

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

**REPORT TO THE COMMISSIONERS**

**DATE: April 1, 2026**

**REGARDING: AUTHORIZATION OF CDBG LOAN AGREEMENT BY AND BETWEEN  
THE CITY OF SAINT PAUL AND JRDM INVESTMENTS, LLC for 202  
CESAR CHAVEZ STREET, DISTRICT 3, WARD 2.**

## **Requested Board Action**

Authorization to enter into a Community Development Block Grant (CDBG) Loan Agreement with JRDM Investments, LLC for a project at 202 Cesar Chavez Street.

## **Background**

In fall of 2025, JRDM Investments, LLC (JRDM) acquired the commercial space located at 202 Cesar Chavez Street, on the City's West Side. The property was acquired from the property's appointed receiver that was assigned after the prior business, Papa Legba closed in summer 2025. The business owner, Judy Lopez, plans to utilize the space to operate a new bar concept called, La Oficina. Ms. Lopez also owns and operates La Costa Mexican Bar and Grill (194 Cesar Chavez St.) which is located on the same block as the future La Oficina space. This proximity will allow both establishments to complement one another while serving slightly different audiences.

The requested CDBG funds will be used to reimburse JRDM for costs to acquire the property located at 202 Cesar Chavez Street. To allow CDBG to be used for acquisition, the required Environmental Review for the property was completed on 10/1/2025. After being turned down by Cherokee Bank, the Ms. Lopez purchased 202 Cesar Chavez St. with proceeds from a LEDC loan in the amount of \$250,000 and \$25,000 in equity on November 25, 2025. Approval of the CDBG loan for acquisition will allow the business to utilize LEDC's dollars for other non-CDBG eligible start-up costs such as payroll, inventory, and working capital.

**Budget Action**

This loan will be funded by the Citywide Economic Development Program for economic development projects, adopted in the Capital Improvement Budget for 2024/2025. No further budget action is needed as a result of this action.

**Future Action**

N/A

**Financing Structure**

- Loan Profile & Repayment:
  - (CDBG) Principal: \$70,000
  - Term: 9-year, interest only payments in year one, and 8-years amortizing payments
  - Rate: 3%
  - Job Goals: 3 low- to moderate-income jobs created and maintained for the 5 years starting from the loan execution date.

**PED Credit Committee Review**

PED Credit Committee recommended approval of this loan on February 3, 2026.

**Compliance**

The following compliance requirements will apply to this project: Affirmative Action, Business Subsidy, and Two Bid Policy.

**Green/Sustainable Development**

N/A

**Environmental Impact Disclosure**

N/A

**Historic Preservation**

N/A

**Public Purpose/Comprehensive Plan Conformance:**

This project addresses the following policy goals outlined in the Land Use chapter.

Goal #1. Economic and population growth focused around transit – Policy LU-1, Policy LU-4.

Goal #2. Neighborhood Nodes that support daily needs within walking distance – Policy LU-30,  
Policy LU-31

Goal #7. Quality full-time jobs and livable wages – Policy LU-6,

**Recommendation:**

Approval of the \$70,000 Community Development Block Grant Fund (CDBG) loan with the terms of 9 years, interest only payments in year 1, 8-year amortizing with a 3% interest rate.

**Sponsored by:** Commissioner Noecker

**Staff:** Nick Wolff, 651-266-6645

**Attachments**

- **Map**
- **Sources and Uses**
- **District 3 Neighborhood Profile**