



AGENDA

**Economic Development Authority
Monday, December 9, 2024
(following the Council Meeting at 6 p.m.)
IGC/Atrium - Mankato Room**

1. **Call Meeting to Order**
2. **Approval of Agenda**
3. **Approval of Minutes**
 - A. Economic Development Authority Meeting of November 12, 2024
4. **Economic Development Authority Business**
 - A. Public Hearing approving the 2025 Public Housing Capital Fund Budget.
 - B. Resolution approving 2025 Public Housing and Housing Choice Voucher Operating Budgets.
 - C. Motion approving Community Development Block Grant (CDBG) support to Community Land Trust.
5. **Reports/EDA Comments**
6. **Adjournment**

Economic Development Authority

3. A.

Meeting Date: 12/09/2024

Title: Minutes

Submitted By: Renae Kopischke, City Clerk

Agenda Item:

Economic Development Authority Meeting of November 12, 2024

Attachments

Minutes



MINUTES

Mankato Economic Development Authority Regular Meeting November 12, 2024 - 6 p.m. IGC - Mankato Room

1. Call Meeting to Order

Members Present: Jenn Melby-Kelley, Jessica Hatanpa, Kevin Mettler, Dennis Dieken, Michael McLaughlin, and Mayor Najwa Massad.

Members Excused: Mike Laven.

Staff Present: Executive Director Susan Arntz, Community Development Director Mark Konz, Associate Director of Housing and Economic Development Nancy Bokelmann, and City Clerk Renae Kopischke.

2. Approval of Agenda

Ms. Hatanpa moved and Ms. Melby-Kelley seconded a motion to approve the agenda as written. The motion carried unanimously.

3. Approval of Minutes

Ms. Hatanpa moved and Ms. Melby-Kelley seconded a motion to approve the Economic Development Authority minutes of the Regular Meeting of October 15, 2024, as written. The motion carried unanimously.

4. Economic Development Authority Business

- A. Ms. Bokelmann reported that Minnesota Housing, in partnership with the Minnesota Department of Human Services, is accepting applications for the Bridges and Bridges Regional Treatment Center (RTC) Rental Assistance Programs Request for Proposals (RFP). She indicated that the programs provide rental assistance for people with very low incomes and mental illness who are waiting for a housing choice voucher (HCV) or another permanent housing option.

Ms. Bokelmann stated that Minnesota Housing anticipates up to \$15M in grant funds for the Bridges and Bridges Regional Treatment Center (RTC) programs for the biennium period of July 1, 2025 – June 30, 2027. She noted that the available funding may be adjusted and is contingent on the amount awarded by the Minnesota Legislature.

Ms. Bokelmann explained that the program provides assistance with accessing housing support and services in accordance with Minnesota Statutes Section 462A.2097. She pointed out that the rental subsidy is temporary and is intended to bridge the housing gap between existing institutions, segregated settings, supervised release, and homelessness, to a permanent affordable housing option.

Ms. Bokelmann indicated that Bridges operates as a partnership between the EDA, the South Central Community Based Mental Health Initiative, Blue Earth County Behavioral Health, and partners providing housing stabilization services that provide connections to housing supports and mental health services to participants, and that entities will enter into a cooperative agreement to coordinate the implementation of the program.

Ms. Bokelmann stated that the EDA administered the Bridges program in partnership with the Blue Earth County EDA until June 2021 and was allocated 14 vouchers; however, the program was not renewed when HUD provided 112 Mainstream vouchers for non-elderly disabled households. She commented that in leasing the 112 Mainstream vouchers, the Bridges vouchers were underutilized; however, there is a renewed need for the Bridges vouchers with the Mainstream wait list estimated at 300 households potentially eligible for assistance. She added that due to limited funding and the need to expand the Bridges Program across Minnesota, staff anticipate funding allocated will be limited to 25 vouchers.

Ms. Bokelmann indicated that the application deadline is December 4, 2024, and if a grant is awarded, the grant agreement will be submitted to the EDA for execution. It is anticipated grants will be awarded in January 2025.

Mr. Mettler moved and Ms. Melby-Kelley seconded a motion to approve the Resolution authorizing the submission of Bridges application to Minnesota Housing. The motion carried unanimously.

- B. Ms. Bokelmann stated that the Public Housing Capital Fund plan has traditionally been approved each year with the PHA Annual Plan to manage the formula funding for modernization of the Mankato Public Housing unit; however, HUD has separated the procedures and adjusted timelines for the Capital Fund program to align with the annual budget process.

Ms. Bokelmann mentioned that the 2025 Capital Fund includes the continued modernization and repair of the public housing units and site improvements required through the RAD process. She commented that the plan will also include the repositioning of the Public Housing through Section 18 Conversion and the RAD Small PHA Blend programs.

Ms. Bokelmann noted that the Capital Fund Program for 2025 has been posted for public comments and a Resident Advisory Meeting was held. She concluded that the requested action is to set December 9, 2024, as the date of public hearing for the 2025 Capital Fund Program.

Mr. McLaughlin moved and Ms. Hatanpa seconded a motion to set December 9, 2024, as the date of public hearing to approve the 2025 Public Housing Capital Fund program. The motion carried unanimously.

5. **Reports/EDA Comments**

None.

6. **Adjournment**

There being no further business, Ms. Hatanpa moved and Ms. Melby-Kelley seconded a motion to adjourn. With all members voting in favor, the meeting adjourned at 6:39 p.m.

Prepared by:

Approved by:

Renae Kopischke
City Clerk

Najwa Massad
Chair



AGENDA RECOMMENDATION

Economic Development Authority

4. A.

Meeting Date: 12/09/2024

Agenda Item:

Public Hearing approving the 2025 Public Housing Capital Fund Budget.

Recommendation/Action(s):

Adoption of the attached resolution.

Summary:

The Public Housing Capital Fund Budget has traditionally been approved each year with the PHA Annual Plan to manage the formula funding for modernization of the Mankato Public Housing units. HUD has separated the procedures and adjusted timelines for the Capital Fund budget to align with the annual operating budget process.

The 2025 Capital Fund includes the continued modernization and repair of the public housing units and site improvements required through RAD process. This plan will also include the repositioning of the Public Housing through Section 18 Conversion and the RAD Small PHA Blend programs. For 2025, the capital fund budget anticipates \$550,000.00 and provides funding for dwelling improvements, appliances, site improvements and general operations as presented in the attached budget.

The Capital Fund Program for 2025 has been posted for public comments and a Resident Advisory Meeting was held on 11-12-24. No comments on capital funds were received.

The requested action is to approve by resolution the 2025 Capital Fund Budget as presented.

Attachments

Resolution
CFP 2025 Budget

RESOLUTION APPROVING THE 2025 PUBLIC HOUSING CAPITAL FUND BUDGET

WHEREAS, the U.S. Department of Housing and Urban Development requires Public Housing Agencies to annually approve and submit an capital fund budget; and

WHEREAS, the Mankato Economic Development Authority (EDA) has developed a 2025 Capital Fund Budget.

NOW, THEREFORE, BE IT RESOLVED THAT the EDA approves the 2025 Public Housing Capital Fund Budget.

This resolution shall become effective immediately upon passage and without publication.

Adopted this 9th day of December, 2024.

Najwa Massad, Board Chair

Attest: _____
Susan MH Arntz, Executive Director

Part I: Summary						
PHA Name : MANKATO EDA		Locality (City/County & State)				
PHA Number: MN063		☒ Original 5-Year Plan		☐ Revised 5-Year Plan (Revision No:)		
A.	Development Number and Name	Work Statement for Year 1 2023	Work Statement for Year 2 2024	Work Statement for Year 3 2025	Work Statement for Year 4 2026	Work Statement for Year 5 2027
	ORNESS PLAZA AND SCATTERED FAMILY SITE	\$561,984.00	\$550,000.00	\$550,000.00	\$550,000.00	\$550,000.00

Capital Fund Program - Five-Year Action Plan

Part II: Supporting Pages - Physical Needs Work Statements (s)				
Work Statement for Year		2025		
Identifier	Development Number/Name	General Description of Major Work Categories	Quantity	Estimated Cost
	ORNESS PLAZA AND SCATTERED FAMILY SITE (MN063000001)			\$550,000.00
ID0055	Dwelling Interior Improvements(Dwelling Unit-Interior (1480)-Bathroom Counters and Sinks,Dwelling Unit-Interior (1480)-Bathroom Flooring (non cyclical),Dwelling Unit-Interior (1480)-Commodes,Dwelling Unit-Interior (1480)-Electrical,Dwelling Unit-Interior (1480)-Flooring (non routine),Dwelling Unit-Interior (1480)-Interior Doors,Dwelling Unit-Interior (1480)-Interior Painting (non routine),Dwelling Unit-Interior (1480)-Kitchen Cabinets,Dwelling Unit-Interior (1480)-Kitchen Sinks and Faucets,Dwelling Unit-Interior (1480)-Other)	Unit Modernization. The contract will include mitigation for lead based paint and asbestos, if needed. 120 interior doors \$30000 20 exterior doors \$11000 10 floors \$69355 19 tubs/surrounds \$20370 10 kitchen cab/counter/sink \$63850 32 lighting/electrical updates \$10220 Plaster/sheetrock repairs \$5000 8 windows \$59120 8 insulation \$24592 4 decks \$21680 3 shingles 18000 1 siding/ fascia/soffits/gutters \$40737 UFAS standards \$18000 overhead doors \$1736 EFIS (Orress) \$6000		\$399,660.00
ID0057	Dwelling Appliance Replacement(Dwelling Unit-Interior (1480)-Appliances,Dwelling Unit-Interior (1480)-Electrical)	12 range replacements \$7800 11 refrigerator replacements \$8580		\$16,380.00
ID0058	Dwelling Water Heater Replacement(Dwelling Unit-Interior (1480)-Appliances,Dwelling Unit-Interior (1480)-Electrical,Dwelling Unit-Interior (1480)-Mechanical,Dwelling Unit-Interior (1480)-Plumbing)	3 water heater replacements. The contract will include mitigation for lead based paint and asbestos, if needed.		\$3,960.00
ID0059	Site Driveway and Sidewalk Repairs(Dwelling Unit-Site Work (1480)-Asphalt - Concrete - Paving,Dwelling Unit-Site Work (1480)-Parking,Dwelling Unit-Site Work (1480)-Seal Coat,Dwelling Unit-Site Work (1480)-Striping)	2 units repair concrete/ seal coating sidewalks and driveways. Scope of work will include monitoring for soil contamination and work will stop immediately if any potential risks are discovered. Addresses: 617 Elm St, units 1,2.&3		\$10,000.00

Capital Fund Program - Five-Year Action Plan

Part II: Supporting Pages - Physical Needs Work Statements (s)				
Work Statement for Year		3	2025	
Identifier	Development Number/Name	General Description of Major Work Categories		Estimated Cost
ID0060	Site Foundation Repairs(Dwelling Unit-Exterior (1480)-Foundations)	6 units have foundation repairs. The contract will include mitigation for lead based paint and asbestos, if needed. PHA will be responsive to any potential contamination issues noted during environmental review process. Scope of work will include monitoring for soil contamination and work will stop immediately if any potential risks are discovered.		\$60,000.00
ID0078	Dwelling Furnace Replacement(Dwelling Unit-Interior (1480)-Appliances,Dwelling Unit-Interior (1480)-Electrical,Dwelling Unit-Interior (1480)-Mechanical)	10 furnace replacement. The contract will include mitigation for lead based paint and asbestos, if needed. Possible site locations: 1514 Woodland Ave 2108 Marwood 106 Carlton Ct #3 1034 Pfau St 6 Riverview 327 Center St 1320 Carney Ave 107 Chapman Rd 1,2 2010 5th Ave 1,2,3 111 Chapman Rd 10-1,2 433 N. 6th St 11-1,2,3 125 Welcome Ave 12-1,2,3,4 1617 5th Ave 13A-1,2,3 1621 5th Ave 13B-1,2,3 617 Elm St 14-1,2,3 601 Harper St 15A-1,2,3 605 Harper St 15B-1,2 1710 6th Ave 16A-1,2,3 2020 6th Ave 16B-1,2 300, 404 Homestead Rd 101 Sandpiper Dr 115,117 Cedar St 913,915,919,921,923,925 Mayvis Bid 500,504,508,512 Agency Rd 2005,2009,2013,2017,2021 Hoffman Rd 113 Long St 125 Grace Ct 716 N 5th St 1348 N 6th St 116 Swiss St 108 S Plainview 404 Agency Rd 1212 Highland Ave		\$35,000.00

Capital Fund Program - Five-Year Action Plan

Part II: Supporting Pages - Physical Needs Work Statements (s)				
Work Statement for Year		2025		
Identifier	Development Number/Name	General Description of Major Work Categories		Estimated Cost
		116 Haynes St 1407 Fair St 104,106 E Welcome 1509 Marsh St 122 Porter Ave 117 Iota Ave 127 Knollcrest Dr 414 Malin St 1429 N 5th St		
ID0079	Site Landscaping(Dwelling Unit-Site Work (1480)-Landscape)	10 units replace landscaping. PHA will be responsive to any potential contamination issues noted during environmental review process. Scope of work will include monitoring for soil contamination and work will stop immediately if any potential risks are discovered.		\$20,000.00
ID0081	Operations(Operations (1406))	Transfer to operating costs for routine maintenance such as turnover cleaning, painting, receptacle plate replacements, toilet stoppers, smoke/Co2 detectors and other miscellaneous routine, plumbing and electrical repairs. Operating expenses include staffing costs. Monies used for maintenance items will be allowed items covered by Part 50 HUD's programmatic determination and not subject to environmental review.		\$5,000.00
	Subtotal of Estimated Cost			\$550,000.00



AGENDA RECOMMENDATION

Economic Development Authority

4. B.

Meeting Date: 12/09/2024

Agenda Item:

Resolution approving 2025 Public Housing and Housing Choice Voucher Operating Budgets.

Recommendation/Action(s):

Adoption of the attached resolution.

Summary:

The Mankato EDA is required by 24 CRF 990.315 to annually prepare an operating budget and have it reviewed and approved by the Economic Development Authority, which has been delegated the powers of a housing authority under Minnesota Statutes. The budget is the same 2025 budget that was adopted by the City Council on December 9, 2024. The operating budget and resolution is then submitted to HUD with the operating subsidy request as reflected in the budget.

In summary, the Board is asked to approve by resolution the 2025 operating budget for Public Housing and the Housing Choice Voucher programs as presented.

Attachments

Resolution

Public Housing 2025 Budget

HCV 2025 Budget

Emergency Voucher 2025 Budget

**RESOLUTION OF THE MANKATO ECONOMIC DEVELOPMENT AUTHORITY
APPROVING THE 2025 PUBLIC HOUSING OPERATING BUDGET**

WHEREAS the U.S. Department of Housing and Urban Development requires Public Housing Agencies to annually approve and submit an operating budget; and

WHEREAS, the Mankato City Council and Economic Development Authority have developed the 2025 Operating Budget, and the Mankato City Council approved the 2025 Operating Budget on December 9, 2024.

NOW, THEREFORE, BE IT RESOLVED THAT the Mankato Economic Development Authority approves the 2025 Public Housing Operating Budget and authorizes the Board Chair to execute HUD's PHA Board Resolution Approving Operating Budget.

This resolution shall become effective immediately upon passage and without publication.

Adopted on this 9th day of December 2024

Najwa Massad, Board Chair

Attest: _____
Susan MH Arntz, Executive Director

2025 Mankato Public Housing Program Budget

Organization	Object	Project	Account Description	2025 Council Budget
M803010	331720		FEDERAL AID-CARES ACT	\$0.00
M803010	331900		FEDERAL AID-HUD GRANT	(\$300,000.00)
M803010	334292		STATE AID-ON BEHALF PENSION AI	\$0.00
M803010	362000		MISCELLANEOUS REVENUE	(\$100,000.00)
M803010	362100		INTEREST ON INVESTMENTS	(\$40,000.00)
M803010	362200		MISCELLANEOUS RENT	(\$800,000.00)
M803010	379800		TENANT FRAUD RECOVERY	(\$14,000.00)
M803010	379900		EXCESS UTILITIES	(\$15,000.00)
M803010	391010		SALE OF ASSETS	\$0.00
M803010	392020		TRANSFER IN	\$0.00
M803010	392050		ALLOCATION OF FUND BALANCE	\$0.00
M803010	392060		DEPRECIATION EXP CONTRA	\$0.00
			Total Revenues	(\$1,269,000.00)
M803010	501010		SALARIES	\$322,235.00
M803010	501020		OVERTIME	\$0.00
M803010	501030		PARTTIME - SEASONAL	\$0.00
M803010	501032		PARTTIME - REGULAR	\$0.00
M803010	501040		MERIT PAY	\$0.00
M803010	501044		LONGEVITY	\$0.00
M803010	501060		VACATION	\$3,289.00
M803010	501070		SICK LEAVE	\$2,758.00
M803010	501096		COMP TIME PAYOFF	\$0.00
M803010	501098		HOLIDAY PAYOFF	\$0.00
M803010	501210		PERA	\$24,167.00
M803010	501220		FICA	\$20,348.00
M803010	501250		MEDICARE	\$4,760.00
M803010	501310		HEALTH INSURANCE	\$126,907.00
M803010	501330		LIFE INSURANCE	\$382.00
M803010	501350		OPEB EXPENSE	\$0.00
M803010	501352		PENSION EXPENSE	\$0.00
M803010	501355		HEALTH CARE SAVINGS PLAN	\$3,415.00
M803010	501356		HEALTH INSURANCE REBATE	\$0.00
M803010	501358		MN PAID FAMILY LEAVE	\$0.00
M803010	501420		FULLTIME UNEMPLOY COMP	\$0.00
M803010	501510		WORKER'S COMP	\$7,754.00
M803010	501750		PERSONNEL ADJUSTMENTS	\$0.00
			Total Staffing Expenses	\$516,015.00
M803010	502010		OFFICE SUPPLIES	\$2,000.00
M803010	502112		MAINTENANCE SUPPLIES	\$50,000.00
M803010	502170		GENERAL SUPPLIES	\$1,000.00
M803010	503010		AUDIT	\$18,000.00
M803010	503040		LEGAL	\$3,000.00
M803010	503070		BANK SERVICE CHARGES	\$2,400.00
M803010	503118		CONTRACTUAL-CLEANING & WASTE	\$22,500.00
M803010	503120		CONTRACTUAL	\$192,500.00
M803010	503174		CONTRACTUAL-LAWN & SNOW	\$42,000.00
M803010	503176		CONTRACTUAL-JANITORIAL	\$0.00
M803010	503178		CONTRACTUAL-SECURITY	\$0.00
M803010	503210		TELEPHONE	\$5,100.00
M803010	503220		POSTAGE	\$2,000.00
M803010	503300		TRAINING	\$2,000.00
M803010	503310		TRAVEL	\$1,000.00
M803010	503410		PRINTING & PUBLISHING	\$3,000.00
M803010	503610		INSURANCE - LIABILITY	\$20,000.00
M803010	503650		INSURANCE - MACHINERY & EQUIP	\$7,250.00
M803010	503810		ELECTRICITY	\$85,000.00
M803010	503820		WATER/SEWER UTILITIES	\$108,200.00
M803010	503830		NATURAL GAS	\$34,000.00
M803010	503840		SOLAR ENERGY	\$0.00
M803010	503842		SOLAR ENERGY CREDIT	\$0.00
M803010	503860		OTHER UTILITIES	\$20,000.00
M803010	504010		MAINT REPAIR BLDG	\$0.00
M803010	504050		MAINT REPAIR OTHER	\$0.00
M803010	504052		MAINT REPAIR LIGHTING	\$0.00
M803010	504060		MAINT CONTRACTS	\$0.00
M803010	504130		EQUIPMENT RENTALS	\$0.00
M803010	504200		DEPRECIATION	\$0.00
M803010	504300		MISCELLANEOUS	\$500.00
M803010	504320		BAD DEBT EXPENSE	\$12,000.00
M803010	504322		LATE FEES	\$100.00
M803010	504326		LICENSES & TAXES	\$60,000.00
M803010	504330		SUBSCRIPTIONS & MEMBERSHIPS	\$2,000.00
M803010	505200		BLDGS & STRUCTURES	\$0.00
M803010	505300		OTHER IMPROVEMENTS	\$0.00
M803010	505400		MACHINERY & EQUIPMENT	\$0.00
M803010	505600		FURNITURE & EQUIPMENT	\$0.00
M803010	507220		TRANSFER - MAINTENANCE	\$13,648.87
M803010	507230		TRANSFER - GAS & OIL	\$11,402.14
M803010	507290		TRANSFER - GPS	\$792.00
M803010	509999		PCARD HOLDING	\$0.00
			Total General Expenses	\$721,393.01
			Total Expenses	\$1,237,408.01

Account Type	Organization	Object	Project	Detail Type	Year	Line	Quantity	Amount	Project String Type	Project String	Description	Justification	Request Group	User Defined
R	MR03010	331900	A		2025	20	1	\$1300,000.00						
R	MR03010	331900	A		2026	30	1	\$1300,000.00						
R	MR03010	362000	A		2025	20	1	\$1500,000.00			Washer/Dryer Revenue, Center Point Energy, and other misc.			
R	MR03010	362000	A		2026	30	1	\$1500,000.00			Washer/Dryer Revenue, Center Point Energy, and other misc.			
R	MR03010	362100	A		2025	20	1	\$40,000.00			Interest on Investments			
R	MR03010	362100	A		2026	30	1	\$40,000.00			Interest on Investments			
R	MR03010	362200	A		2025	20	1	\$580,000.00						
R	MR03010	362200	A		2026	30	1	\$580,000.00						
R	MR03010	379800	A		2025	20	1	\$14,000.00						
R	MR03010	379800	A		2026	30	1	\$14,000.00						
R	MR03010	379900	A		2025	20	1	\$15,000.00						
R	MR03010	379900	A		2026	30	1	\$15,000.00						
E	MR03010	501010	P		2025	1	0	\$0.00			Balance 2/13 NP			
E	MR03010	501010	P		2025	1	1	\$48,281.00			STEVE BIEDSCHIED			
E	MR03010	501010	P		2025	2	0	\$0.00			MARK KONZ			
E	MR03010	501010	P		2025	2	2	\$20,322.00			MARK KONZ			
E	MR03010	501010	P		2025	3	0	\$0.00			LUCAS PEDERSON			
E	MR03010	501010	P		2025	3	1	\$64,825.00			LUCAS PEDERSON			
E	MR03010	501010	P		2025	4	0	\$0.00			TRENT JAHNZ			
E	MR03010	501010	P		2025	4	1	\$43,415.00			TRENT JAHNZ			
E	MR03010	501010	P		2025	5	0	\$0.00			NANCY BOKELMANN			
E	MR03010	501010	P		2025	5	0	\$25,624.00			NANCY BOKELMANN			
E	MR03010	501010	P		2025	6	0	\$0.00			NICOLE CUNNINGHAM			
E	MR03010	501010	P		2025	6	0	\$30,456.00			NICOLE CUNNINGHAM			
E	MR03010	501010	P		2025	7	0	\$0.00			ANDREA JOHNSON			
E	MR03010	501010	P		2025	7	7	\$40,549.00			SHANE SCHMIDT			
E	MR03010	501010	P		2025	8	0	\$0.00			SHANE SCHMIDT			
E	MR03010	501010	P		2025	8	0	\$10,019.00			ANGELA THURSTON			
E	MR03010	501010	P		2025	9	0	\$0.00			ANGELA THURSTON			
E	MR03010	501010	P		2025	9	1	\$38,744.00			KIMBERLY SUNDQUIST			
E	MR03010	501010	P		2025	10	0	\$0.00			KIMBERLY SUNDQUIST			
E	MR03010	501010	P		2026	1	0	\$0.00			STEVE BIEDSCHIED			
E	MR03010	501010	P		2026	1	1	\$49,994.00			STEVE BIEDSCHIED			
E	MR03010	501010	P		2026	2	0	\$0.00			MARK KONZ			
E	MR03010	501010	P		2026	2	0	\$21,911.00			MARK KONZ			
E	MR03010	501010	P		2026	3	0	\$0.00			LUCAS PEDERSON			
E	MR03010	501010	P		2026	3	1	\$69,778.00			LUCAS PEDERSON			
E	MR03010	501010	P		2026	4	0	\$0.00			TRENT JAHNZ			
E	MR03010	501010	P		2026	4	1	\$46,171.00			TRENT JAHNZ			
E	MR03010	501010	P		2026	5	0	\$0.00			NANCY BOKELMANN			
E	MR03010	501010	P		2026	5	0	\$27,575.00			NANCY BOKELMANN			
E	MR03010	501010	P		2026	6	0	\$0.00			NICOLE CUNNINGHAM			
E	MR03010	501010	P		2026	6	0	\$32,797.00			NICOLE CUNNINGHAM			
E	MR03010	501010	P		2026	7	0	\$0.00			ANDREA JOHNSON			
E	MR03010	501010	P		2026	7	7	\$43,651.00			SHANE SCHMIDT			
E	MR03010	501010	P		2026	8	0	\$0.00			SHANE SCHMIDT			
E	MR03010	501010	P		2026	8	0	\$10,655.00			ANGELA THURSTON			
E	MR03010	501010	P		2026	9	0	\$0.00			ANGELA THURSTON			
E	MR03010	501010	P		2026	9	1	\$41,702.00			KIMBERLY SUNDQUIST			
E	MR03010	501010	P		2026	10	0	\$0.00			KIMBERLY SUNDQUIST			
E	MR03010	501060	P		2025	1	0	\$0.00			STEVE BIEDSCHIED			
E	MR03010	501060	P		2025	1	0	\$811.00			STEVE BIEDSCHIED			
E	MR03010	501060	P		2025	2	0	\$0.00			MARK KONZ			
E	MR03010	501060	P		2025	2	0	\$239.00			MARK KONZ			
E	MR03010	501060	P		2025	3	0	\$0.00			LUCAS PEDERSON			
E	MR03010	501060	P		2025	3	0	\$688.00			LUCAS PEDERSON			
E	MR03010	501060	P		2025	4	0	\$0.00			TRENT JAHNZ			
E	MR03010	501060	P		2025	4	0	\$347.00			TRENT JAHNZ			
E	MR03010	501060	P		2025	5	0	\$0.00			NANCY BOKELMANN			
E	MR03010	501060	P		2025	5	0	\$204.00			NANCY BOKELMANN			
E	MR03010	501060	P		2025	6	0	\$0.00			NICOLE CUNNINGHAM			
E	MR03010	501060	P		2025	6	0	\$278.00			NICOLE CUNNINGHAM			
E	MR03010	501060	P		2025	7	0	\$0.00			ANDREA JOHNSON			
E	MR03010	501060	P		2025	7	0	\$318.00			SHANE SCHMIDT			
E	MR03010	501060	P		2025	8	0	\$0.00			SHANE SCHMIDT			
E	MR03010	501060	P		2025	8	0	\$91.00			ANGELA THURSTON			
E	MR03010	501060	P		2025	9	0	\$0.00			ANGELA THURSTON			
E	MR03010	501060	P		2025	9	0	\$313.00			KIMBERLY SUNDQUIST			
E	MR03010	501060	P		2025	10	0	\$0.00			KIMBERLY SUNDQUIST			
E	MR03010	501060	P		2026	1	0	\$811.00			STEVE BIEDSCHIED			
E	MR03010	501060	P		2026	2	0	\$0.00			MARK KONZ			
E	MR03010	501060	P		2026	2	0	\$239.00			MARK KONZ			
E	MR03010	501060	P		2026	3	0	\$0.00			LUCAS PEDERSON			
E	MR03010	501060	P		2026	3	0	\$688.00			LUCAS PEDERSON			
E	MR03010	501060	P		2026	4	0	\$0.00			TRENT JAHNZ			
E	MR03010	501060	P		2026	4	0	\$147.00			TRENT JAHNZ			
E	MR03010	501060	P		2026	5	0	\$0.00			NANCY BOKELMANN			
E	MR03010	501060	P		2026	5	0	\$204.00			NANCY BOKELMANN			
E	MR03010	501060	P		2026	6	0	\$0.00			NICOLE CUNNINGHAM			
E	MR03010	501060	P		2026	6	0	\$278.00			NICOLE CUNNINGHAM			
E	MR03010	501060	P		2026	7	0	\$0.00			ANDREA JOHNSON			
E	MR03010	501060	P		2026	7	0	\$318.00			SHANE SCHMIDT			
E	MR03010	501060	P		2026	8	0	\$0.00			SHANE SCHMIDT			
E	MR03010	501060	P		2026	8	0	\$91.00			ANGELA THURSTON			
E	MR03010	501060	P		2026	9	0	\$0.00			ANGELA THURSTON			
E	MR03010	501060	P		2026	9	0	\$313.00			KIMBERLY SUNDQUIST			
E	MR03010	501060	P		2026	10	0	\$0.00			KIMBERLY SUNDQUIST			
E	MR03010	501070	P		2025	1	0	\$0.00			STEVE BIEDSCHIED			
E	MR03010	501070	P		2025	1	0	\$432.00			STEVE BIEDSCHIED			
E	MR03010	501070	P		2025	2	0	\$0.00			MARK KONZ			
E	MR03010	501070	P		2025	2	0	\$167.00			MARK KONZ			
E	MR03010	501070	P		2025	3	0	\$0.00			LUCAS PEDERSON			
E	MR03010	501070	P		2025	3	0	\$550.00			LUCAS PEDERSON			
E	MR03010	501070	P		2025	4	0	\$0.00			TRENT JAHNZ			
E	MR03010	501070	P		2025	4	0	\$371.00			TRENT JAHNZ			
E	MR03010	501070	P		2025	5	0	\$0.00			NANCY BOKELMANN			
E	MR03010	501070	P		2025	5	0	\$218.00			NANCY BOKELMANN			
E	MR03010	501070	P		2025	6	0	\$0.00			NICOLE CUNNINGHAM			
E	MR03010	501070	P		2025	6	0	\$262.00			NICOLE CUNNINGHAM			
E	MR03010	501070	P		2025	7	0	\$0.00			ANDREA JOHNSON			
E	MR03010	501070	P		2025	7	0	\$0.00			SHANE SCHMIDT			
E	MR03010	501070	P		2025	8	0	\$86.00			ANGELA THURSTON			
E	MR03010	501070	P		2025	8	0	\$0.00			ANGELA THURSTON			
E	MR03010	501070	P		2025	9	0	\$183.00			KIMBERLY SUNDQUIST			
E	MR03010	501070	P		2025	10	0	\$0.00			KIMBERLY SUNDQUIST			
E	MR03010	501070	P		2026	1	0	\$0.00			STEVE BIEDSCHIED			
E	MR03010	501070	P		2026	1	0	\$0.00			STEVE BIEDSCHIED			
E	MR03010	501070	P		2026	1	0	\$432.00			STEVE BIEDSCHIED			
E	MR03010	501070	P		2026	2	0	\$0.00			MARK KONZ			
E	MR03010	501070	P		2026	2	0	\$167.00			MARK KONZ			
E	MR03010	501070	P		2026	3	0	\$550.00			LUCAS PEDERSON			
E	MR03010	501070	P		2026	3	0	\$0.00			TRENT JAHNZ			
E	MR03010	501070	P		2026	4	0	\$371.00			TRENT JAHNZ			
E	MR03010	501070	P		2026	5	0	\$0.00			NANCY BOKELMANN			
E	MR03010	501070	P		2026	5	0	\$218.00			NANCY BOKELMANN			
E	MR03010	501070	P		2026	6	0	\$0.00			NICOLE CUNNINGHAM			
E	MR03010	501070	P		2026	6	0	\$262.00			NICOLE CUNNINGHAM			
E	MR03010	501070	P		2026	7	0	\$0.00			ANDREA JOHNSON			
E	MR03010	501070	P		2026	7	0	\$399.00			SHANE SCHMIDT			
E	MR03010	501070	P		2026	8	0	\$0.00						

2025 Mankato Housing Choice Voucher Program Budget

Organization	Object	Project	Account Description	2025 Council Budget
M803013	331720		FEDERAL AID-CARES ACT	\$0.00
M803013	331900		FEDERAL AID-HUD GRANT	(\$3,200,000.00)
M803013	331902		FEDERAL AID-HUD ADMIN	(\$385,000.00)
M803013	331904		FEDERAL AID-HUD FSS	(\$108,347.00)
M803013	331906		FEDERAL AID-HUD EMGY HAP	\$0.00
M803013	331908		FEDERAL AID-HUD EMGY ADM	\$0.00
M803013	331910		FEDERAL AID-MAINSTREAM 5 HAP	(\$760,000.00)
M803013	331912		FEDERAL AID-MAINSTREAM 5 ADM	(\$150,600.00)
M803013	334292		STATE AID-ON BEHALF PENSION AI	\$0.00
M803013	362000		MISCELLANEOUS REVENUE	(\$1,000.00)
M803013	362005		MISC REV-FORFEIT FSS ESCROW	\$0.00
M803013	362100		INTEREST ON INVESTMENTS	(\$1,000.00)
M803013	379800		TENANT FRAUD RECOVERY	(\$25,000.00)
M803013	379810		HAP PORT-IN	(\$20,000.00)
M803013	379812		ADMIN PORT-IN	(\$2,000.00)
M803013	392020		TRANSFER IN	\$0.00
M803013	392050		ALLOCATION OF FUND BALANCE	\$0.00
			Total Revenues	(\$4,652,947.00)
M803013	501010		SALARIES	\$302,236.00
M803013	501020		OVERTIME	\$0.00
M803013	501030		PARTTIME - SEASONAL	\$0.00
M803013	501032		PARTTIME - REGULAR	\$35,100.00
M803013	501040		MERIT PAY	\$0.00
M803013	501060		VACATION	\$2,686.00
M803013	501070		SICK LEAVE	\$2,916.00
M803013	501096		COMP TIME PAYOFF	\$0.00
M803013	501098		HOLIDAY PAYOFF	\$0.00
M803013	501210		PERA	\$22,668.00
M803013	501220		FICA	\$21,259.00
M803013	501250		MEDICARE	\$4,973.00
M803013	501310		HEALTH INSURANCE	\$114,731.00
M803013	501330		LIFE INSURANCE	\$345.00
M803013	501350		OPEB EXPENSE	\$0.00
M803013	501352		PENSION EXPENSE	\$0.00
M803013	501355		HEALTH CARE SAVINGS PLAN	\$1,912.00
M803013	501356		HEALTH INSURANCE REBATE	\$0.00
M803013	501358		MN PAID FAMILY LEAVE	\$0.00
M803013	501430		PARTTIME UNEMPLOY COMP	\$0.00
M803013	501510		WORKER'S COMP	\$8,648.00
M803013	501750		PERSONNEL ADJUSTMENTS	\$0.00
			Total Staffing Expenses	\$517,474.00
M803013	502010		OFFICE SUPPLIES	\$200.00
M803013	503010		AUDIT	\$35,000.00

M803013	503040	LEGAL	\$1,000.00
M803013	503070	BANK SERVICE CHARGES	\$600.00
M803013	503120	CONTRACTUAL	\$17,000.00
M803013	503134	CONTRACTUAL-FORFEITED FSS EXP	\$0.00
M803013	503164	CONTRACTUAL-INSPECTION FEES	\$0.00
M803013	503210	TELEPHONE	\$3,700.00
M803013	503220	POSTAGE	\$2,000.00
M803013	503300	TRAINING	\$2,000.00
M803013	503310	TRAVEL	\$1,000.00
M803013	503410	PRINTING & PUBLISHING	\$2,000.00
M803013	504100	VOUCHER PAYMENTS	\$3,160,000.00
M803013	504102	VOUCHER PORT ADMIN	\$30,000.00
M803013	504104	VOUCHER PORT RECEIVING	\$10,000.00
M803013	504108	VOUCHERS MAINSTREAM 5	\$760,000.00
M803013	504130	EQUIPMENT RENTALS	\$0.00
M803013	504300	MISCELLANEOUS	\$0.00
M803013	504330	SUBSCRIPTIONS & MEMBERSHIPS	\$1,300.00
M803013	507200	OPERATING TRANSFER OUT	\$0.00
		Total General Expenses	\$4,025,800.00
		Total Expenses	\$4,543,274.00

2025 Mankato Emergency Voucher Budget

Organization	Object	Project	Account Description	2025 Council Budget
M803015	331900		FEDERAL AID-HUD GRANT	(\$600.00)
M803015	331906		FEDERAL AID-HUD EMGY HAP	(\$90,000.00)
M803015	331908		FEDERAL AID-HUD EMGY ADM	(\$12,600.00)
M803015	334292		STATE AID-ON BEHALF PENSION AI	\$0.00
M803015	362000		MISCELLANEOUS REVENUE	\$0.00
M803015	362005		MISC REV-FORFEIT FSS ESCROW	\$0.00
M803015	362100		INTEREST ON INVESTMENTS	\$0.00
M803015	379800		TENANT FRAUD RECOVERY	\$0.00
M803015	392020		TRANSFER IN	\$0.00
M803015	392050		ALLOCATION OF FUND BALANCE	\$0.00
			Total Revenue	(\$103,200.00)
M803015	501010		SALARIES	\$0.00
M803015	501020		OVERTIME	\$0.00
M803015	501030		PARTTIME - SEASONAL	\$0.00
M803015	501032		PARTTIME - REGULAR	\$0.00
M803015	501040		MERIT PAY	\$0.00
M803015	501060		VACATION	\$0.00
M803015	501070		SICK LEAVE	\$0.00
M803015	501096		COMP TIME PAYOFF	\$0.00
M803015	501098		HOLIDAY PAYOFF	\$0.00
M803015	501210		PERA	\$0.00
M803015	501220		FICA	\$0.00
M803015	501250		MEDICARE	\$0.00
M803015	501310		HEALTH INSURANCE	\$0.00
M803015	501330		LIFE INSURANCE	\$0.00
M803015	501350		OPEB EXPENSE	\$0.00
M803015	501352		PENSION EXPENSE	\$0.00
M803015	501355		HEALTH CARE SAVINGS PLAN	\$0.00
M803015	501356		HEALTH INSURANCE REBATE	\$0.00
M803015	501358		MN PAID FAMILY LEAVE	\$0.00
M803015	501430		PARTTIME UNEMPLOY COMP	\$0.00
M803015	501510		WORKER'S COMP	\$0.00
M803015	501750		PERSONNEL ADJUSTMENTS	\$0.00
			Total Salaries	\$0.00
M803015	502010		OFFICE SUPPLIES	\$0.00
M803015	503010		AUDIT	\$0.00
M803015	503040		LEGAL	\$0.00
M803015	503070		BANK SERVICE CHARGES	\$0.00
M803015	503120		CONTRACTUAL	\$0.00
M803015	503164		CONTRACTUAL-INSPECTION FEES	\$0.00
M803015	503210		TELEPHONE	\$0.00
M803015	503220		POSTAGE	\$0.00
M803015	503300		TRAINING	\$0.00
M803015	503310		TRAVEL	\$0.00
M803015	503410		PRINTING & PUBLISHING	\$0.00
M803015	504100		VOUCHER PAYMENTS	\$103,200.00
M803015	504102		VOUCHER PORT ADMIN	\$0.00
M803015	504300		MISCELLANEOUS	\$0.00
M803015	504330		SUBSCRIPTIONS & MEMBERSHIPS	\$0.00
M803015	507200		OPERATING TRANSFER OUT	\$0.00
			Total Expenses	\$103,200.00

Account Type	Organization	Object	Project	Detail Type	Year	Line	Quantity	Amount	Project String Type	Project String	Description	Justification	Request Group	User Defined
R	M803015	331900		A	2025	10	1	(\$600.00)						
R	M803015	331900		A	2026	20	1	(\$600.00)						
R	M803015	331906		A	2025	10	1	(\$90,000.00)						
R	M803015	331906		A	2026	20	1	(\$90,000.00)						
R	M803015	331908		A	2025	10	1	(\$12,600.00)						
R	M803015	331908		A	2026	20	1	(\$12,600.00)						
E	M803015	504100		A	2025	10	1	\$103,200.00						
E	M803015	504100		A	2026	20	1	\$103,200.00						



AGENDA RECOMMENDATION

Economic Development Authority

4. C.

Meeting Date: 12/09/2024

Agenda Item:

Motion approving Community Development Block Grant (CDBG) support to Community Land Trust.

Recommendation/Action(s):

Motion approving CDBG funding for acquisition or rehabilitation under the Community Land Trust.

Summary:

The City of Mankato previously entered into a contract with Partnership Community Land Trust (CLT) for implementation services for a community land trust. Phase One includes three acquisition of existing homes and housing rehabilitation. To date, two homes have been purchased for Phase One. The CLT is working to identify possible homes to purchase the third home. Phase Two includes three new construction homes. To date, one new home was purchased and two homes have started construction which are anticipated to be completed in Spring 2025 to complete Phase Two.

Phase One of the contract with the CLT notes the City is to provide up to \$83,333 in project write down grant funding per home for up to 3 homes in Mankato and up to \$35,000 per home under the City of Mankato's Owner-Occupied Housing Rehabilitation Program Guidelines and Policies for rehabilitation to the homes. The contract does not specify the funding source for the acquisition nor rehabilitation activities that are funded by the City.

In past City Council agenda memos regarding the Community Land Trust, it was shared the City would use funds sourced from the EDA fund balance for acquisition and Community Development Block Grant (CDBG) funds for rehabilitation for Phase One. The contract did not specify the funding source for acquisition nor rehabilitation for Phase One.

With CDBG funds, the City has a timeliness test that the U.S. Department of Housing and Urban Development (HUD) conducts each May where HUD takes the CDBG fund balance and divides it by the amount of the current annual grant award. The ratio needs to be 1.5 or less to meet the timely performance requirement or there is risk of losing unspent CDBG funds. Housing rehabilitation continues to be a community need, but rehabilitation projects also take more time to complete which can make it challenging to meet the timeliness test. Additionally, there have been delays to other CDBG activities including owner-occupied housing rehabilitation and rental housing rehabilitation that stemmed from decreased interest in the program during the pandemic and also the ability to have tenants willing to complete income verifications for rental housing rehabilitation. There have also been delays due to the availability of contractors, the number of lead-certified contractors, and the time period to complete consultation with the State Historic Preservation Office (SHPO) to review the scope of work as part of the environmental review. The SHPO consultation is currently taking 45-60 days to complete. The City has

also allocated CDBG funds towards acquisition costs for Low Income Housing Tax Credit projects, but the timing of allocating funds in the Annual Action Plan and when the project closes has taken longer than anticipated in recent years, which has also created challenges in meeting the timeliness test. Staff continue to work with our local HUD Representatives to look at alternative ways to leverage CDBG funding to meet community needs while at the same time meeting the timeliness test. To consider CDBG for acquisition in addition to rehabilitation under the Community Land Trust is one alternative. Additionally, HUD is working on new methods to determine timeliness.

Partnership Community Land Trust is currently working on the third acquisition to complete Phase One. At the time this memo was written, \$166,666 in EDA funds had been spent towards acquisition of two home purchases in Phase One. There haven't been CDBG funds drawn for rehabilitation. The CDBG program allows CDBG funds to be used for housing rehabilitation and acquisition. Using CDBG funds instead of EDA funds for acquisition for the third and final home for Phase One would help the City meet HUD's timeliness test in May 2025. If there are rehabilitation needs, EDA funds could alternatively be used. The total amount of CDBG and EDA funds would not exceed the amounts noted in the contract. If CDBG funds were used for rehabilitation, it is unlikely CDBG funds could be spent by May 2025 ahead of the timeliness test due to environmental review requirements, lead assessment, bidding process, availability of contractors and having the work completed and inspected. If CDBG funds are used for acquisition instead of rehabilitation, the funds could be wired to the title company at the time of closing and it would be possible to draw the CDBG funds before the timeliness test in May 2025.

It should also be noted, for Phase Three, the City committed \$50,000 per home for 5 existing home acquisitions/rehabilitations. The \$50,000 is comprised of \$15,000 to underwrite the purchase of each home and up to \$35,000 for rehabilitation. It was previously communicated to the City Council that if the CDBG funding is not needed for rehabilitation, the funds could be used to underwrite the purchase depending on the participant's income level. This was shared at the [June 24, 2024](#) Council work session.

Attachments

CLT Phase I Contract
CLT Phase I Contract Amendment
CLT Phase II Contract
CLT Phase III Contract

**CONTRACT FOR COMMUNITY LAND TRUST IMPLEMENTATION SERVICES
BY AND BETWEEN THE CITY OF MANKATO AND THE
SOUTHWEST MINNESOTA HOUSING PARTNERSHIP**

THIS CONTRACT for Administrative, Outreach and Training Services related to the implementation of the Partnership Community Land Trust ("PCLT") in the city of Mankato, Minnesota (hereinafter the "Project") is entered into on July 26th 2022, by and between the City of Mankato (hereinafter the "City") and the Southwest Minnesota Housing Partnership (hereinafter the "SWMHP").

WHEREAS, the City supports the creation of a community land trust in the community to assist homebuyers at or below 60% of the Area Median Income (AMI) to acquire and rehabilitate existing affordable single-family home ownership and desires to contract with SWMHP for these services.

WHEREAS, SWMHP is willing to provide these services to the City in accordance with the provisions of this agreement; and,

NOW, THEREFORE, the parties do hereby mutually agree in consideration of the mutual covenants contained herein as follows:

SWMHP agrees to provide the following services:

- A. SWMHP will provide outreach and training to local realtors, lenders and appraisers to ensure that a community land trust will be supported and successful in the community.
 - B. SWMHP will provide outreach and training to prospective PCLT homebuyers to ensure they understand the benefits and differences of homeownership through a community land trust; and, will assist the homebuyers through the purchase and financing of the PCLT home acquisition.
 - C. SWMHP will purchase and facilitate the rehabilitation (for health and safety improvements of up to three (3) single-family homes within the City of Mankato for prospective homebuyers at or below 60% of AMI.
1. Payment for Services and Project Funding. The City hereby agrees to pay the SWMHP in the following manner:

- A. For services rendered for the outreach and training to lenders, appraisers, realtors and prospective homebuyers, and the administrative expenses for the establishment of the community land trust the City shall pay to SWMHP an amount not to exceed \$5,000 per home established in the PCLT. Payment is due upon receipt of an invoice provided to the City from SWMHP.
 - B. For home acquisition support, the City shall provide up to \$83,333 in project write down grant funding per home for up to three (3) homes to be acquired by homeowners into the PCLT at or below 60% of AMI in the city of Mankato corporate limits. Payment is due at the homebuyer's closing on the home.
 - C. For home rehabilitation to address health and safety improvements the City will provide up to \$35,000 of funding per home under the City of Mankato's Owner Occupied Housing Rehabilitation Program Guidelines and Policies. Provided the home is made part of the PCLT, the deferred loan provisions of the City of Mankato's Owner Occupied Housing Rehabilitation Program Guidelines and Policies shall not be required. The City also waives the requirement for the home to be located within a targeted area as required in the City of Mankato's Owner Occupied Housing Rehabilitation Program Guidelines and Policies provided the home is made part of the PCLT.
2. Covenants and Representations by the City. The City covenants and represents that the execution and delivery of this agreement and the consummation of the transactions contemplated hereby, and the fulfillment of the terms and conditions of this agreement, do not and will not conflict with or result in a breach of any of the term or conditions of any restrictions contained in any agreement or any instrument to which the City is now a party or by which it is bound.
3. Covenants and Representation of the SWMHP. The SWMHP covenants and represents that it is a non-profit corporation, duly organized and existing under the laws of the State of Minnesota and is duly authorized to conduct its activities in the State of Minnesota, has the power to enter into this agreement, and has by proper action authorized the execution and delivery of this agreement. The SWMHP further covenants and represents that the execution and delivery of this agreement and the consummation of the transactions contemplated hereby, and the fulfillment of the terms and conditions hereby do not and will not conflict with or result in the breach of any of the terms or conditions of any restriction contained

in any agreement or instrument to which the SWMHP is now a party or by which it is bound or, and do not and will not constitute a default under any of the foregoing.

4. **Termination.** **This agreement shall remain in effect until December 31, 2022.**

This agreement may be terminated with or without cause by either party upon thirty (30) days prior written notice to the other party. In the event that a petition in bankruptcy is filed by or against either the SWMHP, or in the event that either shall make an assignment for the benefit of creditors to take advantage of any insolvency act, either party hereto may immediately terminate this agreement without notice, but prompt advice of such action shall be given to the other party. In the event of a termination the SWMHP shall receive compensation for services provided prior to the date of such termination.

5. **Governing Law.** This agreement shall be construed and interpreted in accordance with the laws of the State of Minnesota.

6. **Notices.** All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when mailed by first class mail, postage prepaid, with proper addresses and indicated below. Any party may, by written notice given to the other party designate any address or addresses to which notices, certificates or other communications to them should be sent when required as contemplated by this agreement. Until otherwise provided by the respective parties, all notices, certificates and communications to each of them shall be addressed as follows:

City of Mankato

City of Mankato

Attn: Susan MH Arntz, City Manager
10 Civic Center Plaza
PO Box 3368
Mankato, MN 56002-3368

SWMHP:

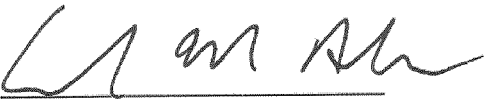
Southwest Minnesota Housing Partnership
Attn: Chief Executive Officer
2401 Broadway Ave
Slayton, MN 56172

7. **Counterparts.** This agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

8. Captions. The captions or headings of this agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions hereof.
9. Binding Effect. This agreement shall inure to the benefit and shall be binding upon the City and the SWMHP and their respective successors and assigns until this agreement is terminated.
10. Amendment or Waiver of this Agreement. This agreement and every part hereof may not be waived or amended except by a writing executed by the City and the SWMHP.
11. Assignments. This agreement shall inure to the benefit of and constitute a binding obligation upon the SWMHP and the City, and their respective successors and assigns, provided that neither party assign this agreement or any of its duties hereunder without the prior written consent of the other party.
12. Conflict of Interest. The SWMHP will identify, disclose and remove itself from any inspection or consulting activities pertaining to properties owned, managed or controlled by the SWMHP or its affiliate companies or organizations. The City will be solely responsible for ensuring that qualified services are available, in a timely manner, to those identified properties.
13. Independent Contractor. For the purposes of this Contract, the SWMHP shall be deemed an independent contractor and not an employee of the City and all employees of the SWMHP or other persons while engaged in the performance of any work or services required by the SWMHP under this Contract, shall not be considered employees of the City.
14. Liability. It is agreed that the City shall defend, indemnify and save the SWMHP harmless from any claims, demands, actions, or causes of action, damages, costs (including attorneys' fees) arising out of any act or omission on the part of the City, its agents, servants or employees in performance of, or with relation to any of the work or services under this Contract. Furthermore, SWMHP shall defend, indemnify and save the City harmless from any claims, demands, actions, or causes of action, damages, costs (including attorneys' fees) arising out of any act or omission on the part of the SWMHP, its agents, servants or employees in performance of, or with relation to any of the work or services under this Contract.

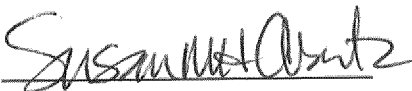
IN WITNESS WHEREOF, the parties hereunto have executed this Contract for Services the day and year first above written.

**SOUTHWEST MINNESOTA
HOUSING PARTNERSHIP**

By: 

Its: Chief Executive Officer

CITY OF MANKATO

By: 

Its: City Manager

**AMENDMENT TO CONTRACT FOR COMMUNITY LAND TRUST IMPLEMENTATION SERVICES BY
AND BETWEEN THE CITY OF MANKATO AND THE PARTNERSHIP COMMUNITY LAND TRUST**

This Amendment to the Agreement dated June 12, 2023, by and between the Partnership Community Land Trust (PCLT) and City of Mankato (City) for community land trust implementation services.

WITNESSETH:

WHEREAS, the City supports the creation of a community land trust in the community to assist homebuyers at or below 60% of the Area Median Income (AMI) to acquire and rehabilitate existing affordable single-family home ownership and desires to contract with the PCLT for these services.

WHEREAS, the PCLT has identified additional barriers in meeting the needs of PCLT buyers that include increased house prices, low inventory, and higher interest rates making it difficult for persons at or below 60% of AMI to be able to purchase a home.

WHEREAS, the PCLT has requested an Amendment to the Agreement to change the Area Median Income limit under the agreement to 80% of the Area Median Income at the statewide average and at or below 80% of AMI for Blue Earth County for rehabilitation funding.

NOW, THEREFORE, in consideration of the Area Median Income and the mutual obligation of the parties hereto, each of them does hereby covenant and agree to amend as follows:

The Amendment to the Community Land Trust Agreement read:

PHASE I

- C. PCLT will purchase and facilitate the rehabilitation (for health and safety improvements of up to three (3) single-family homes within the City of Mankato for prospective homebuyers at or below ~~60% of AMI~~ 80% of AMI at the statewide average.
- 1. Payment for Services and Project Funding. The City hereby agrees to pay the PCLT in the following manner:

PHASE I

- B. For home acquisition support, the City shall provide up to \$83,333 in project write down grant funding per home for up to three (3) homes to be acquired by homeowners into the PCLT at or below ~~60% of AMI~~ 80% of AMI at the statewide average in the city of Mankato corporate limits. Payment is due at the homebuyer's closing on the home.
- C. For home rehabilitation to address health and safety improvements the City will provide up to \$35,000 of funding per home under the City of Mankato's Owner-Occupied Housing Rehabilitation Program Guidelines and Policies. Rehabilitation guidelines assist homeowners at or below 80% of AMI for Blue Earth County. Provided the home is made part of the PCLT, the deferred loan provisions of the City of Mankato's Owner-Occupied Housing Rehabilitation Program Guidelines and Policies shall not be required. The City also waives the requirement for the home to be located within a targeted area as

required in the City of Mankato's Owner-Occupied Housing Rehabilitation Program Guidelines and Policies provided the home is made part of the PCLT.

This amendment to the original Agreement supersedes those items listed.

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates indicated below.

PARTNERSHIP COMMUNITY LAND TRUST



Chad M. Adams, Secretary-Treasurer

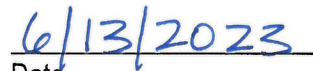


Date

CITY OF MANKATO



Susan Arntz, City Manager



Date

**CONTRACT FOR COMMUNITY LAND TRUST PHASE II SERVICES BY AND
BETWEEN THE CITY OF MANKATO AND THE
PARTNERSHIP COMMUNITY LAND TRUST**

THIS CONTRACT for Administrative, Outreach and Training Services related to the implementation of the Partnership Community Land Trust ("PCLT") in the city of Mankato, Minnesota (hereinafter the "Project") is entered into on June 12, 2023, by and between the City of Mankato (hereinafter the "City") and the Partnership Community Land Trust (hereinafter the "PCLT").

WHEREAS, the City supports the creation of a community land trust in the community to assist homebuyers at or below 60% of the Area Median Income (AMI) to acquire new single-family homes; and

WHEREAS, the City and PCLT entered into an agreement on March 13, 2023 for Phase One to implement a community land trust in Mankato and this agreement contemplates that those efforts will continue, including outreach, training, and homeowner assistance; and

WHEREAS, PCLT is willing to provide these services to the City in accordance with the provisions of this agreement.

NOW, THEREFORE, the parties do hereby mutually agree in consideration of the mutual covenants contained herein as follows:

PCLT agrees to provide the following services:

PHASE II

- A. PCLT will continue outreach and training to local realtors, lenders, and appraisers to ensure that a community land trust will be supported and successful in the community.
- B. PCLT will continue outreach and training to prospective PCLT homebuyers to ensure they understand the benefits and differences of homeownership through a community land trust; and will assist the homebuyers through the purchase and financing of the PCLT home acquisition.

- C. PCLT will facilitate the new construction of three (3) single-family homes within the City of Mankato for prospective homebuyers at or below 60% of AMI per the Minnesota Housing application funding award and details granted in December 2022.

1. Payment for Services and Project Funding. The City hereby agrees to pay the PCLT in the following manner:

PHASE II

- A. For new single-family home construction support, the City shall provide up to \$70,000 in project write down grant funding per home up to three (3) homes to be acquired by homeowners into the PCLT at or below 60% of AMI in the city of Mankato corporate limits. Payment is due at the homebuyer's closing on the home.
2. Covenants and Representations by the City. The City covenants and represents that the execution and delivery of this agreement and the consummation of the transactions contemplated hereby, and the fulfillment of the terms and conditions of this agreement, do not and will not conflict with or result in a breach of any of the term or conditions of any restrictions contained in any agreement or any instrument to which the City is now a party or by which it is bound.
 3. Covenants and Representation of the PCLT. The PCLT covenants and represents that it is a non-profit corporation, duly organized and existing under the laws of the State of Minnesota and is duly authorized to conduct its activities in the State of Minnesota, has the power to enter into this agreement, and has by proper action authorized the execution and delivery of this agreement. The PCLT further covenants and represents that the execution and delivery of this agreement and the consummation of the transactions contemplated hereby, and the fulfillment of the terms and conditions hereby do not and will not conflict with or result in the breach of any of the terms or conditions of any restriction contained in any agreement or instrument to which the PCLT is now a party or by which it is bound or, and do not and will not constitute a default under any of the foregoing.
 4. Termination. **This agreement shall remain in effect until December 31, 2024, but may be extended by mutual consent if the purchase of the three homes contemplated herein is still underway.** This agreement may be terminated with or without cause by either party upon thirty (30) days prior written notice to the other party. In the event that a petition in bankruptcy is filed by or against either

the PCLT, or in the event that either shall make an assignment for the benefit of creditors to take advantage of any insolvency act, either party hereto may immediately terminate this agreement without notice, but prompt advice of such action shall be given to the other party. In the event of a termination the PCLT shall receive compensation for services provided prior to the date of such termination.

5. Governing Law. This agreement shall be construed and interpreted in accordance with the laws of the State of Minnesota.
6. Compliance with Laws. Both parties agree to comply with all applicable state, federal, and local laws, rules, and regulations now in effect or hereinafter adopted pertaining to this Agreement or to the facilities, programs and staff for which a party is responsible.
7. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when mailed by first class mail, postage prepaid, with proper addresses and indicated below. Any party may, by written notice given to the other party designate any address or addresses to which notices, certificates or other communications to them should be sent when required as contemplated by this agreement. Until otherwise provided by the respective parties, all notices, certificates and communications to each of them shall be addressed as follows:

City of Mankato

City of Mankato
Attn: Susan MH Arntz, City Manager
10 Civic Center Plaza
PO Box 3368
Mankato, MN 56002-3368

SWMHP:

Partnership Community Land Trust
Attn: Secretary/Treasurer
2401 Broadway Ave
Slayton, MN 56172

8. Counterparts. This agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

9. Captions. The captions or headings of this agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions hereof.
10. Binding Effect. This agreement shall inure to the benefit and shall be binding upon the City and the PCLT and their respective successors and assigns until this agreement is terminated.
11. Amendment or Waiver of this Agreement. This agreement and every part hereof may not be waived or amended except by a writing executed by the City and the PCLT.
12. Assignments. This agreement shall inure to the benefit of and constitute a binding obligation upon the PCLT and the City, and their respective successors and assigns, provided that neither party assign this agreement or any of its duties hereunder without the prior written consent of the other party.
13. Conflict of Interest. The PCLT will identify, disclose, and remove itself from any inspection or consulting activities pertaining to properties owned, managed or controlled by the PCLT or its affiliate companies or organizations. The City will be solely responsible for ensuring that qualified services are available, in a timely manner, to those identified properties.
14. Worker's Compensation Insurance: PCLT shall procure and carry, at its expense, Worker's Compensation Insurance as required by Minnesota Statutes, Section 176.181, Subd. 2 and further agrees to provide a certificate of said insurance to City of Mankato. All this insurance coverage shall be maintained throughout the life of this Agreement. PCLT policies shall be primary insurance and noncontributory to any other valid and collectible insurance available to City of Mankato with respect to any claim arising out of the City's performance under this Agreement. PCLT is responsible for payment of Agreement related insurance premiums and deductibles. Notwithstanding any provision of this Agreement, City of Mankato reserves the right to immediately terminate this Agreement if PCLT is not in compliance with the insurance requirements contained herein.
15. Independent Contractor. For the purposes of this Contract, the PCLT shall be deemed an independent contractor and not an employee of the City and all employees of the PCLT or other persons while engaged in the performance of any work or services required by the PCLT under this Contract, shall not be considered employees of the City.

16. Liability. It is agreed that the City shall defend and save the PCLT harmless from any claims, demands, actions, or causes of action, damages, costs (including attorneys' fees) arising out of any act or omission on the part of the City, its agents, servants or employees in performance of, or with relation to any of the work or services provided or furnished by the PCLT under the terms of this Contract. Furthermore, SWMHP shall defend, indemnify, and save the City harmless from any claims, demands, actions, or causes of action, damages, costs (including attorneys' fees) arising out of any act or omission on the part of the SWHMHP, its agents, servants, or employees in performance of, or with relation to any of the work or services under this Contract.
17. Data Practices. The parties acknowledge that this Agreement is subject to the requirements of Minnesota's Government Data Practices Act, Minnesota Statutes, Section 13.01 *et seq.* PCLT will continue to maintain the current level of data security for all data created under this Agreement and will follow all statutory guidelines regarding notifications in the case of a data breach.

IN WITNESS WHEREOF, the parties hereunto have executed this Contract for Services the day and year first above written.

**PARTNERSHIP COMMUNITY
LAND TRUST**

By: 

**Its: Secretary/
Treasurer**

CITY OF MANKATO

By: 

Its: City Manager

**CONTRACT FOR COMMUNITY LAND TRUST PHASE III SERVICES BY AND
BETWEEN THE CITY OF MANKATO AND THE
PARTNERSHIP COMMUNITY LAND TRUST**

THIS CONTRACT for Administrative, Outreach and Training Services related to the implementation of the Partnership Community Land Trust ("PCLT") in the city of Mankato, Minnesota (hereinafter the "Project") is entered into on June 10, 2024, by and between the City of Mankato (hereinafter the "City") and the Partnership Community Land Trust (hereinafter the "PCLT").

WHEREAS, the City supports the creation of a community land trust in the community to assist homebuyers at or below 80% of the Area Median Income (AMI) to acquire new single-family homes; and

WHEREAS, the City and PCLT entered into an agreement on March 13, 2023 for Phase One to implement a community land trust in Mankato, Phase II on June 12, 2023, and this agreement contemplates that those efforts will continue, including outreach, training, and homeowner assistance; and

WHEREAS, PCLT is willing to provide these services to the City in accordance with the provisions of this agreement.

NOW, THEREFORE, the parties do hereby mutually agree in consideration of the mutual covenants contained herein as follows:

PCLT agrees to provide the following services:

PHASE III

- A. PCLT will continue outreach and training to local realtors, lenders, and appraisers to ensure that a community land trust will be supported and successful in the community.
- B. PCLT will continue outreach and training to prospective PCLT homebuyers to ensure they understand the benefits and differences of homeownership through a community land trust; and will assist the homebuyers through the purchase and financing of the PCLT home acquisition.

- C. PCLT will facilitate the acquisition and rehabilitation (for health and safety improvements) of five (5) single-family homes within the City of Mankato for prospective homebuyers at or below 80% of AMI per the Minnesota Housing application funding award and details granted in December 2023.
 - D. PCLT will facilitate the new construction of two (2) single-family homes within the City of Mankato for prospective homebuyers at or below 80% of AMI per the Minnesota Housing Application funding award and details granted in December 2023.
1. Payment for Services and Project Funding. The City hereby agrees to pay the PCLT in the following manner:
- a. For home acquisition support, the City shall provide up to \$15,000 to underwrite the purchase of each home. The City will support up to five (5) homes to be acquired by homeowners into the PCLT at or below 80% of AMI and located within the city of Mankato corporate limits. Payment is due at the homebuyer's closing on the home.
 - b. For home rehabilitation to address health and safety improvements, the city will provide up to \$35,000 of funding per home under the City of Mankato's Owner-Occupied Housing Rehabilitation Program Guidelines and Policies after the home is purchased. For homes made part of the PCLT, the deferred loan provisions of the City of Mankato's Owner Rehabilitation Guidelines and Policies shall not be required, and the City agrees to waive the requirement for those home to be located within a targeted area as otherwise required in the City of Mankato's Owner-Occupied Housing Rehabilitation Program Guidelines and Policies. If rehabilitation to address health and safety improvements are not required for the home, the \$35,000 may be used for acquisition of the home provided the total amount per home does not exceed \$50,000 of City support and funding is used to support homebuyers at or below 80% of the AMI.
 - c. For new single-family home construction support, the City shall provide up to \$70,000 in project write down grant funding per home for up to two (2) homes to be acquired by homeowners into the PCLT at or below 80% of AMI in the City of Mankato corporate limits. Payment is due at the homebuyer's closing on the home.

2. Covenants and Representations by the City. The City covenants and represents that the execution and delivery of this agreement and the consummation of the transactions contemplated hereby, and the fulfillment of the terms and conditions of this agreement, do not and will not conflict with or result in a breach of any of the term or conditions of any restrictions contained in any agreement or any instrument to which the City is now a party or by which it is bound.
3. Covenants and Representation of the PCLT. The PCLT covenants and represents that it is a non-profit corporation, duly organized and existing under the laws of the State of Minnesota and is duly authorized to conduct its activities in the State of Minnesota, has the power to enter into this agreement, and has, by proper action, authorized the execution and delivery of this agreement. The PCLT further covenants and represents that the execution and delivery of this agreement and the consummation of the transactions contemplated hereby, and the fulfillment of the terms and conditions hereby do not and will not conflict with or result in the breach of any of the terms or conditions of any restriction contained in any agreement or instrument to which the PCLT is now a party or by which it is bound or, and do not and will not constitute a default under any of the foregoing.
4. Termination. **This agreement shall remain in effect until December 31, 2025, but may be extended by mutual consent if the purchase of the seven homes contemplated herein is still underway.** This agreement may be terminated with or without cause by either party upon thirty (30) days prior written notice to the other party. In the event that a petition in bankruptcy is filed by or against either the PCLT, or in the event that either shall make an assignment for the benefit of creditors to take advantage of any insolvency act, either party hereto may immediately terminate this agreement without notice, but prompt advice of such action shall be given to the other party. In the event of a termination, the PCLT shall receive compensation for each home closed provided prior to the date of such termination.
5. Governing Law. This agreement shall be construed and interpreted in accordance with the laws of the State of Minnesota.
6. Compliance with Laws. Both parties agree to comply with all applicable state, federal, and local laws, rules, and regulations now in effect or hereinafter adopted pertaining to this Agreement or to the facilities, programs and staff for which a party is responsible.

7. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when mailed by first class mail, postage prepaid, with proper addresses and indicated below. Any party may, by written notice given to the other party designate any address or addresses to which notices, certificates or other communications to them should be sent when required as contemplated by this agreement. Until otherwise provided by the respective parties, all notices, certificates and communications to each of them shall be addressed as follows:

City of Mankato

City of Mankato
Attn: Susan MH Arntz, City Manager
10 Civic Center Plaza
PO Box 3368
Mankato, MN 56002-3368

SWMHP:

Partnership Community Land Trust
Attn: Secretary/Treasurer
2401 Broadway Ave
Slayton, MN 56172

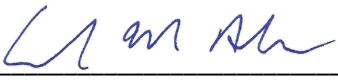
8. Counterparts. This agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.
9. Captions. The captions or headings of this agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions hereof.
10. Binding Effect. This agreement shall inure to the benefit and shall be binding upon the City and the PCLT and their respective successors and assigns until this agreement is terminated.
11. Amendment or Waiver of this Agreement. This agreement and every part hereof may not be waived or amended except by a writing executed by the City and the PCLT.
12. Assignments. This agreement shall inure to the benefit of and constitute a binding obligation upon the PCLT and the City, and their respective successors and assigns, provided that neither party assign this agreement or any of its duties hereunder without the prior written consent of the other party.

13. Conflict of Interest. The PCLT will identify, disclose, and remove itself from any inspection or consulting activities pertaining to properties owned, managed, or controlled by the PCLT or its affiliate companies or organizations. The City will be solely responsible for ensuring that qualified services are available, in a timely manner, to those identified properties.
14. Worker's Compensation Insurance: PCLT shall procure and carry, at its expense, Worker's Compensation Insurance as required by Minnesota Statutes, Section 176.181, Subd. 2 and further agrees to provide a certificate of said insurance to City of Mankato. All this insurance coverage shall be maintained throughout the life of this Agreement. PCLT policies shall be primary insurance and noncontributory to any other valid and collectible insurance available to City of Mankato with respect to any claim arising out of the City's performance under this Agreement. PCLT is responsible for payment of Agreement related insurance premiums and deductibles. Notwithstanding any provision of this Agreement, City of Mankato reserves the right to immediately terminate this Agreement if PCLT is not in compliance with the insurance requirements contained herein.
15. Independent Contractor. For the purposes of this Contract, the PCLT shall be deemed an independent contractor and not an employee of the City and all employees of the PCLT or other persons while engaged in the performance of any work or services required by the PCLT under this Contract, shall not be considered employees of the City.
16. Liability. It is agreed that the City shall defend and save the PCLT harmless from any claims, demands, actions, or causes of action, damages, costs (including attorneys' fees) arising out of any act or omission on the part of the City, its agents, servants or employees in performance of, or with relation to any of the work or services provided or furnished by the PCLT under the terms of this Contract. Furthermore, SWMHP shall defend, indemnify, and save the City harmless from any claims, demands, actions, or causes of action, damages, costs (including attorneys' fees) arising out of any act or omission on the part of the SWHMHP, its agents, servants, or employees in performance of, or with relation to any of the work or services under this Contract.
17. Data Practices. The parties acknowledge that this Agreement is subject to the requirements of Minnesota's Government Data Practices Act, Minnesota Statutes, Section 13.01 *et seq.* PCLT will continue to maintain the current level of data

security for all data created under this Agreement and will follow all statutory guidelines regarding notifications in the case of a data breach.

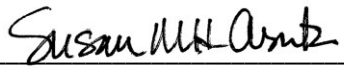
IN WITNESS WHEREOF, the parties hereunto have executed this Contract for Services the day and year first above written.

**PARTNERSHIP COMMUNITY
LAND TRUST**

By: 

**Its: Secretary/
Treasurer**

CITY OF MANKATO

By: 

Its: City Manager