



# City of Saint Paul

City Hall and Court House  
15 West Kellogg  
Boulevard  
Council Chambers - 3rd  
Floor  
651-266-8560

## Meeting Agenda

### Housing & Redevelopment Authority

*Chair Cheniqua Johnson*  
*Commissioner Anika Bowie*  
*Commissioner Molly Coleman*  
*Commissioner Saura Jost*  
*Commissioner HwaJeong Kim*  
*Commissioner Rebecca Noecker*  
*Commissioner Nelsie Yang*

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Wednesday, March 11, 2026

2:00 PM

Council Chambers, City Hall

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#### ROLL CALL

#### DISCUSSION

- 1      [RES 26-405](#)    Approving the Commercial Corridor Program Guidelines, Citywide.  
  
                  *Sponsors:* Johnson and Noecker  
                  *Attachments:* [Board Report](#)  
                                  [Guidelines](#)  
                                  [Funding Options Request from Commissioners](#)
  
- 2      [RES 26-407](#)    Resolution Amending the Downpayment Assistance (DPA) Program  
                  Guidelines, Citywide  
  
                  *Sponsors:* Johnson  
                  *Attachments:* [Board Report](#)  
                                  [Guidelines](#)
  
- 3      [RES 26-408](#)    Resolution Amending the Emergency Rental Assistance / Eviction  
                  Prevention Program (ERA) Guidelines, Citywide  
  
                  *Sponsors:* Johnson  
                  *Attachments:* [Board Report](#)  
                                  [Guidelines](#)
  
- 4      [RES 26-409](#)    Resolution Approving Updated Guidelines for the HRA Business  
                  Assistance Fund  
  
                  *Sponsors:* Noecker  
                  *Attachments:* [Board Report](#)  
                                  [Guidelines DTV Included](#)

#### STAFF REPORT



Housing and Redevelopment Authority Board of Commissioners (HRA) meetings are open for in person attendance, but the public may also comment on public hearing items in writing or via voicemail. Any comments and materials submitted by 12:00 p.m. of the day before the meeting will be attached to the public record and available for review by the Board. Comments may be submitted as follows:

Written public comment on public hearing items can be submitted to

HRAHearing@ci.stpaul.mn.us or by voicemail at 651-266-6806. Live testimony will be taken in person in the Council Chambers, Third Floor City Hall.

Members of the public may view HRA meetings online at

<https://stpaul.legistar.com/Calendar.aspx> or on local cable Channel 18.

#### HRA Meeting Information

The HRA is paperless which saves the environment and reduces expenses. The agendas and HRA files are all available on the Web (see below). Commissioners use mobile devices to review the files during the meeting. Using a mobile device greatly reduces costs since agendas, including the documents attached to files, can be over 100 pages when printed.

#### Web

Meetings are available on the City Council website. Email notification and web feeds (RSS) of newly released minutes, agendas, and meetings are available by subscription at <https://public.govdelivery.com/accounts/STPAUL/subscriber/new>.

Visit <https://stpaul.legistar.com/Calendar.aspx> for meeting videos and updated copies of the agendas, minutes and supporting documents.

#### Cable

Meetings are live on St Paul Channel 18 and replayed at various times. Check your local listings.



# City of Saint Paul

City Hall and Court House  
15 West Kellogg  
Boulevard  
Phone: 651-266-8560

## Master

**File Number: RES 26-405**

**File ID:** RES 26-405

**Type:** Resolution

**Status:** Agenda Ready

**Version:** 1

**Contact Number:** 266-6595

**In Control:** Housing & Redevelopment Authority

**File Created:** 03/02/2026

**File Name:** Commercial Corridors Program Guidelines

**Final Action:**

**Title:** Approving the Commercial Corridor Program Guidelines, Citywide.

### Notes:

**Sponsors:** Johnson and Noecker

**Enactment Date:**

**Attachments:** Board Report, Guidelines, Funding Options Request from Commissioners

**Financials Included?:**

**Contact Name:** Daniela Lorenz

**Hearing Date:**

**Entered by:** kelly.bauer@ci.stpaul.mn.us

**Ord Effective Date:**

### History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
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### Text of Legislative File RES 26-405

Approving the Commercial Corridor Program Guidelines, Citywide.

# HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA

REPORT TO THE COMMISSIONERS

DATE: MARCH 11, 2026

REGARDING: RESOLUTION APPROVING COMMERCIAL CORRIDOR  
PROGRAM GUIDELINES, CITYWIDE

## Requested Board Action

The specific actions being requested of the HRA Board are as follows:

- Approve the Commercial Corridor Program Guidelines

## Background

In April 2025, the Housing and Redevelopment Authority (HRA) approved the Commercial Corridor Organization Assistance Program (C-COAP) which established a new program to assist geographically focused organizations in furthering economic development outcomes on identified commercial corridors in the city. This is a direct contracting program, which provides selected business and community support organizations funding to design and implement programming and activities that drive positive economic development outcomes along the defined corridors.

This program was launched as pilot with the intention to evaluate the program design and make refinements as needed to ensure the program achieves its purpose to the greatest extent possible. Staff requested feedback from funded organizations to understand what modifications would allow this program to enhance and further economic development outcomes.

Staff reviewed and evaluated the requested modifications and considered other changes and refinements. The following modifications have been made to the Program Guidelines:

- Extending corridor boundaries to include continuous commercial areas for the following corridors:
  - Ford Parkway: Cretin boundary extended two blocks west to Mississippi River Blvd
  - East 7th Street and Arcade: 7<sup>th</sup> Street boundary of Arcade extended to 7<sup>th</sup> Street and Forest Street.

- Como and Dale corridor extended to include several blocks past the existing boundaries on Como and Dale, and to include a few blocks of intersecting Front Avenue.
- West Side Corridor: Cesar Chavez Street extended three blocks southwest to include a portion of Wabasha Street.
- Remove the Smith Corridor. This corridor is an outlier with 74% being residential land use, therefore, staff is recommending that Smith is considered a micro-corridor and it is no longer included as an identified corridor in this program.
- Update the calculation and evaluation method to determine award size. Previously, award size categories were determine solely based on whether or not a corridor was in an Area of Concentrated Poverty. Staff is recommending the award size categories are based on the Commercial Corridor Index, which considers multiple factors to determine award size including business density, employee density, commercial land use, and vacant building and HRA owned property ready to sell. In addition, award size now reflects HUD Qualified Census Tracts instead of Areas of Concentrated Poverty which is in alignment with how the City and other partner agencies such as the Met Council measure socioeconomic status and level of historic disinvestment in an area.
- Update the guidelines to allow for minor corridor specific changes when there is just cause and an economic development purpose and public purpose is demonstrated.
- Refine the guideline allowing business sub-grants for operational expenses to only allow operational grants when an organization can document that the corridor experienced a substantial business disruption.
- Allow corridor wide technical assistance as a sub-grant eligible use.
- Rename the program to the Commercial Corridors Program.

**Budget Action**

N/A

**Future Action**

N/A

## **PED Credit Committee Review**

N/A

## **Compliance**

The Commercial Corridor Program will follow required compliance requirements. Selected organizations must comply with the Vendor Outreach Program and Affirmative Action Equal Employment Opportunity.

## **Green/Sustainable Development**

N/A

## **Environmental Impact Disclosure**

N/A

## **Historic Preservation**

N/A

## **Public Purpose/Comprehensive Plan Conformance**

The Project will accomplish several public purposes and be in conformance with the Comprehensive Plan, including:

- Policy LU-6. Foster equitable and sustainable economic growth by the following:
  - Facilitating business creation, attraction, retention and expansion;
  - Growing Saint Paul's tax base in order to maintain and expand City services, amenities and infrastructure;
  - Supporting business, real estate and financial models that keep more money locally, such as locally owned businesses, local-prioritized employment, employee-owned businesses and commercial land trusts;
  - Building and expanding neighborhood economic and cultural assets through the development of the local micro-economies of our Neighborhood Nodes;
  - Enhancing vibrant downtown neighborhoods and connecting them to the

Mississippi River;

- Developing programs and funding sources for site acquisition and parcel assembly; and integrating Saint Paul's historic resources into neighborhood-based economic development strategies.

**Recommendation:**

The Executive Director recommends approval of the resolution approving the Commercial Corridor Program Guidelines.

**Sponsored by:** Commissioner Noecker and Chair Johnson

**Staff:** Annie Byrne, 266-8567

Daniela Lorenz, 266-6595

**Attachments**

- Map
- Guidelines



# **Saint Paul Commercial Corridors Program Guidelines**

Updated February 2026

## Introduction

In December 2024, the Saint Paul City Council approved funding to create the Commercial Corridors Program. The purpose of the program is to assist geographically focused organizations in furthering economic development outcomes in identified commercial corridors in the city. This program provides select business and community support organizations with funding to design and implement programming and activities that drive positive economic development outcomes along the defined corridors.

## Eligible Organizations

This program is open to pre-selected organizations identified by the City. The identified organizations include District Councils and business support organizations with a history of executing community development, economic development, and business support programming along the defined geographies listed below.

## Eligible Corridors

The following table lists the targeted corridors and selected organizations. The amount disbursed to the selected organization for each corridor will vary based on an index that considers business density, land use, and vacancies. In addition, award size will differ for corridors that are in or adjacent to LIHTC Qualified Census Tracts (QCT). Selected organizations are encouraged to collaborate and work in partnerships with other organizations that serve the corridor geography to implement the scope of work.

Selected organizations are urged to propose programs and projects along the corridors. Corridor boundaries are provided in the current program year Commercial Corridor Program table.

Corridor Name	Boundaries	Selected Organization
Arcade St, Maryland, and 7th St E	7th St E: Payne St to Forest St. Arcade St: Maryland Ave to 7th St E, Maryland Ave: Wiede St to Forest St N	East Side Area Business Association (ESABA)
Como, Maryland, Dale	Dale Street: Maryland Ave to Topping St, Como Ave: Grotto to Mackubin, Maryland Ave: Dale to Arundel St, Front St: Grotto to Mackubin	District 10 Como Community Council
Downtown	North: The Mississippi River, South: Interstate 94/35E, East: Lafayette Road/Highway 52, West: Rice Street/Interstate 35E	Downtown Alliance
Grand (east end)	Grand: Ayd Mill to Dale St	Grand Avenue Business Association (GABA)
Payne Ave, Maryland, and 7th St E	Payne: Maryland to 7th, 7th Street: Payne to 94, Maryland from Edgerton to Wiede St	East Side Neighborhood Development Company (ESNDC)
Rice Street	University Avenue to Larpenteur Avenue	Rice Larpenteur Alliance (RLA)
Selby (east end)	Selby: Lexington to Western	Rondo Community Land Trust (RCLT)
Snelling and Grand	Snelling: Summit to Randolph, Grand: Fairview to Ayd Mill	Macalester Groveland Community Council

Snelling and Selby	Snelling: University to Summit, Selby: Fairview to Lexington	Union Park District Council
Snelling, Ford, Cleveland	Snelling: Randolph to Ford, Ford: Snelling to Mississippi Blvd, Cleveland: Ford to Bayard	Highland District Council
Suburban Ave/ Old Hudson Road and White Bear Ave	Suburban Ave and Old Hudson Rd: White Bear Avenue to McKnight Road, White Bear: Suburban Ave to Minnehaha Ave	Southeast Community Organization (SECO)
University (east end)	University: Lexington to Rice	Neighborhood Development Center (NDC)
University and Snelling	University: Prior to Lexington Snelling: Englewood to University	Hamline Midway Coalition
W 7th St (east end)	Kellogg Boulevard to Homer St	West 7th Fort Road Federation
W 7th St (west end)	Homer St to Wheeler St	Highland District Council
West Side	Cesar Chavez: Wabasha St to Ada St, Robert St: Wood to Cesar Chavez St	West Side Community Organization (WSCO)
White Bear Avenue	Minnehaha Avenue to Larpenteur Avenue	Greater East Side Community Council

### Eligible activities

This program is funded by Economic Development Sales Tax Revitalization funds which must be used for economic development purposes, including a variety of activities that result in positive economic development and have corridor-wide benefits that can be tracked and reported. Selected organizations must list the key economic development indicators that will be tracked and describe how they will show that the work resulted in positive economic development outcomes on the corridor. Key economic development indicators include: business retention, business growth, new business starts, generate private investment, support vitality of corridor, and increase/maintain tax base.

If the Selected organization currently administers a City funded program within the identified commercial corridor, Commercial Corridor funds must have a different use. For example, Commercial Corridor funds cannot be used to build on an existing STAR funded façade improvement subgrant program.

Eligible activities include:

- Corridor-wide beautification efforts, such as signage, flower baskets, and planters.
- Public art installations
- Development of plans for implementation of corridor-wide efforts
  - NOTE: If Applicants propose an activity that will assist the development of plans for future work, an estimated timeline for implementation of plans that are developed as a result of Commercial Corridor funding must be provided. Plans must be capable of beginning implementation within three years of receiving Commercial Corridor dollars.
- Corridor marketing campaigns

- Acquisition of vacant or underutilized buildings and land and related soft costs
  - NOTE: Applicants proposing to use Commercial Corridor Program dollars for acquisition of land or buildings must have a plan in place to acquire and begin development of the land within two years of receiving Commercial Corridor Program dollars
- Execution of community events meant to celebrate and showcase the corridor
- Business sub-grants may be awarded for the following activities:
  - Business interior or exterior capital improvements, marketing and promotions, and beautification efforts such as installing murals or decorative signage.
  - Corridor wide technical assistance programs with the purpose to help businesses contribute to a stable, growing, and competitive corridor. Technical assistance is a business support service offering in-depth one-on-one and group guidance to small businesses, designed to address specific business needs and expand capacity.
  - Operating expenses may be considered for business stabilization and retention along the corridor when substantial and documented business disruption impacts the corridor as a whole. Documentation must show a unique and substantial impact on the corridor. Documentation may include: number of businesses impacted, photographs of the disruption, business bank statements or other financial documentation showing substantial revenue or sales decline and direct correlation to the disruption. The recipient must provide documentation showing how key economic development indicators will be met and tracked.
- Up to 10% of an award can be used for administrative or indirect costs associated with executing the eligible activities.

Selected organizations will have one year to spend all funds from the date of contract execution. Any funds that are not spent and disbursed within one year of receipt will be returned to the program. Selected organizations may designate another entity to be the fiscal agent to receive funding. In the case a fiscal agent is designated, all involved organizations must sign the executed grant contract.

All projects must comply with relevant codes, regulations, and laws of the City of Saint Paul.

City staff will have the authority and may consider minor guideline modifications or waivers when requested by a Selected organization if the requested modification or waiver will demonstrably better serve an economic development purpose and a public purpose is demonstrated. Requests must obtain necessary approvals and follow the Amendment process.

### **Submission Materials and Process**

Selected organizations must send the following required submission materials by the current program year deadline in an email with the title Commercial Corridor Proposal to [CommercialCorridors@stpaul.gov](mailto:CommercialCorridors@stpaul.gov).

- Completed Statement of Work and Workplan, detailing how funds will be used and the role of any partner organizations
- Budget form
- Budget justification
- Selected organizations that do not have a current Affirmative Action Plan (AAP) will need to submit an updated or new AAP. Staff will follow-up if this is needed from the Selected organization

Contracting will happen on a rolling basis as proposals are received.

### **Funding and Contracting Process**

The City will work with Selected organizations to refine the scope of their proposed program(s) and projects based on their submitted program Statement of Work and budget. The City does not guarantee that all proposed programs will be awarded funding. The City reserves the right to deny funding for any and all proposals in its sole discretion.

Selected organizations with approved proposals will enter into an Agreement with the City that outlines the funding obligations, scope of work, disbursement, and reporting requirements.

All Selected organizations receiving \$50,000 or more will be required to comply with the City's Vendor Outreach Program (VOP) and Affirmative Action and Equal Employment Opportunity (AAEEO) programs.

- Affirmative Action and Equal Employment Opportunity (AAEEO) requirements: new or updated Affirmative Action Plan if the organization has not registered with the City in the last two years
- Vendor Outreach Program (VOP): listing of all contractors and suppliers on the attached Prime ID form to highlight opportunities to utilize the City's CERT vendor list
- Sub-grantees that receive \$50,000 or more from any City funded programs must also comply with VOP and AAEEO requirements

Construction Projects that have a total project cost of \$25,000 or more and include any City dollars must also comply with the City's prevailing wage requirements

- Example 1: A facade improvement project that is \$30,000 total and receives \$10,000 in Commercial Corridor Program funds must comply with prevailing wage requirements
- Example 2: A facade improvement project that is \$20,000 total and is fully funded by the Commercial Corridor Program would not need to comply prevailing wage requirements

Any project that receives more than \$20,000 in City funds must provide evidence of securing at least two bids from qualified contractors.

Before contracts are finalized, the City will hold a compliance meeting with each Selected organization to review the applicable compliance requirements and the process for complying with the City's regulations. Additional information on each of the compliance areas can be viewed on the City of Saint Paul's website at [stpaul.gov/index.aspx?NID=3710](http://stpaul.gov/index.aspx?NID=3710)

## **Disbursements**

No funds that will be disbursed through this program may be spent before the program is approved by the City Council. Selected organizations will have one year to spend all funds from the date of contract execution.

Projects that do not require construction may request up to 80% of the funds awarded be disbursed to the Selected organization up front once compliance or reporting requirements are met. Programs that include sub-granting to a business or organization must list the projects they are funding on "Subgrant Attachment A". Prior to receiving any funds, sub-grantees will be required to submit a current Affirmative Action Plan and ID Sheet showing VOP goals are met.

Construction projects exceeding \$25,000 in total project cost will not be eligible for disbursement until required reporting on wages is approved.

In order to receive the last 20% of funds, Selected organizations must provide proof of payment or disbursement of funds as it relates to their original disbursement request. The type of proof of payment is dependent upon on the funded activity and may include:

- Receipts
- Invoices indicating a contractor has been paid in full
- Copies of checks paid out using Commercial Corridor Program dollars

A pre-contracting meeting will be held with the Selected organization and City staff to provide all relevant details about disbursements depending on the size and scope of the program.

## **Reporting**

All Selected organizations will meet with City staff on a quarterly basis to report on program progress. Selected organizations are required to submit the check-in reporting form prior to the check-in with designated City staff.



**Commercial Corridor Fund using 2026 Index Score  
with Downtown Corridor Included**

<b>Corridor</b>	<b>QCT</b>	<b>ACP</b>	<b>Index Total</b>	<b>Index Score and QCT, Downtown included</b>
Selby (east end)	N	Y	<b>40</b>	\$70,500.00
Snelling and Grand	N	N	<b>27</b>	\$70,500.00
Snelling, Ford, Cleveland	N	N	<b>41</b>	\$70,500.00
Como and Dale	Y	Y	<b>12</b>	\$79,500.00
Rice Street	Y	Y	<b>42</b>	\$79,500.00
Snelling and Selby	Y	N	<b>38</b>	\$79,500.00
Suburban Avenue and Old Hudson Road	Y	N	<b>19</b>	\$79,500.00
West Seventh Street (West End)	Y	N	<b>20</b>	\$79,500.00
White Bear Avenue	Y	Y	<b>41</b>	\$79,500.00
Grand (east end)	N	N	<b>72</b>	\$81,500.00
Arcade and Seventh	Y	Y	<b>57</b>	\$90,000.00
Downtown	Y	N		\$90,000.00
Payne and Seventh	Y	Y	<b>49</b>	\$90,000.00
University (East End)	Y	Y	<b>73</b>	\$90,000.00
University and Snelling	Y	Y	<b>79</b>	\$90,000.00
West Seventh Street (East End)	Y	N	<b>56</b>	\$90,000.00
West Side	Y	Y	<b>74</b>	\$90,000.00



**Commercial Corridor Fund using 2026 Index Score with  
Downtown Corridor Removed  
(Impact: Additional \$5,625/corridor)**

<b>Corridor</b>	<b>QCT</b>	<b>ACP</b>	<b>Index Total</b>	<b>Index Score and QCT without Downtown</b>
Selby (east end)	N	Y	<b>40</b>	\$76,125.00
Snelling and Grand	N	N	<b>27</b>	\$76,125.00
Snelling, Ford, Cleveland	N	N	<b>41</b>	\$76,125.00
Como and Dale	Y	Y	<b>12</b>	\$85,125.00
Rice Street	Y	Y	<b>42</b>	\$85,125.00
Snelling and Selby	Y	N	<b>38</b>	\$85,125.00
Suburban Avenue and Old Hudson Road	Y	N	<b>19</b>	\$85,125.00
West Seventh Street (West End)	Y	N	<b>20</b>	\$85,125.00
White Bear Avenue	Y	Y	<b>41</b>	\$85,125.00
Grand (east end)	N	N	<b>72</b>	\$87,125.00
Arcade and Seventh	Y	Y	<b>57</b>	\$95,625.00
Downtown	Y	N		Removed
Payne and Seventh	Y	Y	<b>49</b>	\$95,625.00
University (East End)	Y	Y	<b>73</b>	\$95,625.00
University and Snelling	Y	Y	<b>79</b>	\$95,625.00
West Seventh Street (East End)	Y	N	<b>56</b>	\$95,625.00
West Side	Y	Y	<b>74</b>	\$95,625.00
Smith	Y	Y		Removed



**Commercial Corridor Fund using 2025 Scoring Method  
 (Removal of Smith results in an additional \$4,354/corridor)**

Corridor	QCT	ACP	2025 Funding
Selby (east end)	N	Y	\$85,882.31
Snelling and Grand	N	N	\$78,382.31
Snelling, Ford, Cleveland	N	N	\$78,382.31
Como and Dale	Y	Y	\$85,882.31
Rice Street	Y	Y	\$85,882.31
Snelling and Selby	Y	N	\$78,382.31
Suburban Avenue and Old Hudson Road	Y	N	\$78,382.31
West Seventh Street (West End)	Y	N	\$78,382.31
White Bear Avenue	Y	Y	\$85,882.31
Grand (east end)	N	N	\$78,382.31
Arcade and Seventh	Y	Y	\$85,882.31
Downtown	Y	N	\$78,382.31
Payne and Seventh	Y	Y	\$85,882.31
University (East End)	Y	Y	\$85,882.31
University and Snelling	Y	Y	\$85,882.31
West Seventh Street (East End)	Y	N	\$78,382.31
West Side	Y	Y	\$85,882.31



**Commercial Corridor Fund using 2026 Index Score  
Only Funding ACP Corridors  
(Impact: Additional \$71,222.22/corridor)**

Corridor	QCT	ACP	Index Total	Only Funding for ACP corridors
Selby (east end)	N	Y	<b>40</b>	\$141,722.22
Snelling and Grand	N	N	<b>27</b>	Removed
Snelling, Ford, Cleveland	N	N	<b>41</b>	Removed
Como and Dale	Y	Y	<b>12</b>	\$150,722.22
Rice Street	Y	Y	<b>42</b>	\$150,722.22
Snelling and Selby	Y	N	<b>38</b>	Removed
Suburban Avenue and Old Hudson Road	Y	N	<b>19</b>	Removed
West Seventh Street (West End)	Y	N	<b>20</b>	Removed
White Bear Avenue	Y	Y	<b>41</b>	\$150,722.22
Grand (east end)	N	N	<b>72</b>	Removed
Arcade and Seventh	Y	Y	<b>57</b>	\$161,222.22
Downtown	Y	N		Removed
Payne and Seventh	Y	Y	<b>49</b>	\$161,222.22
University (East End)	Y	Y	<b>73</b>	\$161,222.22
University and Snelling	Y	Y	<b>79</b>	\$161,222.22
West Seventh Street (East End)	Y	N	<b>56</b>	Removed
West Side	Y	Y	<b>74</b>	\$161,222.22



**Commercial Corridor Fund using 2026 Index Score Only Funding  
ACP Corridors and OCT Corridors  
(Impact: Additional \$24,038.46/corridor)**

<b>Corridor</b>	<b>QCT</b>	<b>ACP</b>	<b>Index Total</b>	<b>Only Funding ACP or QCT Corridors</b>
Selby (east end)	N	Y	<b>40</b>	\$94,538.46
Snelling and Grand	N	N	<b>27</b>	Removed
Snelling, Ford, Cleveland	N	N	<b>41</b>	Removed
Como and Dale	Y	Y	<b>12</b>	\$103,538.46
Rice Street	Y	Y	<b>42</b>	\$103,538.46
Snelling and Selby	Y	N	<b>38</b>	\$103,538.46
Suburban Avenue and Old Hudson Road	Y	N	<b>19</b>	\$103,538.46
West Seventh Street (West End)	Y	N	<b>20</b>	\$103,538.46
White Bear Avenue	Y	Y	<b>41</b>	\$103,538.46
Grand (east end)	N	N	<b>72</b>	Removed
Arcade and Seventh	Y	Y	<b>57</b>	\$114,038.46
Downtown	Y	N		Removed
Payne and Seventh	Y	Y	<b>49</b>	\$114,038.46
University (East End)	Y	Y	<b>73</b>	\$114,038.46
University and Snelling	Y	Y	<b>79</b>	\$114,038.46
West Seventh Street (East End)	Y	N	<b>56</b>	\$114,038.46
West Side	Y	Y	<b>74</b>	\$114,038.46



# City of Saint Paul

City Hall and Court House  
15 West Kellogg  
Boulevard  
Phone: 651-266-8560

## Master

**File Number: RES 26-407**

**File ID:** RES 26-407

**Type:** Resolution

**Status:** Agenda Ready

**Version:** 1

**Contact Number:** 266-6627

**In Control:** Housing & Redevelopment Authority

**File Created:** 03/03/2026

**File Name:** DPA Guidelines Amendment

**Final Action:**

**Title:** Resolution Amending the Downpayment Assistance (DPA) Program Guidelines, Citywide

**Notes:**

**Sponsors:** Johnson

**Enactment Date:**

**Attachments:** Board Report, Guidelines

**Financials Included?:**

**Contact Name:** Rachel Finazzo Doll

**Hearing Date:**

**Entered by:** kelly.bauer@ci.stpaul.mn.us

**Ord Effective Date:**

### History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:

### Text of Legislative File RES 26-407

Resolution Amending the Downpayment Assistance (DPA) Program Guidelines, Citywide

**HOUSING AND REDEVELOPMENT AUTHORITY  
OF THE CITY OF SAINT PAUL, MINNESOTA**

**REPORT TO THE COMMISSIONERS**

**DATE: MARCH 11, 2026**

**REGARDING: APPROVAL OF AMENDED GUIDELINES FOR THE DOWNPAYMENT ASSISTANCE PROGRAM**

**Requested Board Action**

Approval of the amended Saint Paul Housing and Redevelopment Authority (“HRA”) Downpayment Assistance Program Guidelines.

**Background**

The Downpayment Assistance (“DPA”) Program Guidelines were amended in 2023 with the creation of the Inheritance Fund. In 2024, DPA Guidelines were further amended to expand the Inheritance Fund and included additional updates to support housing affordability and wealth building for low- to moderate-income households. Since June 2025, the DPA Program has helped 49 households purchase a home in Saint Paul. A total of 6 Inheritance Fund borrowers received DPA funds in the same time frame.

At this time, staff recommend amendments to the DPA Program Guidelines to change the amount awarded to Citywide DPA participants based on income of the borrower:

- 60% AMI and under receive up to \$40,000;
- 61-80% AMI receive up to \$20,000

**Budget Action**

None.

**Future Action**

Staff will continue to convene regarding expanding eligibility for the Inheritance Fund DPA.

**Compliance**

- Limited English Proficiency (LEP) applies.
- There are no additional compliance requirements that apply to the DPA program.

**Public Purpose/Comprehensive Plan Conformance**

The guidelines meet objectives of the Housing Plan, adopted as part of the City’s 2030 Comprehensive Plan, Section 6.0, Strategy 2: Preserve and Promote Established Neighborhoods and Strategy 3: Ensure Availability of Affordable Housing.

**Recommendation:**

Staff recommends approval of the recommended amendments to the Downpayment Assistance Program Guidelines.

**Sponsored by:** Chair Cheniqua Johnson

**Staff:** Rachel Finazzo Doll, 651-266-6627

**Attachments:**

- Downpayment Assistance Program Guidelines 2024 – Proposed Changes



# **SAINT PAUL MINNESOTA**

**Housing and Redevelopment Authority  
of the City of Saint Paul, Minnesota (HRA)**

## **Downpayment Assistance Program Guidelines**

***Revised February 2026***



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## Program Administrator

Housing and Redevelopment Authority (“HRA”) of the City of Saint Paul, Minnesota.

## Program Overview

The Downpayment Assistance Program (the “Program”):

- Deepens and expands homeownership opportunities to people with lower incomes
- Acts as a wealth building tool
- Addresses the homeownership gap in Saint Paul
- Mitigates displacement pressures
- Mitigates some of the wealth lost to descendants of property owners who lost property to the construction of I-94 or the Riverview Industrial Park
- The Program provides residents access to necessary resources to assist with achieving homeownership in today’s increasingly pressured market.

Program funds can be used for downpayment assistance, closing costs, and home inspections. All amounts used for downpayment assistance and closing costs are offered as a loan at a 15-year deferred term at 0% interest and secured by a subordinate mortgage. Each year of the term the loan is forgiven at an amortized rate of 1/15th of the amount of the loan. Upon resale, refinance, or loan maturity, the balance of the loan is due, with exceptions when there are no net proceeds, as defined in the “Repayment Terms” section of the Guidelines.

The maximum loan amount is \$110,000. Individual loan amounts will be determined based on which layers of assistance the applicant is eligible for and how much funding is available. Specific program layers are described in Attachment A. Unless prohibited by funding requirements, HRA funds may be layered with other downpayment assistance program funds.

Funds used for property inspections are offered as a grant. See the “Reimbursement for Home Inspections” section of these Guidelines for additional information.

The Program is operated in accordance with these Guidelines and all other relevant policies and procedures of the City of Saint Paul and the HRA.

## Sources of Funds and Availability

Program funds will be provided from HRA funds and other sources only as available and on a first-come, first-served basis. Additional and more restrictive requirements of the funding sources or underlying first mortgage lender may apply.

## Coordination with Other Downpayment Assistance

The Loan Specialist will determine need based on its review of application buyer’s first-mortgage lender and make referrals to other program providers as appropriate.

## Property Eligibility

### *Location*



The home purchased must be located within the City of Saint Paul. If the applicant is requesting Inheritance Fund assistance, they are eligible for additional funds if they purchase within the historic boundaries of the Rondo neighborhood if a descendant of I-94 displacement, or within the boundaries of the West Side if a descendant of displacement from the Riverview Industrial Park (also known as the “West Side Flats”). See Attachment A for more information and a map of historic Rondo and the West Side Flats.

### ***Property Type***

Property must be a residential one-to-two-unit occupancy which complies with zoning and code requirements. Individual condominium units, townhome units, and cooperative housing units are eligible and considered a one-unit occupancy.

Special requirement for two-unit (duplex) properties: At least one unit must be owner occupied. Under section 40.04 of the St. Paul Legislative Code, buyers of two-unit (duplex) properties applying for their first fire certificate occupancy are required to complete Landlord 101 training through the City of Saint Paul.

### ***Purchase Price Limits***

There is no purchase price limit.

## **Homebuyer Eligibility**

### ***Owner Occupancy***

Homebuyer must owner occupy and homestead the property as their principal residence for the duration of the term of the HRA mortgage.

### ***Pre-Purchase Counseling and Education***

The HRA strongly recommends all buyers consult with a pre-purchase homeownership or financial counseling or coaching session before executing a purchase agreement. Visit the website [www.hocmn.org](http://www.hocmn.org) or call 651-659-9336 to locate a provider.

Also, prior to purchase, first-time homebuyers must complete homebuyer education through HomeStretch™ or Framework®, or provide a first-time homebuyer’s certificate from a HUD approved counseling agency. For more information on HomeStretch and Framework, contact the Minnesota Homeownership Center at 651-659-9336 or visit [www.hocmn.org](http://www.hocmn.org)

### ***Household Income***

Household Income limits vary depending on the layers of downpayment assistance for which the applicant is eligible. Income limits for each layer of assistance are provided in Attachment A.

The income of the following persons must be verified and included when calculating Household Income:

- Anyone who will have title to the subject property and signs the mortgage deed.
- Anyone expected to reside in the subject property and who will be obligated to repay one or more underlying mortgage loans (i.e., signs a promissory note for debt secured against



the property) but who is not in title to the subject property.

- The legal spouse of the mortgagor who will also reside in the subject property.

### ***Asset Limit***

The sum of the cash value of all Assets of all Residents of the household cannot exceed \$25,000, after closing unless they receive any funding from the Inheritance Fund layers, in which case there is no asset limit. Assets shall include the following:

- Cash on hand or in checking accounts;
- Cash in savings accounts, including accounts held in trust;
- The cash value of securities or U.S. Savings Bonds;
- The net proceeds of any real estate interests other than the property to be improved  
Included in this determination is any land in which any Resident of the household holds title and is selling on contract- for- deed. The value of a contract-for-deed property shall be determined using 100% of the outstanding principal balance on the contract.
- All other personal property, exclusive of household furnishings, clothing, and one automobile per licensed driver. This includes, but is not limited to:
  - farm equipment,
  - golf carts,
  - boats,
  - snowmobiles,
  - motorcycles,
  - business machinery,
  - business inventory,
  - farm stock, and
  - additional vehicles.

Assets exclude retirement accounts, life insurance, and college savings accounts.

### ***No Limit on use of Gift Funds***

There is no limit on the use of gift funds.

### ***Housing to Income Ratio***

The household housing to income ratio is the ratio at the time of initial occupancy of the household's monthly housing expenses associated with the financed principal residence (first and subordinate mortgage principal and interest, property taxes, homeowners' and mortgage insurance, and association dues) to its gross monthly household income.

The HRA may impose maximum housing ratios such as the standard maximum housing ratios for Conventional, FHA, VA, etc.

### ***Minimum Borrower Contribution***

Borrowers who are not eligible for the Inheritance Fund must contribute a minimum of \$1,000.00 of their own cash funds, which may include earnest money and lender prepaid costs. This must come from the buyer's own funds and may not be a gift, grant, loan, or sweat-equity contribution.



Homebuyers who are eligible for and receive any funding from the Inheritance Fund layers have no minimum contribution.

### ***Cash Back at Closing***

The buyer may receive cash back at closing from Program funds only when the cash back is a refund of the buyer's own investment, as allowed under the terms of the first-mortgage loan.

### ***Other Permitted Financing***

Permitted sources of purchase money are cash and mortgage loans from "institutional lenders," such as federally or state insured banks and credit unions, and mortgage loans from nonprofit entities such as Habitat for Humanity. The following are not permitted:

- Loans with sub-prime rates and/or sub-prime closing costs.
- Loans with negative amortization.
- First-position mortgage loans with terms shorter than 30 years.
- Contracts for deed.
- Contracts for title.
- Lease-to-own agreements.

### ***Escrow of Property Taxes and Property Insurance Required***

Buyer must pay property taxes and insurance through monthly escrow paid in conjunction with a permitted mortgage.

### ***First Time Home Buyer Status Not Required***

Homebuyer may have previously owned a home for all layers of assistance except the First-Generation layer. If homebuyer is requesting the First-Generation layer of assistance they must not have previously owned a home AND their parents must not have previously owned a home, unless the homeowner's parents' most recently owned home was lost to foreclosure.

### ***Reimbursement for Home Inspections***

The HRA strongly encourages and recommends that buyers have the property inspected by a professional home inspector. Eligible prospective buyers are encouraged to join the inspector during the inspection to more fully understand the condition of the property.

The HRA will reimburse eligible buyers or prospective buyers for up to 80% of the costs of inspection on as many as three homes, provided that (1) the total HRA reimbursement for all inspections does not exceed \$500.00, (2) the buyer and seller have agreed to the sale and the home purchase is contingent on inspection or was contingent at the time of the inspection, and (3) the inspector in each case is a member of the American Society of Home Inspectors (ASHI) or the International Association of Certified Home Inspectors (InterNACHI). This reimbursement is in addition to financial assistance provided for downpayment and closing costs and is excluded from the Loan Amount.

Funds used for property inspections will be offered as a grant and will not be subject to the loan terms below in Loan Product Description.



## **Application Process**

### **Contact the HRA**

Applicants will be required to submit a lender pre-approval letter and income documentation at the time of application. Complete applications will be assisted on a first come, first served basis as staff capacity and available funding allow.

If the applicant is requesting Inheritance Fund assistance, they must verify direct descendancy through the Rondo Community Land Trust (RCLT) for Rondo descendants, and West Side Community Organization (WSCO) for descendants of the West Side Flats; or any other third party organization engaged in a contractual services agreement with the HRA or City of Saint Paul to provide this service. Submitting an application to verify descendancy to Rondo CLT or WSCO does not obligate the applicant to purchase a home through Rondo CLT or WSCO. Inheritance Fund applicants still must follow the regular process with HRA staff as described above. All other program requirements are verified by PED Loan Specialists.

### **Time to Purchase**

Once the buyer's application packet has been approved, the applicant has 90 days to make an offer on an eligible property. If no offers have been made for 90 days, and no offers have been accepted and no closings are scheduled 12 months from the time of application approval, the applicant must resubmit an application during an open application period.

Extensions of 90 days (for a total of 180 days) will be granted to Inheritance Fund applicants who express interest in the Community Wealth option of purchasing a home in their area of descendancy (Rondo or West Side Planning District)

### **Closing**

Applicant or applicant's realtor must contact the HRA following submission of the purchase offer and at least 30 days prior to the closing of the property. Materials required include but are not limited to:

- Copy of executed purchase agreement
- Preliminary Income Calculation Worksheet
- Income documentation in accordance with standard mortgage underwriting guidelines

### **Conditions**

Prior to closing, the applicant's lender must submit to the HRA:

- Qualifying income documentation, Buyer Disclosure and preliminary 1003 application to show loan funds and NO cash back to buyer unless consistent with the Cash Back at Closing section of these guidelines.
- Homebuyer education certificate from an approved counseling agency for all homebuyers, dated within 12 months of closing.
- Copy of title commitment
- Copy of appraisal
- Date of closing, name and contact information of closer (Lender's closer or title company)



closer).

- A minimum of 3 business days prior to closing, lender must provide a copy of the final buyer closing disclosure for HRA approval, and title company wire instructions.
- The HRA must be listed as an additional insured party on the borrower's homeowner's insurance binder and HRA must receive copies of final 1003 loan application, executed final buyer closing disclosure, copies of first mortgage note, mortgage deed, additional assistance documents (if any) and any other documents required by the HRA.

## **Loan Product Description**

### ***Maximum Combined Loan Amount***

Up to \$110,000.00, in one or two separate loans. Details can be found in Attachment A.

### ***Interest Rate***

0%

### ***Term***

Loans made with HRA funds will be for a 15-year term, with 1/15 of the principal forgiven annually as long as the Borrower continues to reside in the home as their primary residence. See "Repayment Terms" section for loans made with HRA Funds, below. Any new sources of funds may reflect different term requirements.

### ***Eligible Use of Funds***

Funds will be used for downpayment and closing costs. Funds can be layered with other downpayment assistance programs, subject to those program and funding source requirements.

### ***Loan Security***

Loans made with HRA funds will be evidenced by a non-recourse promissory note and secured in the name of the HRA by a mortgage filed against the property. Loans made with Minnesota Housing Impact Fund dollars will be evidenced by a promissory note endorsed to Minnesota Housing and secured by a mortgage filed against the property and assigned to Minnesota Housing.

### ***Fees***

The HRA does not charge the buyer for origination, application or processing. Recording fees will be paid as part of the closing.

### ***Servicing, Subordination and Payoff***

Loans made with HRA funds will be serviced by the HRA in accordance with all relevant policies and procedures of the City of Saint Paul and the HRA.

At the time of closing, loans made with HRA funds will be in the most senior lien position allowable and may be in a subordinate lien position to other mortgages.

After closing, loans made with HRA funds will be subordinated only according to the HRA's Subordination Process in effect at the time of the refinance. No cash out refinances are the only type



of refinance allowed. Loans made with funds other than HRA funds are subject to polices of the underlying funding source.

Before repaying a loan made with HRA funds, buyers must receive refinance counseling from a HUD- approved counseling agency or a member of the Minnesota Homeownership Center's Homeownership Advisors Network.

### **Repayment Terms for Loans Made with HRA Funds**

At the time of repayment, net proceeds will be calculated as follows:

Sales price  
First mortgage principal due  
Closing costs  
Other secured financing due, provided it is in a senior lien position or financed the homebuyer's purchase of the unit  
= Net proceeds

If net proceeds are greater than or equal to the HRA funded downpayment assistance loan balance at the time of repayment, the loan will be due in full. If net proceeds are positive, but less than the HRA funded downpayment assistance loan balance at the time of repayment, then net proceeds will be paid to the HRA and the remainder of the HRA funded downpayment assistance loan will be forgiven. If net proceeds are negative, and amount to a loss, the HRA funded downpayment assistance loan will be forgiven in full.

### **Hardship/Emergency**

An Applicant or Borrower may request a waiver from these Guidelines due to financial hardship or emergency. The request shall be submitted to the PED – Housing Director for consideration. Any requests for waivers shall be denied or granted at the sole discretion of the Executive Director of the HRA.

### **Program Subject to Alteration, Suspension and Discontinuation**

The HRA reserves the right to alter these Guidelines and to suspend or discontinue its Downpayment Assistance Program at any time.

Income limits for all layers of funding will be updated annually to reflect HUD income limits. These updates do not require HRA Board Action. Other changes to the terms of these Guidelines that may be changed administratively and without HRA Board approval include:

- Procedural changes that update, improve or streamline the application process
- Procedural changes that update, improve or streamline the loan servicing process
- Other non-substantive changes that do not increase or decrease award maximums, income limits, loan terms, or other financial policies

Changes to this document that do require HRA Board approval include but are not limited to:

- Changes to total or individual layer award maximums



- Changes to eligibility criteria for the overall program or within individual layers of the program, with the exception of updating HUD income limits.

### **Notice of Nondiscrimination**

The Housing and Redevelopment Authority of the City of Saint Paul, Minnesota does not discriminate on the basis of race, color, religion, gender, age, national origin, disability, marital status, familial status, sexual orientation or military status in any of its programs, services or activities.

### **Reasonable Accommodation; Assistance for Persons with Limited English Proficiency**

If you need an accommodation to better understand this information or access this program, or want help translating this information, please contact Andrew Coons at

**[andrew.coons@ci.stpaul.mn.us](mailto:andrew.coons@ci.stpaul.mn.us)**.

Si desea recibir asistencia gratuita para traducir esta información, envíe un correo electrónico a **[andrew.coons@ci.stpaul.mn.us](mailto:andrew.coons@ci.stpaul.mn.us)**

Haddii aad dooneyso in lagaa kaalmeeyo turjumidda akhbaartan, email u dir **[andrew.coons@ci.stpaul.mn.us](mailto:andrew.coons@ci.stpaul.mn.us)**

Ceebtoom. Yog koj xav tau kev pab txhais daim ntawv no, email **[andrew.coons@ci.stpaul.mn.us](mailto:andrew.coons@ci.stpaul.mn.us)**



## Attachment A – Program layers and details

### Citywide DPA Income Tiers

Income Limits by AMI	Level of Assistance
61-80% AMI	\$20,000
60% AMI or Lower	\$40,000

First-Generation Homebuyers are eligible for \$10,000 of additional assistance.

### Inheritance Fund Layers

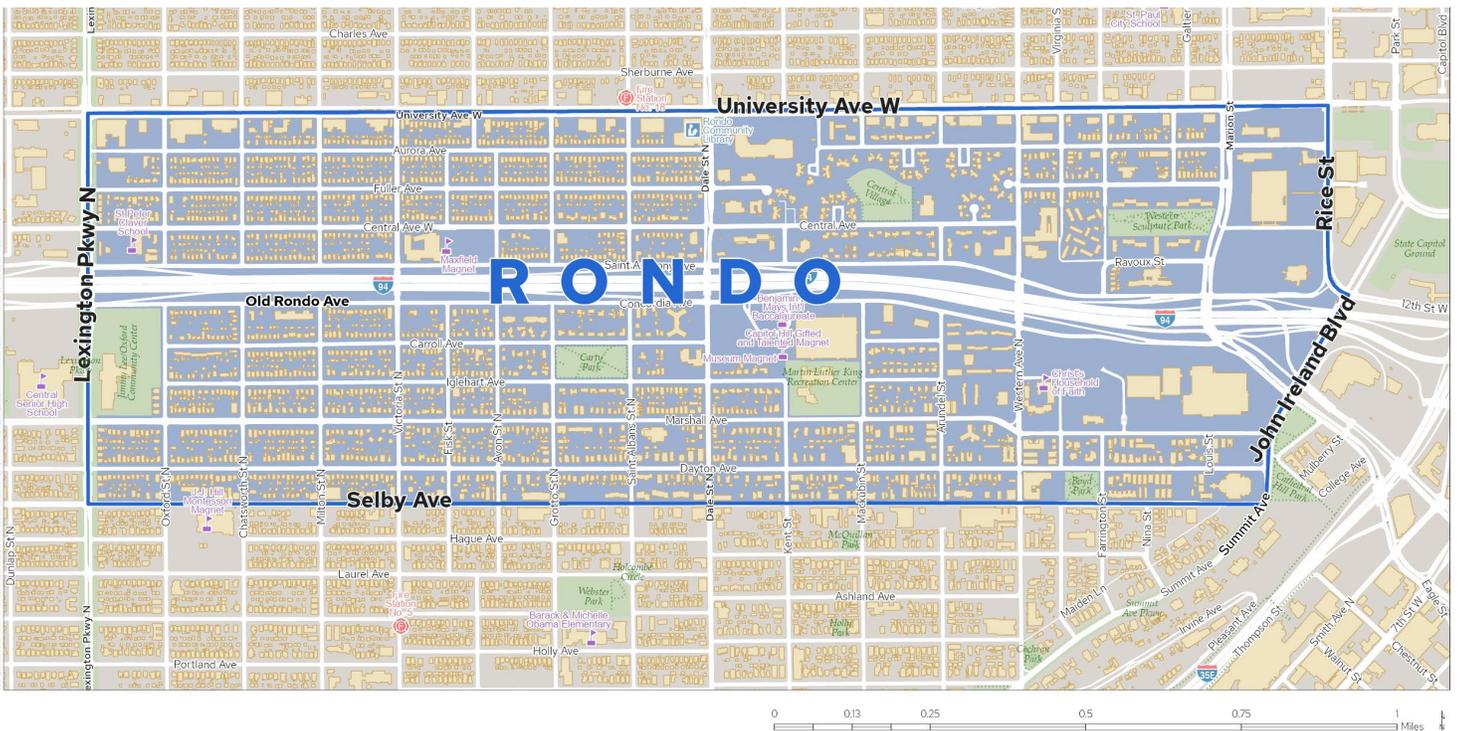
Maximum downpayment assistance available will depend on the applicant’s household income, their status as a direct descendant of a property owner whose property was taken for the construction of I94 or were displaced from the West Side flats area as defined in the “Flats to the Future” report, and whether or not they are a first-generation homebuyer. Layers can be combined. Individual layer or total award maximums are subject to any other award limiting requirements in these guidelines including any Housing to Income Ratio limit.

<i>DPA Layer &amp; Eligibility Requirements</i>	80% AMI or less	100% AMI or less	Never owned home	Family foreclosed or never owned home	Historic Rondo or West Side Flats Descendant	Purchase a home in historic Rondo or West Side Planning District 3	Max Award per Layer
<b>Regular</b>	X						\$40,000
<b>First Generation</b>	X		X	X			+ \$10,000
<b>Inheritance Fund – Generational Wealth</b>		X			X		+ \$50,000
<b>Inheritance Fund – Community Wealth</b>		X			X	X	+ \$10,000
<b>Max Award per Loan</b>							<b>\$110,000</b>



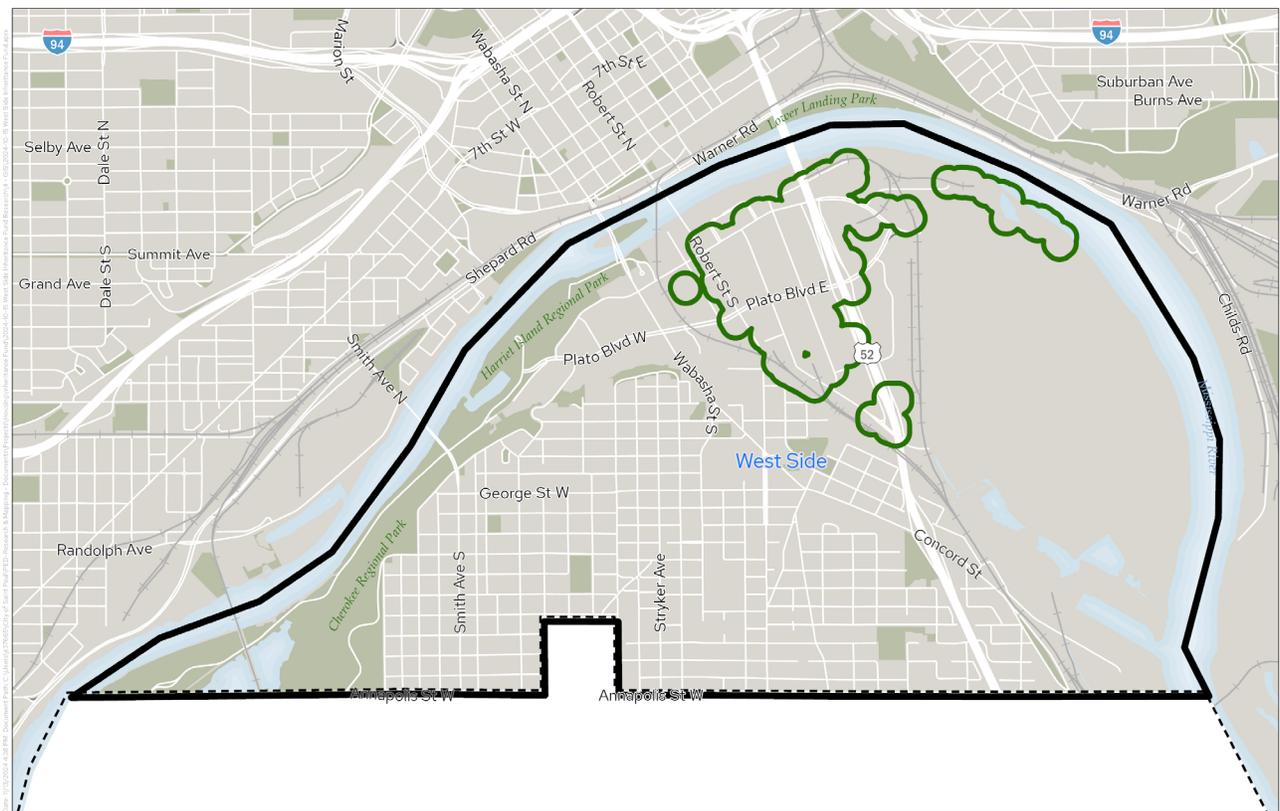
## Inheritance Fund: Community Wealth

Applicants eligible for the Inheritance Fund – Generational Wealth layer may also be eligible for the Inheritance Fund – Community Wealth layer if they purchase their home within the neighborhood associated with their descendency; either the historic boundaries of the Rondo neighborhood or the West Side Planning District (District 3), as shown below and on the following page. Those boundaries are shown in the maps below and; for Historic Rondo are generally bounded by both sides of Selby Avenue to the south, both sides of University Avenue to the north, both sides of Lexington Avenue to the west, and both sides of John Ireland Boulevard/Rice Street to the east. HRA staff will verify Inheritance Fund – Community Wealth eligible addresses.



West Side Planning District’s boundaries (black boundary) are generally the Mississippi River to the north, west, and east; the southern border generally follows the entirety of Annapolis Street W, excepting a roughly two block square at Annapolis Street W, S Charleton Street, and Sidney Street W. Approximate boundaries of the West Side Flats area (as defined in WSCO’s “Flats to the Future” report) are also shown for informational purposes.

### West Side Flats Inheritance Fund



- West Side Flats (Generational Wealth Bonus)
- Planning District 3 (Community Wealth Bonus)



Data: St. Paul Enterprise GIS; Parcel Polygons: current Ramsey County data via Minnesota Geospatial Commons; Road and Building Polygons: 2017 impervious surface dataset; Ramsey County; Water bodies via Minnesota DNR. This document was prepared by the Saint Paul Planning and Economic Development Department and is intended to be used for reference and illustrative purposes only. This drawing is not a legally recorded plan, survey, official tax map or engineering schematic and is not intended to be used as such.





# City of Saint Paul

City Hall and Court House  
15 West Kellogg  
Boulevard  
Phone: 651-266-8560

## Master

**File Number: RES 26-408**

**File ID:** RES 26-408

**Type:** Resolution

**Status:** Agenda Ready

**Version:** 1

**Contact Number:** 266-6627

**In Control:** Housing & Redevelopment Authority

**File Created:** 03/03/2026

**File Name:** ERA 2026 Program Guideline Amendments

**Final Action:**

**Title:** Resolution Amending the Emergency Rental Assistance / Eviction Prevention Program (ERA) Guidelines, Citywide

### Notes:

**Sponsors:** Johnson

**Enactment Date:**

**Attachments:** Board Report, Guidelines

**Financials Included?:**

**Contact Name:** Rachel Finazzo Doll

**Hearing Date:**

**Entered by:** kelly.bauer@ci.stpaul.mn.us

**Ord Effective Date:**

### History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
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### Text of Legislative File RES 26-408

Resolution Amending the Emergency Rental Assistance / Eviction Prevention Program (ERA) Guidelines, Citywide

**HOUSING AND REDEVELOPMENT AUTHORITY  
OF THE CITY OF SAINT PAUL, MINNESOTA**

**REPORT TO THE COMMISSIONERS**

**DATE: MARCH 11, 2026**

**REGARDING: RESOLUTION AMENDING THE CITY OF SAINT PAUL EMERGENCY RENTAL ASSISTANCE / EVICTION PREVENTION PROGRAM (ERA) for 2026 PROGRAM GUIDELINE UPDATES.**

**Requested Board Action**

Approval of an amendment to the Emergency Rental Assistance/Eviction Prevention Program (ERA) Guidelines regarding the maximum assistance amount.

**Background**

To assist income qualified residents facing eviction, the 2026 City of Saint Paul budget included \$1.38 million in Local Affordable Housing Aid (LAHA) funding for the ERA program. An additional \$500,000 in LAHA was allocated by administrative order by Mayor Her in February 2026.

On March 12, 2025, by Resolution 25-430, the Housing and Redevelopment Authority of the City of Saint Paul “the HRA”) approved the guidelines of the ERA program. The guidelines include a key provision that tenants applying for assistance could only receive either \$2,500 or one month’s rent, whichever is less. On July 23, 2025, by Resolution 25-1159 the HRA approved an amendment changing the assistance to include a limit of \$2,500 and removing the cap for one-month's rent.

Analysis of the City’s first opening period showed the average request to be \$2,999, with major delays occurring due to lack of assistance offered and the extensive case management required to work with tenants who needed additional funding. In order to expedite processing, staff proposed:

1. Increasing the funding limit to \$3,500;
2. Ending eligibility for tenants who have received writs for eviction or have attended Housing Court prior to submitting their application.
3. Improving income verification process to include PHA program enrollment and reducing paystub requirement from 60 to 30 days.

**Future Action**

N/A

**Public Purpose/Comprehensive Plan Conformance:**

The program meets objectives of the Housing Plan, adopted as part of the City's Comprehensive Plan, Goal 5: Stable rental housing, by supporting efforts to discourage renter displacement.

**Recommendation:**

Staff recommend approval of the attached amended Emergency Rental Assistance Program/Eviction Prevention Program (ERA) Guidelines to increase staff efficiency in processing ERA applications.

**Sponsored by:** Chair Cheniqua Johnson

**Staff:** Rachel Finazzo Doll (651-266-6627)

**Attachments**

- Emergency Rental Assistance/ Eviction Prevention Program (ERA) Guidelines



**SAINT PAUL  
MINNESOTA**

**Emergency Rental Assistance Program/Eviction Prevention  
Program (ERA) Guidelines  
Updated March 2026**

## Introduction & Purpose

The 2025 & 2026 City of Saint Paul budget allocated funding from Local Affordable Housing Aid (LAHA) for an Emergency Rental Assistance/Eviction Prevention program (“Program”) to be administered by the Housing and Redevelopment Authority. The purpose of the program is to provide funding to individuals and families with a pending eviction due to unforeseen circumstances when other services or funds are unavailable.

## Tenant Eligibility

To qualify for this Program, tenants must meet all of the criteria listed below:

- Be a Saint Paul resident with an active lease for rental property located within Saint Paul. Applications from tenants living outside of the City of Saint Paul will be automatically denied and are not eligible for appeal.
- The need for assistance was created by an unforeseen event that has resulted in an eviction notice.
  - In this program, “eviction notice” means either a 30-day notice of intent to evict (Notice to Quit) OR a summons to housing court.
  - Applications with an eviction summons prior to submitting an application will not be considered.
  - Applications faced with a WRIT of Eviction at any time during the application process will not be considered.
- Meet an income restriction of 80% area median income (AMI) or below adjusted by household size
- The applicant and members of the applicant’s household have not received funding from the Program within the last 12 months

## Documenting applicant is a tenant

To verify the applicant is a tenant, the applicant or landlord may provide their current lease or rent agreement. In cases where there is not a formal lease or rent agreement, such as verbal month-to-month arrangements, the following documentation may be provided:

- Landlord attestation of rent paid.
- Evidence of payments prior to the outstanding period, such as bank statements, Venmo, money order stubs, copies of checks, or other types of payment, demonstrating the landlord (payee) and rent amount.
- A written attestation of the landlord-tenant relationship if no other documentation is available; the written attestation will be reviewed during application processing for reasonableness.
- An oral lease agreement requires landlord attestation and is only permitted if the applicant resides in a building with fewer than 12 units per MN Statute. A demonstrated history of rent payments is required.

Rentals may include:



- Apartment rentals, home rentals, and rent-to-own with a rental agreement.
- Room rentals or arrangements to rent part of a home
- Rentals do not include emergency shelter or domestic violence shelter, places unfit for human habitation, frequently moving to live with other households in housing to which there is no legal claim (“couch-surfing”), and places where Households do not reside in one unit for more than 30 days.

Determining and Documenting Household Income Eligibility

In order to be eligible Program participants, Households must earn 80% of AMI or less in accordance with the [Minneapolis – St. Paul – Bloomington, MN – WI HUD Metro Fair Market Rent Area](#) as determined by the U.S. Department of Housing and Urban Development for 2025, or any subsequent applicable years.

The following income for all members of the household **is included** in the income calculation:

- The full amount of earned income before payroll deductions of any wages and salaries, overtime pay, commissions, fees, tips, bonuses, and other compensation for personal services.
- The full amount of any payments, interest, dividends and capital gains received from Social Security, annuities, insurance policies, retirement funds, investments, pensions, disability or death benefits, and other similar types of payments.
- Any payments in lieu of earnings such as unemployment compensation, including Pandemic Emergency Unemployment Compensation (PEUC), disability compensation, worker’s compensation, and severance pay.
- Any public assistance payments such as cash assistance of Social Security.
- Any periodic and determinable allowances such as alimony, child support, and foster care payments.
- Any net income from the operation of a business or profession, including direct payments for services or self-employment.

FY 2025 Income Limits for Minneapolis-St. Paul-Bloomington (source: [FY 2025 Income Limits Documentation System -- Summary for Minneapolis-St. Paul-Bloomington, MN-WI HUD Metro FMR Area](#), Income Limits subject to change based on updated income guidelines from HUD)

# of People in Household	Income Limit (80%AMI) FY2025
1	\$72,950
2	\$83,400
3	\$93,800
4	\$104,200
5	\$112,550
6	\$120,900



7	\$129,250
8	\$137,550

### Determining Household Size

A household is made up of all adults and minors (including unborn children) in their care living together under one lease or rent agreement at the time of application or re-application.

Individuals living in the same unit but who have separate rental agreements with the same landlord may be considered separate households for the purposes of the application. All adults in the applicant household must provide their name, birthdate, and income information.

If income documentation, such as 1040 tax returns or other benefit eligibility documentation, includes income of adults who are no longer part of the Household and that income would put the applicant Household over the income limits if included, the applicant should provide either: documentation for the individual showing a different residence, such as a utility bill, divorce decree, pay stub or a benefit eligibility letter; or, a written attestation from a current Household member as to which former member(s) of the household is/are no longer part of the Household.

### Maximum eligibility amount

Each household may receive up to a maximum of \$3,500 for the purpose of preventing eviction. Eligible expenses may include the amount of late rent causing an eviction, late fees incurred from the corresponding unpaid rent and/or cost of the eviction action, so long as it remains under the \$3,500 limit and appears on the lease, rent ledger, or court orders.

### Application Process

An eligible tenant or someone working on behalf of an eligible tenant will submit a complete application online through [link]; application may also be submitted in-person or via email. The following materials are required for application:

1. Application form
2. Evidence documenting household is a tenant
3. Evidence of pending eviction or a late rent notice
4. Verification of income; the following documents are acceptable in order of priority.

**Only documents from one category are required:**

- a. Category 1: Categorical Proof (proof of enrollment in any qualified program)
  - i. SNAP
  - ii. WIC
  - iii. Energy Assistance
  - iv. CCAP
  - v. FAIM

- vi. Headstart
- vii. General Assistance
- viii. Minnesota Care
- ix. Medical Assistance for adults over 18
- x. EA/FHPAP within last 90 days
- xi. Proof of enrollment with a PHA program (HCV/RAD)
- xii. Other program enrollment, like MFIP, may be considered on a case-by-case basis
- b. Category 2: 2024 Tax return
  - i. Full Form 1040 filed and signed for all non-dependents above the age of 18
  - ii. If the head of household is a dependent on another tax return, use category 3 or 4
- c. Category 3: Proof of income (must provide documents for all income sources)
  - i. Paystubs showing 30 days of earnings
  - ii. Social security award letter
  - iii. Documentation of child support, alimony, or foster care payments
  - iv. Certification of zero income (on website)
  - v. If offered employment in the last 30 days, a job offer letter that includes income level and anticipated hours
- d. Category 4: Self-employment (must provide all documents)
  - i. 1040 Return for Business including Schedule C
  - ii. Documentation of gross receipts and/or Profit & Loss Statement
- 5. Sworn affidavit from the applicant stating:
  - a. Information provided is true and correct.
  - b. An unforeseen circumstance has led to the household being unable to pay rent resulting in an eviction notice.
  - c. The household is not receiving funding from another source for the same purpose.
- 6. Authorization to release information signed by the applicant to allow staff to work with the landlord and report limited information to Minnesota Housing
- 7. Tennesen Warning signed by the applicant

Other documents to be provided by the landlord (processing the application may be delayed if not timely submitted)

- 1. Sworn affidavit from the landlord
  - a.
  - b. Agreeing that they will pause further eviction proceedings upon payment
  - c. Verifying the tenant relationship
- 2. Completed PaymentWorks registration and the documentation that system requires.

Upon receipt of a complete application, an approval or denial decision will be made and, if an application is approved, payment will be sent directly to the landlord.

### Preventing Duplicate Assistance

No rental assistance provided to an eligible household through the Program may be duplicative of any other publicly funded emergency rental assistance provided to the same household. Accordingly, applicants must attest in writing they are not applying for or receiving benefits from any other source of emergency assistance to pay for the same late rent they have applied for through the application.

### Appeal Policy

If an applicant is denied assistance, the PED Director/HRA Executive Director or designee will send a written denial letter to the applicant listing the reason(s) for denial via email or US Mail if no email is available. The applicant may appeal the decision by contacting City/HRA staff and requesting an appeal of the decision, either in writing or orally, within 10 days of the date of the denial letter. After receiving a request for an appeal, a staff person other than the initial reviewer will be assigned to review the materials submitted by the applicant to determine if the applicant is eligible for assistance. If, on review, the applicant is deemed eligible, assistance will be based on the time and date of the original application submission. If the applicant is again deemed ineligible, a written letter of the final appeal decision will be sent via email or US Mail to the applicant with the reason(s) for upholding the denial. An applicant who has received a denial may reapply after 30 days if documented circumstances to achieve eligibility occur, e.g., change of income.

If an applicant is successful in their appeal, receipt of assistance will depend on availability of funds. A successful appeal decision does not guarantee receipt of assistance.

Applications submitted by tenants living outside of the City of Saint Paul will be automatically denied and are not eligible for appeal.

### Language Access and Reasonable Accommodation Policy

All application and marketing, electronic interface and print materials will be translated into English, Spanish, Somali and Hmong, and in some cases, Karen and Oromo. Intake and navigation services are also available in these languages. Applicants needing additional language assistance can request accommodations by contacting City /HRA staff.

### Data and Reporting

- Data Privacy and Security - The City will comply with the Minnesota Government Data Practices Act, Minn. Stat. § 13.01, *et. seq.*
- Recordkeeping - To meet the reporting requirements from the State Department of Revenue, the following elements related to an application must be collected:
  - Address of the rental unit
  - Name, address, Social Security number, tax identification number or DUNS number, as applicable, for landlord
  - Total amount of each type of assistance provided to each Household

- Amount of outstanding rental arrears for each Household
- Household income and number of individuals in the Household

In addition, the City will collect information from applicants to demonstrate their eligibility for the Program, including the name, income, and other documentation provided by the Household.

### Reporting

The City will submit to reporting requirements from the Department of Revenue as required, as well as standardized public reporting.

### Fair Housing Policy

It is the policy of the City of Saint Paul to affirmatively further fair housing in all programs so that individuals of similar income levels have equal access to City programs regardless of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, familial status, gender identity or sexual orientation.

The City's fair housing policies incorporate the requirements of the Fair Housing Act, Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendment Act of 1988, as well as the Minnesota Human Rights Act. Housing providers are expected to comply with the applicable statutes, regulations, and related policy guidance. Housing providers should ensure that admissions, occupancy, marketing and operating procedures comply with non-discrimination requirements.

In part, the Fair Housing Act and the Minnesota Human Rights Act make it unlawful, because of protected class status, to:

- Discriminate in the selection/acceptance of applicants in the rental of housing units;
- Discriminate in terms, conditions or privileges of the rental of a dwelling unit or services or facilities;
- Engage in any conduct relating to the provision of housing that otherwise makes unavailable or denies the rental of a dwelling unit;
- Make, print or publish (or cause to make, print or publish) notices, statements or advertisements that indicate preferences or limitations based on protected class status;
- Represent a dwelling is not available when it is in fact available;
- Deny access to, or membership or participation in, associations or other services organizations or facilities relating to the business of renting a dwelling or discriminate in the terms or conditions of membership or participation; or
- Engage in harassment or quid pro quo negotiations related to the rental of a dwelling unit.

### Fraud, Misuse of Funds, Conflict of Interest, Suspension, and Disclosure and Reporting

#### Fraud

Fraud is any intentionally deceptive action made for personal gain or damage to another.



Any person or entity (including its employees or affiliates) that enters into an agreement with the City and witnesses, discovers evidence of, receives a report from another source, or has other reasonable basis to suspect that fraud or embezzlement has occurred must immediately make a report to the City.

#### Misuse of Funds

A loan or grant agreement is a legal contract between the City and the grantee. The grantee promises to use the funds to engage in certain activities or procure certain goods or services while the City agrees to provide funds to the grantee to pay for those activities, goods or services. Regardless of the funding source, the grantee must use the funds as agreed, and the grantee must maintain appropriate documentation to prove that funds were used for the intended purpose(s).

A misuse of funds shall be deemed to have occurred when: (1) City funds are not used as agreed by a grantee; or (2) a grantee cannot provide adequate documentation to establish that the City funds were used in accordance with the terms and conditions of the agreement.

Any grantee (including its employees and affiliates) of City funds that discovers evidence, receives a report from another source, or has other reasonable basis to suspect that a misuse of funds has occurred must immediately make a report to the City.

#### Conflict of Interest

A conflict of interest, actual, potential, or perceived, occurs when a person has an actual or apparent duty or loyalty to more than one organization and the competing duties or loyalties may result in actions which are adverse to one or both parties. A potential or perceived conflict of interest exists even if no unethical, improper or illegal act results from it.

An individual conflict of interest is any situation in which one's judgement, actions or non-action could be interpreted to be influenced by something that would benefit them directly or through indirect gain to a friend relative, acquaintance or business or organization with which they are involved.

Organizational conflicts of interest occur when:

- A contracting party is unable or potentially unable to render impartial assistance or advice to the City of Saint Paul due to competing duties or loyalties
- A contracting party's objective in carrying out the award is or might be otherwise impaired due to competing duties or loyalties
- A contracting party has an unfair competitive advantage through being furnished unauthorized proprietary information or source selection information that is not available to all competitors.

Once made aware of a conflict of interest, the City of Saint Paul will make a determination before disbursing any further funds or processing an award. Determinations could include:

- Revising the contracting party's responsibilities to mitigate the conflict
- Allowing the contracting party to create firewalls that mitigate the conflict
- Asking the contracting party to submit an organizational conflict of interest mitigation plan
- Terminating the contracting party's participation

Any person or entity (including its employees and affiliates) that enters into an agreement with the Jurisdictions must avoid and immediately disclose to the City any and all actual, perceived or potential conflicts of interest.

A contracting party should review its contract agreement and Solicitation of Interest (SOI) material, if applicable for further requirements.

#### Suspension

By entering into any agreement with the City, a contracting party represents that the contracting party (including its employees or affiliates that will have direct control over the subject of the agreement) has not been suspended from doing business with the City of Saint Paul.





# City of Saint Paul

City Hall and Court House  
15 West Kellogg  
Boulevard  
Phone: 651-266-8560

## Master

**File Number: RES 26-409**

**File ID:** RES 26-409

**Type:** Resolution

**Status:** Agenda Ready

**Version:** 1

**Contact Number:** 266-6595

**In Control:** Housing & Redevelopment Authority

**File Created:** 03/03/2026

**File Name:** Establishing DVF and Update to the BAF Guidelines

**Final Action:**

**Title:** Resolution Approving Updated Guidelines for the HRA Business Assistance Fund

### Notes:

**Sponsors:** Noecker

**Enactment Date:**

**Attachments:** Board Report, Guidelines DTV Included

**Financials Included?:**

**Contact Name:** Daniela Lorenz

**Hearing Date:**

**Entered by:** kelly.bauer@ci.stpaul.mn.us

**Ord Effective Date:**

### History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
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### Text of Legislative File RES 26-409

Resolution Approving Updated Guidelines for the HRA Business Assistance Fund

**HOUSING AND REDEVELOPMENT AUTHORITY  
OF THE CITY OF SAINT PAUL, MINNESOTA**

**REPORT TO THE COMMISSIONERS**

**DATE: MARCH 11, 2026**

**REGARDING: RESOLUTION APPROVING UPDATED GUIDELINES FOR THE  
HRA BUSINESS ASSISTANCE FUND**

**Requested Board Action**

Approval of the resolution establishing updated guidelines for the existing HRA Business Assistance Fund including guidelines for the Downtown Vitality Fund

**Background**

As part of its 2026 adopted budget, the Housing and Redevelopment Authority (HRA) of the City of Saint Paul HRA allocated funding to the Downtown Vitality Fund (DTV Fund). The goal of the DTV Fund is to provide strategic investments to projects that enhance vibrancy and vitality in the City's downtown core. In order to most effectively administer DTV Fund, staff is recommending the HRA update the existing Business Assistance Fund (BAF) guidelines to incorporate DTV Fund guidelines and make additional guidelines updates with the goal of best meeting the needs of businesses throughout the City of Saint Paul.

In 2022, the HRA approved its Business Assistance Fund program to provide low-cost financing to small businesses for eligible projects in the City of Saint Paul. Since 2022, the HRA has approved 13 BAF loans to small businesses in the City for a total of \$551,800.00 HRA investments which leveraged more than \$10,000,000 in outside or private investment. The funds have primarily been used to assist with capital improvement projects including building out of business space and providing working capital to eligible businesses.

Since the establishment of the BAF program, business financing and resource needs have shifted, and staff have received feedback from businesses and lenders that BAF is a useful tool that could be updated to better meet the need of businesses and entrepreneurs.

The updated guidelines include the following changes:

- Addition of the Downtown Vitality Fund guidelines to be administered as part of the overall Business Assistance Fund program
- Adjust the equity requirement from least 10% to at least 5% of equity in a project to receive funding
- Removal of the requirement to be denied financing by an outside funder

- Removal of the cap for projects to receive less than 50% of funding from City sources
- Allowing for non-profits to access the dollars when they are completing an eligible project
- Addition eligible uses including allowing for smaller, forgivable loans that would allow businesses/organizations seeking an equity injection to access outside financing

**Existing Guidelines:**

Currently, BAF operates as a gap financing program which provides “last in dollars” to eligible projects. Applicants to the program need to demonstrate they have exhausted all available funding sources before BAF dollars can be considered for their projects. Additionally, the current guidelines require 50% or more of the project provide funding from a non-public funding source and that each project contribute at least 10% equity to the project. Approved projects receive low interest amortizing loans with an 8-year term at 3% interest. The HRA has approved projects with varying terms and rates on a case by case basis depending on the goals of the project.

Eligible uses for BAF dollars include:

- Building improvements
- Equipment purchase
- Building acquisition
- Working capital and inventory purchase
- Professional fees in conjunction with the completion of the project

**Updated Guidelines:**

Staff still recommend projects leverage as much non-public funding as possible including contributing personal equity to a project. However, these requirements can be difficult for smaller projects or newer business owners who might not have access to capital or equity. Further, only providing dollars to a project once they have exhausted all outside resources, and/or have been denied by an outside funder, means the HRA is being asked to fund projects that are at risk of non-repayments and removes the ability for a project to leverage HRA dollars to access additional funding.

The proposed changes to the BAF guidelines aim to make the program more suitable to a wider range of business needs and assist businesses in leveraging HRA dollars to access more private dollars.

## Updated Financing Terms

Staff is recommending updating the financing terms for BAF to allow for more flexibility in financing structure with terms tailored to best meet the needs of the project and fortify business or organizational success, including the option to defer payments on a case by case basis Financing from the Business Assistance Fund when combined with any other City or HRA dollars including, but not limited to STAR and/or CDBG, is targeted to be less than 50% of the total project costs. The following financing terms would apply:

**TIER 1:** Forgivable loans up to \$20,000 for Businesses with annual revenues under \$500,000, and total project costs under \$50,000:

- up to \$10,000 is available as a 1:1 match with Community Development Financial Institution (CDFI) funding,
- 0% interest,
- forgiveness over a 4-year term (25% per year of operation),
- may be repayable if business ceases operation or relocates outside of Saint Paul.

**TIER 2:** Amortizing loans generally sized between \$20,000-\$150,000 for larger businesses locating or expanding in the City of Saint Paul standard terms apply:

- project financing must include no less than 5% owner equity.
- standard terms are 3% interest rate and a 8-year term
- security includes a promissory note and personal guaranty, and a subordinated mortgage (as applicable) and security agreement.

Staff is recommending the HRA update BAF guidelines in the following ways:

<b>Original Guideline</b>	<b>Proposed Revised Guideline</b>	<b>Rationale</b>
Borrower must show evidence that they cannot access additional funding	Remove requirement	This requirement slows projects down and does not allow the possibility for HRA dollars to be leveraged to access additional dollars from outside funders
City/HRA funds cannot be more than 50% of total project cost	Remove requirement. Keep a recommendation that projects utilize as much outside funding as possible to finance the project	This requirement adds an unnecessary barrier and often means the HRA receive projects that are over-leveraged which could increase the possibility a loan

		is not paid back
Eligible users “new and existing for-profits”	Allow non-profits as an eligible user	Nonprofits with eligible projects are job creators in the City of Saint Paul which fits the public purpose of these dollars
Project financing: must include no less than 10% owner equity	Update to: projects are encouraged to provide at least 5% owner equity if they are more than \$20,000  Remove the equity requirement for projects under \$20,000	10% owner equity is a barrier accessing capital, 5% lessens the barrier while still encouraging a personal investment from an interested applicant
	Include Downtown Vitality Fund requirements—more details below.	The funds are similar and this allows HRA staff to identify which funding source best fits projects based on project scope and geography

Staff is not recommending changes to the current BAF eligible uses. The allowed eligible uses include:

- Building improvements
- Equipment purchase
- Building acquisition
- Working capital and inventory purchase
- Professional fees in conjunction with the completion of the project

**Downtown Vitality Fund**

In late 2025, the Housing Redevelopment Authority approved new funding for the Downtown Vitality Fund (DTV Fund) as part of the broader Business Assistance Fund. DTV Fund is only available to businesses, non-profits, and development entities who are either currently located in downtown Saint Paul or are planning on locating to or funding a project located in downtown Saint Paul.

Eligible uses include:

- Building capital improvements – street level interior and/or exterior permanently affixed, physical enhancements which visible enhance the downtown experience.
- Equipment purchases with 5 or more years of useful life to update and/or expand business operations.
- Public realm improvements that are maintained by the private property owner and/or adjacent businesses, such as lighting, outdoor seating, or public art.

Staff is recommending the following financing structure:

Projects under \$100,000:

- Funding will be a grant that is distributed as a reimbursement as the project incurs eligible costs.
- All projects will submit a program report and have a monitoring visit from PED staff within one year of project completion.
- 5% of the total grant will be held in retainage by the City until the project is complete and demonstrates that all grant funded costs have been fully paid.

Projects over \$100,000:

- Funding will be a deferred forgivable loan with a four-year term that is forgiven annually if the borrower:
- Provides an annual report by year end of each year for the life of the loan.
- Maintains operations in downtown Saint Paul or has a space that is actively being leased to a business operating downtown Saint Paul for the term of the loan.
- A mortgage or other collateral placed on the subject property for the life of the loan.

Public Purpose Evaluation – In addition to considering viability and need, all approved projects will be evaluated on how they meet the following public purposes:

- Create new Jobs in Saint Paul, and/or
- Benefit the Community in at least ONE of the following ways:
  - Positive tax base impacts through capital investments to real property.
  - Renovation of vacant building/multi-tenanted space.
  - Investments in low-moderate income areas.
  - Investments to meet documented underserved or unserved community need.

**Budget Action – N/A**

**Future Action**

Non-DTV Fund Loan requests greater than or equal to \$50,000 that are recommended by City staff, approved by the Resource Team, and assigned a risk rating by the Credit Committee, will be presented to the HRA Board for approval.

DTV Fund loan requests greater than \$500,000 that are recommended by City staff, approved by Resource Team, and assigned a risk rating by the Credit Committee will be presented to the HRA Board for approval.

**PED Credit Committee Review**

N/A

**Compliance**

Individual projects funded through the HRA Business Assistance Fund will need to be reviewed for compliance requirements on a project-by-project basis.

**Green/Sustainable Development**

The maximum loan size is below the threshold for the City of Saint Paul Sustainability Building Policy. If an exemption is made and a larger loan is approved, individual projects funded through the HRA Business Assistance programs may have to comply with the requirements of the City of Saint Paul Sustainability Building Policy or the PED/HRA Sustainability Initiative.

**Environmental Impact Disclosure – N/A****Historic Preservation – N/A****Public Purpose/Comprehensive Plan Conformance:**

2040 Adopted Comprehensive Plan, Saint Paul for All includes the following strategies that support this resolution:

- LU-6. Foster equitable and sustainable economic growth by:
  - Facilitating business creation, attraction, retention and expansion;
  - Proactively directing new development to high-priority geographies, such as Neighborhood Notes, ACP50 Areas and Opportunity Sites;
  - Encouraging cultural and arts-based businesses and business districts, such as Little Mekong, Little Africa, Rondo and the Creative Enterprise Zone;

- Supporting business, real estate and financial models that keep more money locally, such as locally-owned business, local-prioritized employment, employee-owned businesses and commercial land trusts;
- Developing programs and funding sources for site acquisition and parcel assembly

**Recommendation:**

The Executive Director recommends approval of the resolution updating the HRA Business Assistance Fund guidelines.

Sponsored by: Rebecca Noecker

Staff: Daniela Lorenz, 266-65696

Jimmy Loyd, 266-6639

Attachments:

- Updated Business Assistance Fund Guidelines

# Business Assistance Fund Guidelines

Adopted by the HRA Board on March XX, 2026

The Business Assistance Fund provides financing to new and existing entities, that have a need for capital to improve and/or grow their business or organization. The fund is gap financing – generally, City dollars should not exceed 50% of total project cost and must be used in a way that serves a public purpose, as outlined below.

BAF is available to eligible businesses throughout the City of Saint Paul. Businesses in the Downtown Improvement District (DID) as defined below may qualify to use the Downtown Vitality Fund portion of the overall BAF.

## Eligible Businesses

For-profit and non-profit entities engaged in an eligible activity and/or use located at a physical address or are relocating to a physical address in the City of Saint Paul.

## Eligible Uses

The Business Assistance Fund is limited to the following eligible uses:

1. Building improvements – interior and exterior, including permanently affixed, physical (“bricks and mortar”) enhancements which strengthen and/or improve the neighborhoods of Saint Paul
2. Equipment purchase
3. Building acquisition
4. Working capital and inventory purchase
5. Professional fees in conjunction with the completion of the project

## Public Purpose Evaluation

In addition to considering viability and need, approved projects will be evaluated on how they meet the following public purposes:

1. Project financing creates or retains jobs in Saint Paul<sup>1</sup>, or
2. Project financing benefits the community in at least ONE of the following ways:
  - Positive tax base impacts through capital investments to real property
  - Renovation of vacant commercial building/multi-tenanted space
  - Investments in low-moderate income areas
  - Investments to meet documented underserved or unserved community need.

## Financing Terms

Financing will be structured with terms tailored to best meet the needs of the project and fortify business or organizational success, including the option to defer payments. Financing from the Business Assistance Fund when combined with any other City or HRA dollars including, but not limited to STAR and/or CDBG, is targeted to be less than 50% of the total project costs. The following flexible financing terms would apply:

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<sup>1</sup> Retained job cannot include the business owner(s)

- TIER 1: Forgivable loans up to \$20,000 for Businesses with annual revenues under \$500,000, and total project costs under \$50,000:
  - up to \$10,000 is available as a 1:1 match with Community Development Financial Institution (CDFI) funding,
  - 0% interest,
  - forgiveness over a 4-year term (25% per year of operation),
  - may be repayable if business ceases operation or relocates outside of Saint Paul.
- TIER 2: Amortizing loans generally sized between \$20,000-\$150,000 for larger businesses locating or expanding in the City of Saint Paul standard terms apply:
  - project financing must include no less than 5% owner equity.
  - standard terms are 3% interest rate and a 10-year term
  - security includes a promissory note and personal guaranty, and a subordinated mortgage (as applicable) and security agreement.

### **Required Application Attachments**

In addition to the loan application, the applicant must submit the following documents:

1. Sources and Uses for proposed project
2. Financial projections
3. New or substantially expanding entities must submit a business, or organizational growth plan.
4. Existing entities must submit business or organizational financial statements.
5. Personal financial statements

### **Process**

The Business Assistance Fund is intended to support as many Saint Paul entities as possible.

1. Applications will be reviewed by PED staff for consideration.
2. Requests of \$25,000 or more will need to be approved by the HRA board.
3. Current HRA funds available for forgivable business loans is \$200,000.

### **Apply**

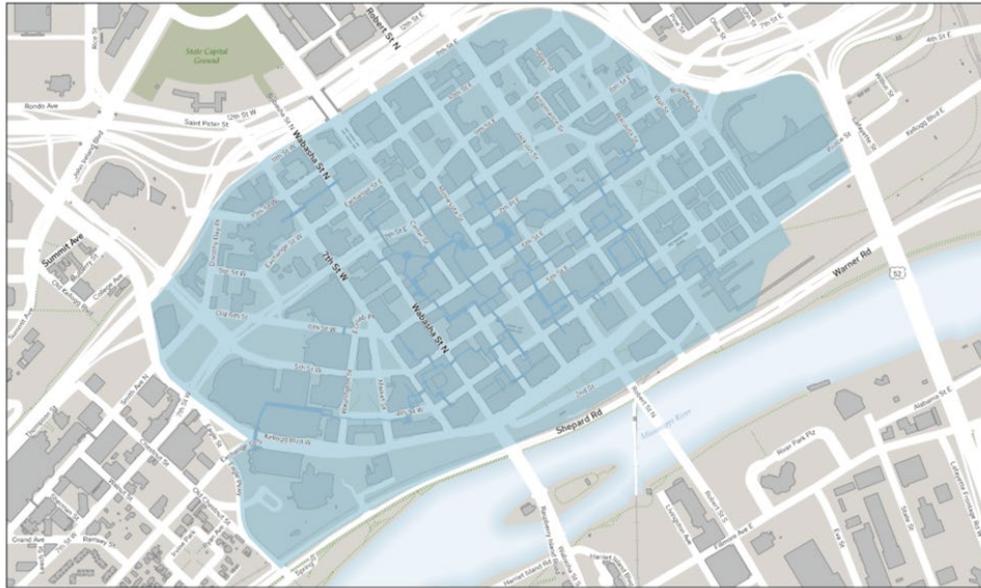
Interested applicants should submit a business intake form and a Project Manager will follow-up to schedule a meeting to learn more about the project and request for assistance. Email the completed form and any questions to xxx@ci.stpaul.mn.us.

### **Downtown Vitality Fund**

As part of the Business Assistance Fund, the City of Saint Paul HRA established a Downtown Vitality Fund to address the unique needs of businesses and organizations in downtown Saint Paul. The Downtown Vitality Fund generally follows the same guidelines as BAF within the geographic boundary of Downtown Saint Paul.

### **Eligible Geographies**

Business must be located in the City of Saint Paul. Businesses that qualify for the Downtown Vitality Fund must be located within the Downtown Improvement District (DID) as defined by the Downtown Alliance and depicted below:



**Eligible Uses/Activities:**

The Downtown Vitality Fund can be used for:

- Building capital improvements – street level interior and/or exterior permanently affixed, physical enhancements which visible enhance the downtown experience.
- Equipment purchases with 5 or more years of useful life to update and/or expand business operations.
- Public realm improvements that are maintained by the private property owner and/or adjacent businesses, such as lighting, outdoor seating, or public art.

NOTE—working capital and non-capital expenses are NOT an eligible use of the Downtown Vitality Fund. If you are in need of working capital support, please reach out to Economic Development Team staff to discuss your organizational needs.

**Financing Structure:**

- Projects under \$100,000:
  - Funding will be a grant that is distributed as a reimbursement as the project incurs eligible costs.
  - All projects will submit a program report and have a monitoring visit from PED staff within one year of project completion.
  - 5% of the total grant will be held in retainage by the City until the project is complete and demonstrates that all grant funded costs have been fully paid.
- Projects over \$100,000:
  - Funding will be a deferred forgivable loan with a four-year term that is forgiven annually if the borrower:
  - Provides an annual report by year end of each year for the life of the loan.
  - Maintains operations in downtown Saint Paul or has a space that is actively being leased to a business operating downtown Saint Paul for the term of the loan.
  - A mortgage or other collateral placed on the subject property for the life of the loan.

Any projects receiving over \$500,000 must be approved by the HRA Board.

## **APPLICANTS**

Interest forms for Housing can be found [here](#), and interest forms for Economic Development can be found [here](#).

Interested parties can submit their interest form to [xxxx@ci.stpaul.mn.us](mailto:xxxx@ci.stpaul.mn.us)

All projects must follow compliance requirements, established HRA and City Council approval processes, and applicable reviews.

Applicants can learn more about compliance [here](#).



# City of Saint Paul

City Hall and Court House  
15 West Kellogg  
Boulevard  
Phone: 651-266-8560

## Master

**File Number: SR 26-38**

**File ID:** SR 26-38

**Type:** Staff Report

**Status:** Agenda Ready

**Version:** 1

**Contact Number:** 266-8715

**In Control:** Housing & Redevelopment Authority

**File Created:** 03/03/2026

**File Name:** Familiar Families Pilot Update

**Final Action:**

<p><b>Title:</b> Update on Familiar Families Pilot</p>
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**Notes:**

**Sponsors:** Johnson

**Enactment Date:**

**Attachments:**

**Financials Included?:**

**Contact Name:** Cedrick Baker

**Hearing Date:**

**Entered by:** kelly.bauer@ci.stpaul.mn.us

**Ord Effective Date:**

### History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:

### Text of Legislative File SR 26-38

Update on Familiar Families Pilot



# City of Saint Paul

City Hall and Court House  
15 West Kellogg  
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Phone: 651-266-8560

## Master

**File Number: SR 26-39**

**File ID:** SR 26-39

**Type:** Staff Report

**Status:** Agenda Ready

**Version:** 1

**Contact Number:** 266-8719

**In Control:** Housing & Redevelopment Authority

**File Created:** 03/03/2026

**File Name:** Update on LAHA Funding

**Final Action:**

**Title:**

Update on LAHA Funding for Emergency Shelter Providers

**Notes:**

**Sponsors:** Johnson

**Enactment Date:**

**Attachments:**

**Financials Included?:**

**Contact Name:** Sam Juneau

**Hearing Date:**

**Entered by:** kelly.bauer@ci.stpaul.mn.us

**Ord Effective Date:**

### History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
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### Text of Legislative File SR 26-39

Update on LAHA Funding for Emergency Shelter Providers