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

REPORT TO THE COMMISSIONERS **DATE: SEPTEMBER 23, 2026**

REGARDING: RESOLUTION AUTHORIZING THE CONVEYANCE OF PROPERTY TO DAYTON'S BLUFF NEIGHBORHOOD HOUSING SERVICES AND AUTHORIZATION TO AMEND THE DEVELOPMENT AGREEMENT FOR THE VILLAGE ON RIVOLI PROJECT, DISTRICT 5, WARD 2

Requested Board Actions

1. Approval of the sale and conveyance of HRA-owned property intended for redevelopment as Phase V of the Village on Rivoli Project, to Dayton's Bluff Neighborhood Housing Services (DBNHS).
2. Authorization to amend the development agreement with DBNHS in order to carry out the development of Phase V.

Background

In June of 2004, the HRA entered into a development agreement for the redevelopment of several properties in the Railroad Island neighborhood (RRI), which included parcels in the planned Village on Rivoli area. DBNHS has been working with the City, the HRA, the Minnesota Housing Finance Agency (MHFA), HUD, the Pollution Control Agency, District 5 and the RRI Task Force to fund cleanup, redevelopment, and planning efforts in RRI for over 20 years. Although site cleanup and grading was completed at the site, the redevelopment phase of the Village on Rivoli site was never completed due to the economic downturn in the mid to late 2000s.. DBNHS worked for several years to secure funding for infrastructure and construction to resume the project. The project began in the spring of 2016 after DBNHS acquired seven parcels from the HRA.

On April 27, 2016, by Resolution 16-133, the HRA approved the sale and conveyance of seven lots for the construction of seven single family homes, the signing of an updated development agreement that contemplated the build-out of the Village on Rivoli development plan, and the allocation of subsidies in the amount of $463,442. On September 13, 2017, by Resolution 17-275,

the HRA approved the sale and conveyance of an additional 5 parcels for the construction of five single family homes and the amendment to the development agreement to include the additional parcels. During this time, the City, on behalf of DBNHS, secured a Livable Communities Development Account pass-through grant in the amount of $975,000 for infrastructure construction and, in cooperation with Urban Roots, an orchard was established.

On December 9, 2020, by Resolution 20-279, the HRA approved the sale and conveyance of five lots for the construction of nine single family homes (four lots were previously owned by DBNHS) and an outlot, and the signing of a development agreement that contemplated the build-out of the Village on Rivoli development plan in accordance with the 2016 Board resolution (the "2020 Development Agreement").

The HRA authorized an amendment to the 2020 Development Agreement on October 19, 2022, via Resolution 22-1621 to incorporate additional development parcels (the "First Amendment").

On September 24, 2025, by Resolution 25-215, the HRA approved the sale and conveyance of eight lots for the construction of eight single family homes and approved an amendment to the First Amendment (the "Second Amendment").

To date, twenty-nine single family homes have been constructed and twenty-one have been sold to owner-occupants, street and stormwater infrastructure has been constructed, the land has been platted, and a future bike/pedestrian trail has been graded. The nine development parcels contemplated in this action represent the remaining development parcels in the pocket neighborhood and the final phase of housing construction. The fifth and final phase of development will include the following legally described parcels:

402 Rivoli Drive	Lot 1, Block 3, Rivoli Bluff
406 Rivoli Drive	Lot 2, Block 3, Rivoli Bluff
410 Rivoli Drive	Lot 3, Block 3, Rivoli Bluff
414 Rivoli Drive	Lot 4, Block 3, Rivoli Bluff
403 Rivoli Circle	Lot 1, Block 5, Rivoli Bluff
407 Rivoli Circle	Lot 2, Block 5, Rivoli Bluff

411 Rivoli Circle	Lot 3, Block 5, Rivoli Bluff
415 Rivoli Circle	Lot 4, Block 5, Rivoli Bluff
419 Rivoli Circle	Lot 5, Block 5, Rivoli Bluff

In order to proceed, the HRA will need to convey its interest in the aforementioned nine parcels to DBNHS and enter into a third amendment to the 2020 Development Agreement. Newly constructed homes will be sold to owner occupants; four homes will be sold to households at or below 80% of AMI and five will be sold to households at or below 115% of AMI.

Budget Action

There is no budget action associated with this item.

Future Action

No future Board action is contemplated related to housing development at Village on Rivoli.

Financing Structure

DBNHS secured a grant from Minnesota Housing Finance Agency for this project; the balance of project financing will come from a construction loan, pre-paid site remediation and infrastructure costs, and DBNHS equity.

Sources

DBNHS Construction Loan/Sales Price	$ 2,510,000
Pre-Paid Site Remediation & Infrastructure	$ 785,520
DBNHS Program Funds/Equity	$ 225,000
MHFA Grant	$ 2,228,440
Total	**$ 5,748,960**

Uses

Acquisition Costs	$ 63,000
Site Remediation & Infrastructure	$ 785,520
Construction	$ 3,539,340
Contingency	$ 176,940

Professional Fees/Soft Costs	$ 757,800
Developer Fee	$ 426,360
Total	**$ 5,748,960**

PED Credit Committee Review

Credit Committee review is not a condition of property sales.

Compliance

The project is required to comply with Affirmative Action, Vendor Outreach, HUD Section 3, Sustainable Building Ordinance, Labor Standards, and Two Bid Policy.

Green/Sustainable Development

The project will comply with the Sustainable Building Ordinance.

Environmental Impact Disclosure

The Village on Rivoli site has been through several stages of remediation in cooperation with the Minnesota Pollution Control Agency and the site is suitable for residential development. No further disclosures are required. In addition, the site has undergone the required Environmental Reviews and current plans adhere to any applicable requirements.

Historic Preservation

The project area is vacant land and is not located within a historic district.

Public Purpose/Comprehensive Plan Conformance:

The Village on Rivoli will return vacant, publicly owned property to the tax rolls and increase homeownership options within Railroad Island and the Payne-Phalen neighborhood.

The Housing Chapter of the Comprehensive Plan lists the following strategies:

Strategy 1: Build upon Saint Paul's Strengths in the Evolving Metropolitan Housing Market

1.1 Increase housing choices across the city to support economically diverse neighborhoods.

Strategy 3: Ensure the Availability of Affordable Housing Across the City.

The Railroad Island Plan lists the following goals:

3: Encourage new housing in the community with city grants and revolving funds

4: Preserve the affordability of housing in the area by creating new ownership opportunities for a range of income levels.

Statement of Chair (for Public Hearing)

Being duly authorized by the Board of Commissioners to conduct this Public Hearing, the hearing is now open. This is a Public Hearing called for the purpose of conveyance of certain Parcels of land located in Payne-Phalen, District 5, by the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota.

Notice of time, place, and purpose of this hearing was published in the Saint Paul Pioneer Press on Saturday, August 29, 2026. The Affidavit of Publication of the Notice of Public Hearing will be made part of these proceedings.

The HRA proposes to convey the following property in District 5, Payne-Phalen to Dayton's Bluff Neighborhood Housing Services for $1 each:

Lot 1, Block 3, Rivoli Bluff, according to the recorded plat thereof, Ramsey County, Minnesota (402 Rivoli Drive)
Lot 2, Block 3, Rivoli Bluff, according to the recorded plat thereof, Ramsey County, Minnesota (406 Rivoli Drive)
Lot 3, Block 3, Rivoli Bluff, according to the recorded plat thereof, Ramsey County, Minnesota (410 Rivoli Drive)
Lot 4, Block 3, Rivoli Bluff, according to the recorded plat thereof, Ramsey County, Minnesota (414 Rivoli Drive)
Lot 1, Block 5, Rivoli Bluff, according to the recorded plat thereof, Ramsey County, Minnesota (403 Rivoli Circle)

Lot 2, Block 5, Rivoli Bluff, according to the recorded plat thereof, Ramsey County, Minnesota (407 Rivoli Circle)
Lot 3, Block 5, Rivoli Bluff, according to the recorded plat thereof, Ramsey County, Minnesota (411 Rivoli Circle)
Lot 4, Block 5, Rivoli Bluff, according to the recorded plat thereof, Ramsey County, Minnesota (415 Rivoli Circle)
Lot 5, Block 5, Rivoli Bluff, according to the recorded plat thereof, Ramsey County, Minnesota (419 Rivoli Circle)

All being Registered land as is evidenced by Certificate of Title No. 662437

Recommendation:
The Executive Director of the HRA recommends approval of the actions outlined in this report.

Sponsored by: Commissioner Noecker
Staff: Sarah Zorn (651-266-6570)

Attachments

- **Map**
- **Public Purpose**
- **District 5 Profile**