as modifications to land use, zoning requirements, or other regulations
- Incentives programs, financial or otherwise
- Partnership approaches
- Property ownership strategies
- Context building actions that increase the attractiveness of the city or parts of the city for new development
- Site preparation and positioning

For each strategy, we will describe it and the need it addresses. We will highlight existing Roseville programs or practices relative to the strategy, its resource requirements, and one or more case studies or best practices.

Stantec has a Housing Solutions Library, assembled from previous housing studies, that we will draw on for candidate housing strategies. Candidate strategies will also be identified by Roseville staff and Housing Committee members. All of the strategies will be explored and customized to the Roseville context through additional research interviews.

7.2 HOMELESSNESS STRATEGIES

Stantec will do research on Twin Cities and national strategies that are undertaken at the local government level to address the needs of homeless populations and those at risk of homelessness. These strategies will be formatted for consideration in the same way as the strategies identified in Task 7.1. We expect to find a broad range of best practices and case studies that act at different points in the vulnerability-to-homeless timeline, that involve a range of partnership arrangements, and that have different staffing and financial implications.

ENGAGEMENT- HOUSING STRATEGIES PHASE

At the completion of Task 7, we will present a robust menu of candidate strategies for consideration, focused on Roseville’s identified housing needs. Strategies will be discussed in a workshop with the EDA. Feedback received in these discussions will provide guidance for refining the strategies.

Task 8: HOUSING STUDY DOCUMENT

8.1: DRAFT REPORT FOR REVIEW

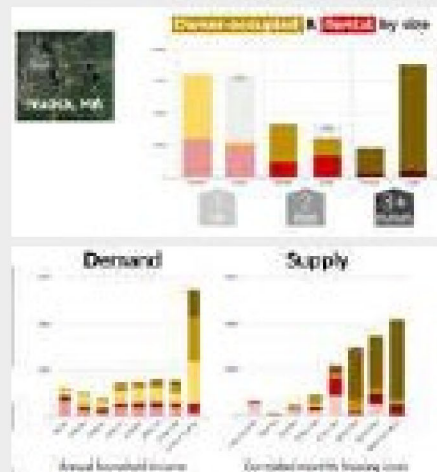
A visually appealing draft Housing Study document will be submitted for review and comment by City staff and housing committee members.

8.2: FINAL REPORT

After collecting feedback and vetting feedback as needed with City staff, we will make revisions and issue a final report for official submittal and approval.

Our needs assessment methodology utilizes newly available, big data sources to construct a comprehensive model of the local housing demand and supply that is more detailed, accurate, and up to date than conventional approaches.

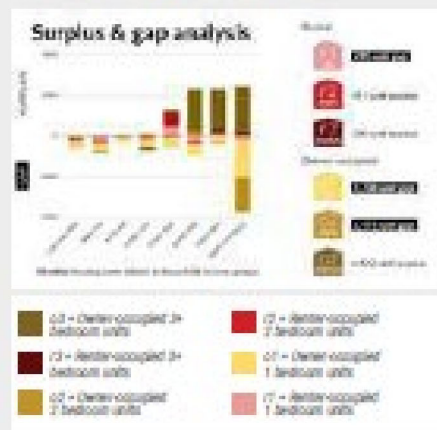
This methodology illuminates housing needs and opportunities with unprecedented clarity across the income spectrum and range of housing typologies. Incorporating recent local and regional migration and housing development trends, we can also project where gaps may narrow or widen in the coming years as well as where opportunities may exist for new development despite gaps in other areas.



Example housing demand and supply by affordability, tenure, and size

The example graph below highlights shortages and surpluses across housing types and costs (housing gap by monthly cost, tenure, and bedroom count).

Readings below the line indicate housing that is under supplied relative to the community’s existing needs; readings above the line indicate housing that is adequately or oversupplied.



B. Schedule/Timeline

MONTH PHASE	October	November	December	January	February
	Kickoff	Analysis	Strategies	Document	Document
Task 1: Project Management and Coordination					
1.1 KICK-OFF MEETING WITH CITY STAFF					
1.2 SITE TOUR					
1.3 ONGOING COORDINATION WITH CITY STAFF					
Task 2: Stakeholder Engagement					
2.1 HOUSING STUDY COMMITTEE					
2.2 STAKEHOLDER AND DEVELOPER INTERVIEWS					
2.3 PRESENTATION TO CITY COUNCIL					
2.4 HOMELESSNESS STAKEHOLDER MEETINGS					
Task 3: Demographic and Economic Analysis					
3.1 DEMAND DRIVERS					
3.2 POPULATION DEMOGRAPHICS					
3.3 ECONOMIC BASE AND EMPLOYEE DEMOGRAPHICS					
Task 4: Housing Market Analysis					
4.1 MARKET CONTEXT MAP					
4.2 DEVELOPMENT TRENDS					
4.3 MARKET DYNAMICS					
Task 5: Housing Inventory					
5.1, 5.2 HOUSING INVENTORY ANALYSIS, HOMELESSNESS ANALYSIS					
Task 6: Housing Gap Analysis					
6.1 HOUSING GAPS BY TENURE, TYPE, SIZE, AND AFFORDABILITY					
6.2 QUALITATIVE HOUSING GAP CONSIDERATIONS					
6.3 HOUSING NEEDS FORECAST					
Task 7: Housing Strategies and Action Plan					
7.1, 7.2 HOUSING STRATEGIES, HOMELESSNESS STRATEGIES					
Task 8: Housing Study Document					
8.1 DRAFT REPORT FOR REVIEW					
8.2 FINAL REPORT					



Memo

To: Jeanne Kelsey, Housing and Economic Development Program Manager From: Thomas Leighton, Senior Urban Planner, Economic Development Specialist

Project/File: Roseville Housing Needs Assessment Date: July 31, 2024

Reference: Housing Needs Assessment

Ms. Kelsey,

Thank you for the opportunity to support the City of Roseville with an assessment of its housing needs. Our proposal reflects our understanding of your needs. It encompasses the traditional purpose of such studies—providing an updated understanding of Roseville's demographics, housing inventory, housing market conditions and housing needs, and identifying a set of strategies and case studies for actions that can make a difference in meeting local housing needs. And it extends further in providing a social welfare analysis of the community, and understanding local conditions relative to homelessness, the existing programmatic landscape, and innovative actions that could be undertaken to address Roseville's homeless population.

We have provided a defined work plan and project schedule, and will bring our team's energy and insights to the task.

Following our most recent discussion, we propose a fee not to exceed \$57,500, inclusive of all time and expenses. We will invoice monthly on a time and expenses basis, invoicing only for time actually expended during each period. Hourly rates in 2024 are as noted below. Expenses will be limited to the cost of purchasing relevant data from Costar, and will not exceed \$500.

Table with 2 columns: Name and Amount. Rows include Tom Leighton (\$196), Erin Perdu (\$205), Jay Demma (\$196), Spencer Cox (\$169), Kristin Baldonado (\$163), Joe Polacek (\$163), Kribashini Moorthy (\$146), and Zoey Sai (\$146).

If there is anything else we can do to support your consideration of these services, please don't hesitate to reach out.

Reference: **Roseville Housing Needs Assessment**

Sincerely,

STANTEC CONSULTING SERVICES INC.



Thomas Leighton AICP, EDFP
Senior Urban Planner
Phone: (612) 712-2154
tom.leighton@stantec.com

ROSEVILLE
REQUEST FOR COUNCIL ACTION

Date: 9/16/2024
Item No.: 5.b.

Department Approval

Janice Gundlach

City Manager Approval

Samuel Trueman

Item Description: Review a preliminary budget and adopt a Resolution requesting a preliminary tax levy collectible in 2025

Background

Per the by-laws adopted by the Roseville Economic Development Authority (REDA), the REDA must review and recommend a preliminary budget to the City Council.

To request a preliminary EDA levy, the REDA must adopt a budget for consideration by the City Council via Resolution. Once the initial EDA levy request is approved, the levy may be lowered but cannot be raised above the preliminary level. The maximum amount the REDA can levy for in 2025 is \$1,222,904.

A preliminary levy of \$364,856 is being proposed for 2025, a decrease of one-tenth of one percent or \$379 from the EDA's 2024 levy. When factoring in Ramsey County's proposed property valuations for taxes payable in 2025, the preliminary levy amount proposed would result in an estimated increase of \$0.94 in the annual EDA property tax for a median valued single-family home projected to be \$360,500.

Staffing

The Community Development Director is proposing no changes to the staffing structure for 2025. Economic Development staff supported by the EDA levy include a full-time Housing and Economic Development Program Manager and a .5 time Economic Development Coordinator (who also holds the title of GIS Specialist). The most significant impact proposed for 2025 consists of inflationary costs related to salaries and benefits and proposed cuts to professional services (\$2,000) and training/conferences for staff and board members (\$3,500).

The total cost for EDA staff in 2025 is anticipated to be: **\$210,250**

<u>General REDA Expenditures and Personnel</u> The REDA has operating costs associated with overhead, staff, attorney fees, recording secretary services, and continuing education/training of staff. This amount reflects total operating costs <i>and</i> personnel costs.	\$249,006 <i>(includes the \$210,250 of staff-only costs)</i>
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Programming costs are provided below:

Programming

The tables below outline existing housing and economic development programs the City of Roseville's Economic Development Authority currently maintains. In addition to personnel costs, accompanying costs of these programs are included herein.

In 2025, the following programs will continue to operate but do not require, and/or staff are not recommending additional funds:

<p><u>Multi-Family Loan and Acquisition Funds</u> Offers rehabilitation loans to existing rental property owners (whose properties have 5 or more units) and also makes dollars available for energy improvements. This program is also available for general redevelopment activities and has a balance of \$1,512,333* (fund 724).</p>	\$0
<p><u>Roseville Rehab Revolving Loan Program, Last Resort – Emergency Deferred Program, Manufactured Home Improvement Program, Senior Deferred Loan Program, and First Generation Down Payment Assistance Program</u> This fund has a balance of \$461,178* (fund 723).</p>	\$0
<p><u>Abatement Assistance</u> Provides payment of abatement costs for code enforcement activities. This fund has a balance of \$124,794* (fund 722).</p>	\$0
<p><u>Housing Replacement/Single Family Construction Fund</u> This fund has a balance of \$544,320* (fund 720).</p>	\$0
<p><u>Open to Business/Small Business Assistance</u> Ramsey County executed a contract with the Metropolitan Consortium of Community Developers in the 1st quarter of 2020, bringing the Open to Business program to the City of Roseville. This program provides free business consulting services to Roseville businesses, as well as access to capital. There is no cost to the City for Open to Business. Beginning in 2020, the EDA began setting aside funds to administer a small business loan program in partnership with Open to Business. To date, two loans have originated: 1) Par365 for \$50,000 (in 2023) and 2) Safeway for \$20,500 (in 2024). Based on the balance of this fund, the REDA can fund at least four loans (assuming the maximum loan amount). As such, staff does not anticipate needing additional funding at this time. This fund has a balance of \$213,924* (fund 726).</p>	\$0

*fund balances noted are as-of August 31, 2024.

In 2025, the following programs are proposed to be budgeted for as follows:

<p><u>Ownership Rehabilitation Programs</u> Provides residents with free, comprehensive consultation services about the construction/renovation process to maintain, improve, and/or enhance their existing home, with a specific focus on energy efficiency. The program also recognizes homeowners that have done green construction or improvements to their homes and yards. This program budgets for at least 200 energy efficiency audits to be completed each year. This budget has been reduced by \$1,000 based on prior year actuals and actuals anticipated for 2024 related to energy audits.</p>	\$36,850
<p><u>Marketing</u> This budget is maintained for printing and mailing of marketing materials. This budget is also used to help fund housing/market studies as it's been the goal of the REDA to update the City-initiated Housing Needs Assessment every few years.</p>	\$5,000

<p><u>Economic Development</u> The Economic Development budget reflects resources to aid in outreach to existing and prospective businesses. Current efforts include partnerships and/or contracts with the Minnesota State Chamber, St. Paul Area Chamber of Commerce, Twin Cities North Chamber, Golden Shovel and others to assist with newsletters, quarterly Business Council meetings, yearly networking events, and Grow Roseville marketing efforts. An overall reduction of \$21,500 is proposed for 2025, which includes elimination of \$2,000 that was budgeted for the business education series and \$19,500 from economic development consulting. The education events (organized and held by St. Paul Chamber) have not been scheduled of late and even when they were scheduled, attendance by Roseville businesses was sparse. The budget for economic development consulting has been reduced to better align with spending. Staff would also advise the REDA that the St. Paul Chamber has notified staff that the cost for our partnership on BRE&A visits will increase in 2025 by \$500 to \$10,500, reflecting 100% of the budget for professional services in this area. This partnership has been in place for three years and 2025 is the first time a cost increase has been proposed. As such, staff continues to fund this effort and the REDA will be asked to authorize this professional service early in 2025. If additional economic development professional services are needed in 2025 (including from Ehlers), it will need to be funded with fund balance.</p>	<p>\$34,000</p>
<p><u>Southeast Roseville Initiatives</u> The cities of Roseville, St. Paul and Maplewood hired the Saint Paul Area Chamber of Commerce in 2019 to begin implementation of the Rice & Larpenteur Alliance, which stemmed from completion of the Rice/Larpenteur Gateway Visioning Plan. In March of 2024, SPACC's contract was extended an additional 12 months, with the City of Roseville (and Maplewood and St. Paul) continuing to set aside funds in support of the alliance and any other initiatives that may occur as a result of the visioning plan. The Rice & Larpenteur Alliance's Strategic Fundraising Framework programs reductions in contributions for contributing cities. However, the Alliance has not been able to increase fundraising to account for the decrease in city funding. As such, staff would recommend this budget remain flat for 2025. Because Roseville serves as the fiscal agent to the Alliance, the EDA budgets for the full Alliance funding of \$125,000, even though Roseville's costs are only \$40,000. A revenue item accounts for Maplewood and St. Paul's financial contribution towards the Alliance (\$85,000).</p>	<p>\$125,000 (\$40,000 is Roseville's cost)</p>
<p>Total 2025 Levy Supported Program Expenses</p>	<p>\$200,850</p>

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39 As of August 31, 2024, the REDA general fund balance is \$413,802.

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41 **Non-Property Tax Revenue**

42 Historically, the levy has been the sole source of funding for activities conducted by the
43 REDA. Several years ago the University of Northwestern committed to paying the City \$23,125

44 annually in recognition of their tax-exempt status and continued expansion beyond their campus
 45 property. This “charitable pledge” is for economic development efforts aimed at expanding the tax
 46 base, thus they’ve been allocated to the REDA. Per the June 2014 agreement, 2024 is the last year
 47 this revenue is required to be paid and Northwestern has not committed to extending the
 48 agreement. As such, this revenue has been eliminated from the budget.
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Total EDA Proposed Budget: (Program Expenses + REDA Expenditures & Personnel)	<i>\$449,856</i>
Minus Non-Property Tax Revenue	<i>-\$0</i>
Southeast Roseville Revenues	<i>-\$85,000</i>
Proposed Preliminary 2025 Levy	<i>\$364,856</i> <i>(0.10% or \$379</i> <i>decrease from 2024)</i>

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Policy Objectives

Per the by-laws adopted by the Roseville Economic Development Authority, the REDA must review and recommend a preliminary budget to the City Council annually.

Equity Impact Summary

Equity impacts are not specifically evaluated in regards to the overall preliminary budget and levy. However, equity impacts are/have been considered in regards to individual programs funded by this budget.

Budget Implications

Included herein.

Staff Recommendations

Discuss the EDA’s proposed 2025 budget and preliminary tax levy in the amount of \$364,856.

Requested Council Action

By motion, adopt a Resolution requesting a preliminary tax levy in 2024, collectible in 2025, in the amount of \$364,856.

Prepared by: Janice Gundlach, Community Development Director

- Attachments:**
- 1. Resolution
 - 2. Budget Comparison

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**EXTRACT OF MINUTES OF MEETING OF THE
ROSEVILLE ECONOMIC DEVELOPMENT AUTHORITY**

Pursuant to due call and notice thereof, a meeting of the Roseville Economic Development Authority, County of Ramsey, Minnesota, was duly called and held at the City Hall on Monday, the 16th day of September, 2024, at 6:00 p.m.

The following members were present:

and the following were absent:

Commissioner _____ introduced the following resolution and moved its adoption

Resolution No. XX

A Resolution Requesting A Tax Levy in 2024 Collectible in 2025

BE IT RESOLVED by the Board of Commissioners (the "Board") of the Roseville Economic Development Authority, Minnesota (the "Authority"), as follows:

Section 1. Recitals.

1.01. The Authority is authorized by Minnesota Statutes Section 469.107 to request that the City of Roseville, Minnesota (the "City") levy a tax on all taxable property within the City, subject to approval of such tax levy by the City Council of the City, for the benefit of the Authority (the "EDA Levy").

1.02. The Authority is authorized to use the amounts collected by the EDA Levy for the purposes provided in Minnesota Statutes, Section 469.090 to 469.1081 (the "EDA Act").

Section 2. Findings

2.01. The Authority hereby finds that it is necessary and in the best interest of the City and the Authority to request that the City Council of the City adopt the EDA Levy to provide funds necessary to accomplish the goals of the Authority.

Section 3. Adoption of EDA Levy.

3.01. The Authority hereby requests that the City levy the following amount, which is no greater than 0.01813 percent of the City's estimated market value, to be levied upon the taxable property of the City for the purposes of the EDA Levy described in Section 1.02 above and collected with taxes payable in 2025:

Amount: \$364,856

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Section 4. Report to City and Filing of Levies.

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4.01. The executive director of the Authority is hereby instructed to transmit a certified copy of this Resolution to the City Council with the Authority's request that the City include the EDA Levy in its certified levy for 2025.

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Adopted by the Board of the Authority this 16th day of September, 2024.

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Certificate

I, the undersigned, being duly appointed Executive Director of the Roseville Economic Development Authority, Minnesota, hereby certify that I have carefully compared the attached and foregoing resolution with the original thereof on file in my office and further certify that the same is a full, true, and complete copy of a resolution which was duly adopted by the Board of Commissioners of said Authority at a duly called and regularly held meeting thereof on September 16, 2024.

I further certify that Commissioner _____ introduced said resolution and moved its adoption, which motion was duly seconded by Commissioner _____, and that upon roll call vote being taken thereon, the following Commissioners voted in favor thereof:

and the following voted against the same:

whereupon said resolution was declared duly passed and adopted.

Witness my hand as the Executive Director of the Authority this 16th day of September, 2024.

Executive Director, Patrick Trudgeon
Roseville Economic Development Authority

City of Roseville Economic Development Authority 2025 Proposed Budget Fund 725 as August 14, 2024								
Account Number	Description	2022 Adopted Budget	2022 Actuals	2023 Adopted Budget	2023 Actuals	2024 Proposed Budget	2024 Actuals (as of 7-8-2024)	2025 Proposed Budget
Proposed Revenues:		Revenue		Revenue		Revenue		Revenue
	Northwestern Charitable Pledge	\$23,125.00	\$23,125.00	\$23,125.00	\$23,125.00	\$23,125.00	\$11,562.50	\$0.00
	Southeast Roseville (St. Paul & Maplewood)	\$85,000.00	\$85,000.00	\$85,000.00	\$85,000.00	\$85,000.00	\$85,000.00	\$85,000.00
	EDA Levy	\$442,570.00	\$433,061.00	\$411,505.00	\$398,298.27	\$365,235.00	\$137,801.96	\$364,856.00
	Total Revenue	\$550,695.00	\$541,186.00	\$519,630.00	\$318,273.00	\$473,360.00		\$449,856.00
Proposed Expenses:								
73	Ownership Rehab Program							
430000	Professional Services-CEE	\$15,000.00	\$14,450.00	\$17,500.00	\$25,100.00	\$25,000.00	\$8,300.00	\$25,000.00
490000	Green Award Program	\$850.00		\$850.00	\$850.00	\$850.00		\$850.00
	Energy Efficiency Program	\$12,000.00	\$2,250.00	\$12,000.00	\$5,450.00	\$12,000.00	\$3,950.00	\$11,000.00
73	Ownership Rehab Program Total	\$27,850.00	\$16,700.00	\$30,350.00	\$31,400.00	\$37,850.00	\$12,250.00	\$36,850.00
82	Marketing Studies							
434000	Printing Marketing Materials	\$5,000.00	\$0.00	\$5,000.00	\$0.00	\$5,000.00		\$5,000.00
82	Marketing Studies	\$5,000.00	\$0.00	\$5,000.00		\$5,000.00		\$5,000.00
56	Economic Development							
430000	Golden Shovel (Including Intern as needed)	\$15,000.00	\$12,000.00	\$15,000.00	\$11,550.00	\$15,000.00	\$6,300.00	\$15,000.00
430000	Economic Development Consultant On-Call	\$30,000.00	\$2,921.00	\$40,000.00	\$5,000.00	\$30,000.00	\$617.40	\$10,500.00
433000	BR&E Newsletter page, other outreach	\$6,000.00	\$6,000.00	\$6,000.00	\$6,000.00	\$7,000.00	\$3,500.00	\$7,000.00
441000	Business Educational Series	\$2,000.00	\$500.00	\$2,000.00	\$0.00	\$2,000.00		\$0.00
448000	Salesforce & Misc.	\$500.00	\$1,450.00	\$1,500.00	\$975.00	\$1,500.00	\$1,025.00	\$1,500.00
56	Economic Development Program Total	\$53,500.00	\$22,871.00	\$64,500.00	\$23,525.00	\$55,500.00	\$11,442.40	\$34,000.00
727	Southeast Roseville Initiatives	\$125,000.00	\$125,000.00	\$125,000.00	\$125,000.00	\$125,000.00	\$52,083.35	\$125,000.00
726	Open-to-Business/Small Business Loan Pro	\$98,575.00	\$98,575.00	\$50,000.00	\$50,000.00	\$0.00	\$20,500.00	\$0.00
00	General EDA Expenditures							
430000	City of Roseville Economic Development Sta	\$194,070.00	\$193,876.00	\$198,080.00	\$200,599.93	\$204,320.00	\$104,336.19	\$210,250.00
430000	Prof. Svs. (Secretary)	\$2,500.00	\$187.00	\$2,500.00	\$540.65	\$2,500.00	\$31.46	\$1,000.00
0006	Prof. Svs. (EDA Attorney)	\$15,000.00	\$6,673.00	\$15,000.00	\$14,940.00	\$15,000.00	\$1,294.00	\$14,500.00
460001	Admin Service Fee	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$15,000.00	\$3,750.00	\$15,000.00
441000	Education (Training/Conferences)	\$8,000.00	\$350.00	\$8,000.00	\$1,691.66	\$5,500.00	\$500.00	\$3,000.00
441000	Training for Board	\$1,500.00	\$0.00	\$1,500.00	\$0.00	\$1,000.00		\$0.00
	Office Supplies/postage		\$45.00		\$226.80		\$49.67	
442000	Mbrship/Subscriptions	\$2,000.00	\$2,229.00	\$2,000.00	\$1,984.00	\$2,000.00		\$2,000.00
448000	Miscellaneous	\$2,000.00	\$5,899.00	\$2,000.00	\$751.26	\$2,000.00	\$16.88	\$2,000.00
431000	Telephone		\$28.00		\$449.00	\$200.00	\$45.50	\$200.00
432000	Mileage Reimbursement	\$700.00	\$28.00	\$700.00	\$323.13	\$700.00	\$129.98	\$700.00
443500	Minor Equipment (computer)					\$1,500.00	\$1,224.44	
443600	Software					\$290.00	\$341.38	\$356.00
	Operating Reserves							
00	General EDA Expenditures	\$240,770.00	\$224,315.00	\$244,780.00	\$236,506.43	\$250,010.00	\$111,719.50	\$249,006.00
	Subtotal Expenditures	\$550,695.00	\$487,461.00	\$519,630.00	\$347,918.00	\$473,360.00	\$207,995.25	\$449,856.00
	Total Budgeted Expenses	\$550,695.00		\$519,630.00		\$473,360.00		\$449,856.00