



Red Wing Housing and Redevelopment Authority Equal Opportunity Housing/Equal Opportunity Employment

Our Mission

To provide quality, affordable, sustainable housing and community redevelopment programs utilizing resources that develop public and private partnerships.

Statement of Intent

We gather today in this room as one people to discuss and attend to the matters of Red Wing. Together, as a government body and as community members, we agree to treat everyone with courtesy, dignity, and respect. We will listen to all sides of an issue, encourage participation, support each other, act with honor and accountability, and inspire pride in our community. This we commit as we open this meeting.

Meeting Announcement and Agenda Housing & Redevelopment Authority Board Workshop City Council Chambers, 315 West 4th Street, Red Wing, MN & Virtually Thursday, September 3, 2026, at 1:00 PM

s meeting will be held in the City Hall Council Chambers and virtually via Webex at the same time. Members of the public can join this meeting either in person at City Hall or virtually. Join the meeting via Webex. To join via telephone, please dial (415) 655-0001. Enter access code 2555 596 3341 and password 2026 when prompted.

- 1. Call to Order**
- 2. Pledge of Allegiance**
- 3. Roll Call**
- 4. Approval of Agenda**
- 5. Consider Response to Port Authority RFP for Jefferson School Site**
 - 5.A. Three Rivers Community Action Staff Presentation
 - 5.B. Discussion
- 6. Adjourn**

Accommodations for signing interpreter, Braille, large print, etc. can be made. Call City Hall at 385.3600 seven days prior to the need. Hearing assistance devices are available during meetings.

MEMO

Historic Jefferson School Redevelopment Partnership

TO: Red Wing Housing and Redevelopment Authority Board of Commissioners
FROM: Robert Harris III, Housing Development Officer
Laura Helle, Director of Housing and Homeownership
DATE: August 17, 2026
SUBJECT: Proposed partnership to respond to the Historic Jefferson School RFP

Background

Red Wing's 2025 Housing Study documented demand for over 1,000 units of affordable housing in the community by 2035. The Jefferson School is a former public school that is currently owned by Independent School District No. 256. The District's need for the property has ended and the district is motivated to relinquish ownership to avoid maintenance costs. The site was rezoned for multifamily residential use on June 22, 2026.

Three Rivers Community Action (Three Rivers) is a non-profit affordable housing developer with 30 years of experience building and remodeling housing in Greater Minnesota, having completed 46 projects totaling 1,074 units and capital investments of over \$182 million.

Three Rivers built Eagle Ridge in Red Wing in 2005. Three Rivers also owns five other affordable properties in Goodhue County. The organization serves Goodhue County with Head Start, Hiawathaland transportation, Energy Assistance (EAP), Weatherization, Housing Advocacy for people experiencing homelessness, and Older Adult services including Meals on Wheels.

This memo outlines a proposed partnership between the Red Wing Housing and Redevelopment Authority (HRA) and Three Rivers to prepare and submit a response to the Red Wing Port Authority's Request for Proposals (RFP) for redevelopment of the Historic Jefferson School. The shared objective is to preserve and adaptively reuse the historic property while creating a financially sustainable, mixed-unit affordable housing community.

Working Development Concept

The preliminary concept targets approximately **48 total housing units** across the site, subject to architectural analysis, historic-preservation requirements, land-use approvals, and financing feasibility.

- **Historic main building:** Preserve and rehabilitate the existing school for approximately 15–16 apartments, with a mix of one- and two-bedroom units.
- **Addition or new construction:** Develop the remaining units through an addition to the school or a separate building elsewhere on the site. The preferred configuration will be determined after an architect evaluates the building and site and may be influenced by available sources of capital. Architecture of any addition or new construction will be complimentary to the school's architecture.
- **Gymnasium reuse:** Retain the historic gymnasium and convert it into a multipurpose indoor playground and flexible community space.
- **Public park access:** Include an outdoor park on the site that will provide public access and satisfy the RFP's park requirement. The design, access, maintenance, and long-term stewardship of the outdoor park will be coordinated with the City as the site plan advances.

Proposed Division of Responsibilities for RFP Response

The parties' anticipated roles are summarized below.

Workstream	Red Wing HRA	Three Rivers Community Action
RFP response	Provide available property information, local coordination, and supporting materials reasonably needed for the response.	Coordinate due diligence and development planning needed to support the RFP response and anticipated transfer. Lead and draft the response to the Historic Jefferson School RFP and coordinate the proposed development concept. Three Rivers agrees to pay \$5,000 in earnest money.
Commitments to project, if selected	Agrees to pay the \$10,000 in earnest money, acquire, and hold the property. Agrees to conduct the required competitive process for project-based vouchers and, subject to applicable requirements and approvals, commit up to 20 vouchers to the project	Agrees to acquire the property at the time of financial closing. Agrees to manage and finance construction. Agrees to own and operate the property as affordable housing for the terms of the financing package, typically 50 years.

Proposed Division of Responsibilities if Selected to Develop

The parties' anticipated roles are summarized below.

Workstream	Red Wing HRA	Three Rivers Community Action
Property acquisition and interim ownership	Acquire and hold the property; maintain building systems in good working order at the property's current level of preservation during HRA ownership.	
Development financing	Provide reasonable local support and documentation for funding applications, as appropriate and subject to Board approval.	Lead applications for federal and/or state Historic Tax Credits and Low-Income Housing Tax Credits (LIHTC), along with other funding needed to complete the project.
Architectural and site planning	Participate as a local public partner and review the evolving concept.	Engage and manage the architect and other development consultants; confirm rehabilitation scope, unit mix, addition/new-building configuration, and gymnasium reuse.
Public-space coordination	Assist with City coordination regarding the outdoor park and participate in continued discussions about the potential indoor-playground concept.	Incorporate the outdoor park into the site plan and continue exploring the indoor-playground concept with the City, including potential programming, access, operations, maintenance, and security.
Project-based vouchers	Conduct the required competitive process for project-based vouchers and, subject to applicable requirements and approvals, commit up to 20 vouchers to the project.	Prepare and submit the project-based voucher proposal and incorporate awarded vouchers into the project's operating and financing plans.
Transfer to developer	Sell the property to Three Rivers at a price and on terms to be determined and approved by both parties.	Acquire the property following award, satisfaction of contingencies, and approval of the purchase terms.
Construction		Manage construction financing and coordination.

Estimated Development Timeline

The following schedule is preliminary and will be refined after Port Authority selection, architectural review, and confirmation of applicable funding calendars. The current financing plan assumes submission of the LIHTC application in July 2027.

Estimated Timing	Major Activities and Milestones
RFP response period	Confirm the partnership framework, assemble the development team and available due-diligence materials, and submit the Historic Jefferson School RFP response.
Fall 2026	Subject to Port Authority selection, begin detailed due diligence; negotiate the property-transfer and partnership framework; and engage the architect, preservation consultant, and other development professionals.
Late 2026–Spring 2027	Advance schematic design, historic-preservation review, unit planning, cost estimating, environmental review, the indoor-playground/public-access concept, and the preliminary financing and operating plans. Coordinate the HRA’s project-based voucher process.
July 2027	Submit the LIHTC application. Advance Historic Tax Credit submissions and related funding applications as required by the project’s final financing strategy.
December 2027	LIHTC board selection meeting and anticipated funding decision, subject to the administering agency’s final schedule and approval process.
Q1/Q2 2029	Target financial closing. At closing, Three Rivers will acquire the property from the HRA and complete the project’s financing, legal documentation, and other closing requirements.
Following financial closing	Begin rehabilitation and new construction. The construction duration and anticipated occupancy date will be established after architectural and contractor review of the final scope.

Key Conditions

The schedule and final development program remain contingent on Port Authority selection; architectural, environmental, and historic-preservation review; competitive tax-credit and voucher awards; and subsequent approval of the property transfer, financing commitments, and development agreements by the appropriate governing bodies.

Requested Board Direction

We request the Board’s direction to continue developing the partnership and jointly pursue the Historic Jefferson School RFP under the framework described in this memo. Any binding property transfer, voucher award, financial commitment, or development agreement will return to the appropriate governing bodies for review and approval.