

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

REPORT TO THE COMMISSIONERS

DATE: DECEMBER 3, 2026

**REGARDING: AUTHORIZATION TO EXTEND THE DESIGNATION OF RONDO
COMMUNITY LAND TRUST, A MINNESOTA NON-PROFIT
CORPORATION AS TENTATIVE DEVELOPER OF 0 MARSHALL
AND 1036 MARSHALL AVENUE, DISTRICT 8, WARD 1**

Requested Board Action

Staff is requesting that the Board of Commissioners of the Housing and Redevelopment Authority of the City of Saint Paul (“HRA”) approve the extension of the tentative developer designation of Rondo Community Land Trust, a Minnesota non-profit organization (Rondo CLT), for the HRA-owned property located at 0 Marshall Avenue and 1036 Marshall Avenue (the “Property”) until October 31, 2026, in order to finalize financing, construction costs, and approvals needed to redevelop the site.

Background

This site includes two adjacent parcels 0 Marshall Avenue and 1036 Marshall Avenue. Both parcels are currently vacant. The lot once housed 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 decided that their building was no longer viable due to water damage and the unit sizes not being able to accommodate families suitable. Consequently, on December 12, 2007, the HRA (through Res 07-12/12-1) forgave Families First's debt for the site purchase and acquisition. The property ownership subsequently went from PPL to Family Housing Fund, and finally to the HRA in 2009, with the requirement that the site be redeveloped for affordable housing. The HRA used CDBG funds to demolish the

previous structure on the site and because of this, only a certified Community Based Development Organization (CBDO) can be selected for the redevelopment.

In 2023, Rondo CLT obtained CBDO status and was recommended for tentative developer status on this site. An early notification was issued on February 16, 2023, and interested parties were given 45 days to submit competing proposals. None were received and consequently, staff supported granting tentative developer status to Rondo CLT. The HRA board approved the staff recommendation April 26, 2023 (RES-636), and later the tentative developer status was extended for 6 months via an administrative action by the Executive Director of the HRA through October 31, 2025.

The proposed project would include 6 homeownership townhouse units affordable at incomes 80% or below Area Media Income (AMI). Since receiving tentative developer designation, Rondo CLT has made significant progress towards a final development plan, including:

- Engagement with surrounding community groups and key stakeholders
- Applying and securing grant funding, including:
 - Met Council
 - \$75,000 LCDA Predevelopment
 - \$760,169 Affordable Homeownership Grant
 - Ramsey County
 - \$338,397 Affordable Homeownership Grant
 - Minnesota Housing
 - \$1,200,000 Affordability Gap Grant to assist the homebuyers
- Completed a Phase I and Phase II Environmental Review

To complete development, Rondo CLT will need additional time to meet benchmarks that include but are not limited to: finalize a detailed development budget, complete a site plan review through the Department of Safety and Inspections, apply for and receive necessary permit and zoning approvals, negotiate final terms and conditions of a development agreement, and submit evidence of availability of construction financing.

Budget Action

N/A

Future Action

Future possible actions by the HRA Board would include approval of a Development Agreement, approval of public financing, and holding a public hearing to sell the HRA owned parcels 1036 Marshall and 0 Marshall to Rondo CLT.

Financing Structure

The estimated total development cost for the project is \$6,082,502. The proposed capital stack is anticipated to include construction financing, homebuyer 1st mortgages, down payment assistance, public financing, and grants. Rondo CLT has submitted a plan to HRA staff that shows the project will finalize their financial structure within the extension period.

PED Credit Review

PED Credit Committee will review this project prior to any HRA Board action for financial assistance from the HRA.

Compliance

The following compliance requirements may apply to this project: Vendor Outreach Program, Affirmative Action, Davis Bacon Labor Standards, Affirmative Fair Housing Plan, Two-Bid Policy, Project Labor Agreement, Living Wage Ordinance, Sustainability Ordinance, and Business Subsidy.

Green/Sustainable Development

As applicable, this project will comply with the Saint Paul Sustainable Building Ordinance.

Environmental Impact Disclosure

N/A

Historic Preservation

N/A

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

The Executive Director recommends approval of the resolution extending the designation of Rondo CLT as tentative developer for the 1036 Marshall Avenue and 0 Marshall Avenue to October 31, 2026.

Sponsored by: Commissioner Bowie

Staff: Angela Riffe, 651-266-8524

Attachments

- **Map**
- **District 8 Profile**