



MINUTES

**Mankato Economic Development Authority
Regular Meeting
March 10, 2025 - 6:37 p.m.
IGC - Mankato Room**

1. **Call Meeting to Order**

Members Present: Mike Laven, Dennis Dieken, Michael McLaughlin, Jenn Melby-Kelley, Jessica Hatanpa, and Chair Najwa Massad.

Members Excused: Kevin Mettler.

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**

Mr. Dieken moved and McLaughlin seconded a motion to approve the agenda as written.
The motion carried unanimously.

3. **Approval of Minutes**

Ms. Melby-Kelley moved and Mr. McLaughlin seconded a motion to approve the Economic Development Authority minutes of the Regular Meeting of February 10, 2025, as written.
The motion carried unanimously.

4. **Economic Development Authority Business**

- A. Ms. Bokelmann reported that the Mankato EDA has been requested to consider the consolidation of the Pipestone HRA's Housing Choice Voucher Program (HCV) made up of 53 vouchers, which would allow the vouchers to be utilized in Pipestone County or Blue Earth County.

Ms. Bokelmann stated that to consolidate the vouchers, a contractual agreement with the Pipestone HRA will be established to assist the EDA in the administration of applicants interested in vouchers in Pipestone County. She explained that the EDA will contract services with the Pipestone HRA to conduct necessary inspections and assist in connecting with participants during the certification process, providing reasonable accommodation as needed due to the distance between our jurisdictions. She noted that vouchers not being utilized in Pipestone will have access to the EDA's current waitlist; however, a Pipestone preference would be utilized and prioritize families that could be served under contract with the Pipestone HRA.

Ms. Bokelmann indicated that currently, the Mankato EDA is using 100% of the program budget for 89% of the allocated vouchers; thus, the additional vouchers will assist the EDA in serving families on the waiting list (currently 917 families). She pointed out that the EDA has also applied for 25 Bridges vouchers through MN Housing and anticipates 80–90 vouchers through MN Housing’s Bring It Home Voucher Program. She added that the additional vouchers expand affordable housing opportunities in the community and are supported by the Affordable Housing Action Plan and the Strategic Plan for the city.

Ms. Melby-Kelley moved and Mr. Dieken seconded the motion approving the Resolution authorizing Letter of Intent to HUD for consolidation of the Pipestone HRA Housing Choice Voucher Program . The motion carried unanimously.

- B. Ms. Bokelmann indicated that Minnesota Housing has authority under Minnesota Statute 462A.2095 to establish and administer a statewide rental assistance program that provides tenant-based and project-based rental assistance and announced the availability of funding to eligible Housing Choice Voucher program administrators and Tribal Nations in the state to provide direct rental assistance under the Bring It Home Rental Assistance Program Request for Proposals; applications are due April 21, 2025.

Ms. Bokelmann stated that Minnesota Housing will make every effort to ensure coverage of all geographies within Minnesota so that all low-income renter households have an opportunity for assistance. She explained that program administrators may partner to deliver the rental assistance in another Service Area and must enter into a Memorandum of Agreement (MOA) that describes how they will work together to achieve the agreed goals and objectives. She noted that MOAs may be used to increase geographic coverage, reduce financial limitations placed on smaller housing authorities, or fill gaps by program administrators that choose not to participate in the program.

Ms. Bokelmann reported that on August 16, 2024, the EDA was allocated \$728,393.00 for 60-81 rental Vouchers at a minimum level that could be provided by Minnesota Housing through their competitive application process. She stated that the minimum grant amounts established for each Housing Choice Voucher program administrator in the state used the average Housing Assistance Payments provided by HUD and multiplied them by eligible households identified using the Census Bureau’s American Community. She added that the program provides grants to program administrators for the purpose of providing tenant or project-based rental assistance directly to housing providers for eligible households using already established administrative policies and procedures under the Program. She noted that eligible uses are Start-Up Costs, Administrative Fees and Housing Assistance Payments.

Ms. Bokelmann reviewed the eligibility requirements and indicated that after initial eligibility, Program Administrators may use additional screening criteria to determine a household’s qualification and prioritization for the program using their already established administrative policies. She stated that priority for rental assistance must be given to households with children 18 years of age and under, and annual incomes of up to 30% of the area's median income.

Mr. McLaughlin moved and Mr. Dieken seconded a motion approving the Resolution authorizing application to the Minnesota Housing Bring It Home Rental Assistance Program Request for Proposals . The motion carried unanimously.

- C. Ms. Bokelmann indicated that the memorandum of understanding details the roles and responsibilities of the grantee: Mankato Economic Development Authority; a non-profit housing sponsor: Cherry Ridge Apartments, owned by the Southwest Minnesota Housing Partnership; and a service provider: Blue Earth County Human Services; in meeting the specific requirements of the Continuum of Care Program as detailed in U.S. Department of Housing and Urban Development grant agreements and in 24 CFR Part 578 - Continuum of Care Program for Cherry Ridge Apartments in Mankato, Minnesota.

Ms. Bokelmann reported that the program was built on the premise that housing and services need to be connected to ensure the stability of housing for this population. She noted that the EDA, Southwest Minnesota Housing Partnership (SWMHP), and Blue Earth County work together to provide rental assistance and supportive services using the Housing First approach to assist eight (8) DedicatedPLUS households to find and maintain permanent affordable housing. She commented that DedicatedPLUS is a permanent supportive housing (PH-PSH) project serving individuals and families that meet one of certain criteria at project entry. She summarized the criteria.

Ms. Bokelmann explained that the Continuum of Care Funding provides supportive services dollars to be used at sponsor properties within the EDA service area of the City of Mankato and Blue Earth County. She mentioned that SWMHP is our Sponsor, owning Cherry Ridge Apartments, Sibley Parkway Apartments and Homestead Apartments. She stated that primary rental assistance has been tied to the redevelopment of Cherry Ridge Apartments but can include other locations as needed, and the EDA provides 8 project-based vouchers under the Housing Choice Voucher program as a program match to the Continuum of Care funding.

Ms. Melby-Kelley moved and Mr. McLaughlin seconded a motion approving the Resolution authorizing the Executive Director to enter into a Memorandum of Understanding with the Southwest MN Housing Partnership and Blue Earth County Human Services for the administration of Continuum of Care funding at Cherry Ridge Apartments. The motion carried unanimously.

- D. Ms. Bokelmann stated that on March 10, 2025, the Housing and Redevelopment Authority met and approved the conveyance of public housing properties to the City of Mankato and the Economic Development Authority of Mankato (EDA). She commented that the EDA operates the public housing portfolio and approved the disposition of units from the Section 9 public housing portfolio and approved the disposition of units from Section 9 Public Housing into a long-term, Project-Based, Section 8 Housing Choice Voucher rental assistance that provides a stable and predictable annual subsidy. She noted that the application for Section 18 disposition of 49 scattered site units was approved by the EDA on December 11, 2023; the application for Section 18 disposition was approved by the US Department of Housing and Urban Development (HUD) on September 5, 2024, and tenant protection project-based vouchers were provided to the EDA. She stated that it is anticipated that the conversion will be completed in March 2025, with the remaining 130 units seeking disposition approval later this year.

Ms. Bokelmann concluded that under the disposition, all the units will be subject to a Declaration of Restricted Use Agreement requiring the rental properties to serve low-income households for a term of 30 years, with such a use agreement to be recorded covenant running with the land and binding on successors and assigns of the City.

Mr. Laven moved and Ms. Hatanpa seconded a motion approving the Resolution approving the acquisition of certain property owned by the Housing and Redevelopment Authority of Mankato. The motion carried unanimously.

5. **Reports/EDA Comments**

None.

6. **Adjournment**

There being no further business, Ms. Melby-Kelley moved and Mr. Laven seconded a motion to adjourn. With all members voting in favor, the meeting adjourned at 6:53 p.m.

Prepared by:

Approved by:

Renae Kopischke
City Clerk

Najwa Massad
Chair