

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

**REPORT TO THE COMMISSIONERS**

**DATE: APRIL 26, 2023**

**REGARDING: DESIGNATION OF RONDO COMMUNITY LAND TRUST (RONDO CLT)  
AS TENTATIVE DEVELOPER FOR CERTAIN HRA-OWNED  
PROPERTIES AT 0 MARSHALL AVENUE AND 1036 MARSHALL  
AVENUE, DISTRICT 8, WARD 1.**

**Requested Board Action**

The purpose of this report is to request the Saint Paul Housing and Redevelopment Authority (“HRA”) Board of Commissioners to approve Rondo Community Land Trust (Rondo CLT) as Tentative Developer for certain HRA-owned parcels located at 0 Marshall Avenue and 1036 Marshall Avenue (the site) for a period of 24 months ending March 31, 2025. Approval of this action grants tentative developer status under the terms and conditions contained in the attached Resolution.

**Background**

The site includes two adjacent parcels, 0 Marshall Avenue (PIN 022823220013) and 1036 Marshall Avenue (PIN 022823220014) used to house a five-unit affordable rental building owned and managed as part of the Families First Project, a partnership between Project for Pride in Living, Inc. (PPL) and Model Cities of St. Paul. In 2007, The Families First Project partners determined that the building was no longer viable for their purposes. The lower-level units had extensive water damage and each of the five units was too small for families. On December 12, 2007, the HRA Through Res 07-12/12-1 approved the forgiveness of the debt of Families First related to their purchase of the site and acquisition of the site. PPL then transferred ownership to

Family Housing Fund which transferred their interest to the HRA in 2009 with a stipulation that the site be redeveloped for affordable housing.

The HRA has used CDBG funds for the demolition of the previous structure on the site and because of this, only a certified Community Based Development Organization (CBDO) can be selected for the redevelopment. Staff has consulted with local community organizations that may be able to obtain the CBDO certification for this project and the recommendation is to approve Rondo Community Land Trust as a tentative developer for this site. In accordance with the HRA policy for the disposition of HRA-owned real estate (adopted by the HRA Board on June 11, 2003), an early notification was issued on February 16, 2023. Interested parties were given 45 days to submit competing proposals. None were received. Staff supports granting Tentative Developer status to the Developer because:

1. The Developer has the experience and qualifications necessary to successfully redevelop the site.
2. The homes that will be developed will be placed into a land trust, thereby assuring their affordability for at least 99 years.
3. The Developer has demonstrated an interest and willingness to seek community input on its proposal.

The proposed Developer, Rondo Community Land Trust (Rondo CLT) is a community based affordable housing and commercial land trust operating in St. Paul and Suburban Ramsey County. Rondo CLT builds community wealth and neighborhood stability through the development and stewardship of perpetually affordable homeownership opportunities, rental housing, commercial space, and other community assets.

### **Budget Action**

PED Staff is seeking a Tentative Developer designation only. There is no budget action at this time.

### **Future Action**

Before the end of the 24-month Tentative Developer Status period, if successful, a full Development Agreement will be drafted for HRA approval. PED staff and the Developer will work closely with key stakeholders, on the continued evolution and refinement of the proposal.

### **Financing Structure**

Due to the conceptual status of the current proposal, no detailed sources and uses of funds have yet been developed. The HRA's policy is to sell property at its appraised fair-market value. Any write-down of this value will be considered a public subsidy.

### **PED Credit Review – N/A**

### **Compliance**

No detailed sources and uses of funds have yet been developed. However, the following compliance requirements may apply based on funding sources:

- Vendor Outreach Program
- Two Bid Policy
- Affirmative Action
- Section 3
- Labor Standards
- Living Wage

A compliance letter, outlining the specific compliance requirements that will apply to the project, will be required before seeking approval of the Development Agreement.

### **Green/Sustainable Development**

The Developer will be directed to incorporate “green” elements into the Proposal and may be required to follow the Saint Paul Green/Sustainable Development Policy.

### **Environmental Impact Disclosure – N/A**

### **Historic Preservation**

The property is vacant land and is not located in a historic district.

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

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.

### **Recommendation**

Staff recommends approval of the attached HRA Board resolution designating Rondo Community Land Trust as Tentative Developer for certain HRA-owned parcels located at 0 Marshall Avenue and 1036 Marshall Avenue in Saint Paul, for a period of 24 months ending April 30, 2025.

**Sponsored by:** Commissioner Balenger

**Staff:** Jules Atangana, 651-266-6660

## **Attachments**

- **Map**
- **D8 Summit University Neighborhood Profile**