AGENDA

Economic Development Authority
Monday, May 12, 2025
(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**

   Economic Development Authority Meeting of April 14, 2025

4. **Economic Development Authority Business**

   A. Motion appointing members to the Affordable Housing Trust Fund Advisory Committee.

   B. Review the status of the Partnership Community Land Trust (PCLT) and Resolution authorizing the execution of the Phase IV contract.

   C. Preliminary Data from the Annual Point In Time HUD Count on homelessness.

5. **Reports/EDA Comments**

6. **Adjournment**

MINUTES

Mankato Economic Development Authority
Regular Meeting
April 14, 2025 - 6:43 p.m.
IGC - Mankato Room

1. **Call Meeting to Order**

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

   Members Excused: Michael McLaughlin.

   Staff Present: Executive Director Susan Arntz, Community Development Director Mark Konz, Associate Director of Housing and Economic Development Nancy Bokelmann, Facilities Project Manager Jim Tatge, 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 March 10, 2025, as written. The motion carried unanimously.

4. **Economic Development Authority Business**

   A. Mr. Tatge reported on major renovations in 2011 and 2012 at Orness Plaza that included energy-efficient heating, ventilation, and air conditioning components being installed for energy conservation. He noted that geothermal wells throughout the grounds, redesigned controls for the existing rooftop HVAC units, and individual heat pumps within each unit were included. Orness contains 114 individual heat pump units throughout the building, including all 101 residential units and common spaces utilized by the residents as well as staff areas that equate to 13 units.

   Mr. Tatge indicated that Phase 1 of the project replaced 69 of the 114 units that were exclusively residential units, and Phase 2 of the project replaced the remaining 32 residential units and five units that serve common areas in the building. He commented that the nature of how the heat pump works reduces the lifespan of the equipment to less than that of a normal household furnace; thus, on average, a heat pump in this configuration can last between 10–15 years, with an average household furnace lasting between 15–20 years.

Mr. Tatge stated that improvements in this final phase include the replacement of eight remaining heat pump units that reside in the ceilings of offices and common areas that were installed in conjunction with the remodel in 2011. He noted that Phase 3 of the project is proposed to be funded by the 2025 EDA Housing Capital Budget with the approved budget for the project being $120,000. He summarized the estimated costs ($118,800) and funding sources for the project. He added that the recommended improvements are being proposed for the summer or fall of 2025, depending upon lead times for the new equipment.

Mr. Dieken moved and Mr. Mettler seconded the motion approving the Resolution accepting feasibility report and ordering project for Capital Improvement Project 11139; Orness Plaza Heat Pumps Phase 3 . The motion carried unanimously.

B. Ms. Bokelmann stated that the Mankato Public Housing units are required under the Housing Choice Voucher Project-Based rental assistance to complete Lead-Based Paint Risk Assessments as part of the conversion process. She noted that two consultants submitted quotations for the project.

Ms. Bokelmann explained that the purpose of the Lead Risk Assessment is to determine the presence or absence of lead-based paint hazards on the interior and exterior of buildings when renovation, demolition or conversions are planned. She commented that the lead risk assessment is to be conducted per HUD's Guidelines for evaluation and control of lead-based paint in housing, chapter 5, Risk Assessment and Reevaluation, 2012 edition.

Ms. Bokelmann indicated that Minnesota Lead Testers out of Wyoming MN submitted the apparent low quotation in the amount of $54,280, with all documentation conforming to the bid requirements set forth by the authority and federal regulations.

Ms. Melby-Kelley moved and Ms. Bokelmann seconded a motion approving the Resolution considering bids on Lead-Based Paint Risk Assessments for Public Housing Properties . The motion carried unanimously.

5. **Reports/EDA Comments**

None.

6. **Adjournment**

There being no further business, Mr. Laven moved and Mr. Mettler seconded a motion to adjourn. With all members voting in favor, the meeting adjourned at 6:47 p.m.

Prepared by:	Approved by:
Renae Kopischke City Clerk	Najwa Massad Chair

AGENDA RECOMMENDATION

Economic Development Authority **4. A.**

Meeting Date: 05/12/2025

Agenda Item:

Motion appointing members to the Affordable Housing Trust Fund Advisory Committee.

Recommendation/Action(s):

Motion appointing members to Affordable Housing Trust Fund Advisory Committee.

Summary:

The EDA identified the need to establish a local Housing Trust Fund during the development of the Affordable Housing Action Plan and established an ordinance for the Affordable Housing Trust Fund on August 26, 2024. The EDA began the Affordable Housing Trust Fund (AHTF) using Statewide Affordable Housing Aid funding received and leveraged additional general funds to seek state matching dollars to expand the AHTF and support the PCLT this past April.

The ordinance set the purpose and intent of the AHTF to encourage the creation of affordable housing for renters and homeowners, promote the preservation of affordable housing resources, prevent and end homelessness, and provide rental assistance. Other ordinance components include a description of funding sources, a determination of funding use, and the distribution of funds.

Mankato EDA and the Blue Earth County EDA desired to cooperatively establish goals, policies and programs for affordable housing in Blue Earth County. A Memorandum of Understanding (MOU) was entered to collaboratively focus attention on affordable housing issues, encourage sharing of information on successful policies and programs, and provide joint planning for a consistent approach that will help attract public and private resources for developing affordable housing.

The purpose of the MOU was to establish and formalize a framework for collaboration and coordination to improve efficiency and outcomes related to affordable housing in Blue Earth County. It laid out the shared decision-making between both EDAs and the work of an advisory committee. The advisory committee will develop an annual action plan. It will review and recommend loans and grants to create, acquire, and rehabilitate affordable housing as well as prevent and end homelessness. Staff solicited interest from community stakeholders to be considered for membership of the AHTF Advisory Committee.

The committee shall consist of one City of Mankato staff member, one Blue Earth County staff member, two (2) community members appointed by the EDA of Mankato, and two (2) community members appointed by the EDA of Blue Earth County. The committee make-up shall reflect the demographics of the community at large specific to race and gender and represent business and community organizations, non-profit service providers, community-based organizations or foundations.

Staff shall serve on the committee as directed by the EDA. Members shall be appointed for a term of three (3) years. All terms are staggered and expire on June 30 of the year in which the term expired. No EDA-appointed person may serve more than three (3) complete, successive terms as a committee member.

Staff are recommending the following individuals to be appointed to the AHTF Advisory Committee:

Amy Jo Lennartson with the Mankato Foundation
Christine Wilking with the Mayo Clinic Foundation
Barb Kaus with the Greater Mankato Area United Way, and
Ceceli Polzin with the YWCA Mankato

The requested action is a motion to appoint the HTF Advisory Committee members as presented.

AGENDA RECOMMENDATION

Economic Development Authority **4. B.**

Meeting Date: 05/12/2025

Agenda Item:

Review the status of the Partnership Community Land Trust (PCLT) and Resolution authorizing the execution of the Phase IV contract.

Recommendation/Action(s):

Adoption of the attached resolution.

Summary:

The following update is being provided by Southwest Minnesota Housing Partnership (SWMHP) on the Partnership Community Land Trust (PCLT) activities in Mankato, along with the financial summary attached.

A Community Land Trust (CLT) is a unique solution in a community's housing toolkit. Four years ago, the City of Mankato approached the SWMHP to expand the PCLT into Mankato. The Mankato City Council approved an investment which has leveraged other sources of funds and expanded the PCLT into the area. Three years after the initial City Council approvals, we are experiencing what was envisioned - *low-income households who had the dream of owning their own home, are becoming homeowners*.

Not only is the one-time investment in a home impactful for the family that is moving in, the nature of the CLT as a perpetual model means there is no continuous investment needed for future homebuyers to experience affordable homeownership. Homeowners are building equity, and the community has a sustainable tool to create affordable housing.

Phase Updates

Phase I **- Closed out**

Focused on three **Acquisition/Rehabilitation** homes not exceeding **80%** of the statewide Area Median Income (AMI). The city contribution acted as a write-down/reduction of the purchase price, CDBG acted as funds to address items identified as health and safety needs, and the City paid $5,000 per home for SWMHP administration services after closing.

Progress Report: This contract phase closed out in March 2025. One PCLT home was purchased and closed in December 2023. A second home was purchased and closed in June 2024. The third home was purchased and closed in March 2025.

***Phase II* – Closing out by June 2025**
The focus is on three **New Construction** homes not exceeding **60%** of the statewide Area Median Income (AMI). The City and SWMHP contributions act as a write-down/reduction of the purchase price and were used as leverage to secure funds through the Minnesota Housing Finance Agency (MHFA) and Target Foundation.

Progress Report: SWMHP purchased a new construction home in March 2024 from Heartland Homes/Drummer Construction to make it available for a new homebuyer who purchased and closed in October 2024. SWMHP purchased two lots in the Groh Farms subdivision in partnership with Drummer Development/Wilcon Construction in March 2024. The homes are currently under construction and expected to be completed this month. There are four qualified buyers for the two homes, which are on a first-come, first-served basis. Therefore, the first two to make an offer with secured financing will be accepted. It is anticipated that the sale of both homes will occur in June 2025 and close out this contract phase.

These homes have been challenged to find a buyer who qualifies with an exceptionally low income and still qualifies with a lender to obtain a mortgage. As construction costs, including supplies and labor, continue to be high and/or increase, the amount of financing a household can qualify for remains too low. Value engineering for our homes where possible while seeking sources of financial stack to reduce the gap is imperative to transact a home sale. For example, the homes being built in Groh Farms have 4 bedrooms, 2 bathrooms and a garage. To comply with Minnesota Housing Finance Agency requirements, they are built as 'visitable', mandating zero-entry with accessible bathrooms and doorways, in addition to mandating the use of prevailing wage construction rates, which generally increase the cost by 20-25%. The total development cost of these homes is $480,000, and our buyers with 60% Statewide Area Median Income qualify for first mortgages of $175-$210,000, hence the need for significant down payment assistance and write-downs. The developer has also pledged a contribution.

***Phase III* – Pending New Market Tax Credits Award – Closing out Summer/Fall 2026**

Part 1:
The focus is on two **New Construction** homes not exceeding **80%** of the statewide Area Median Income (AMI). City and SWMHP contributions acted as a write-down/reduction of the purchase price and were used as leverage to secure funds through the Minnesota Housing Finance Agency (MHFA).

Progress Report: The MHFA contract was signed. The PCLT also secured New Markets Tax Credits (NMTC) to provide a repayable loan with net benefit to reduce the cost of the home price. The NMTC loan closes at the end of May 2025. SWMHP is currently evaluating a list of 12 parcels on which to build and anticipate purchase before July 2025. When the parcel is identified, SWMHP staff will select home concepts and request bids from contractors. SWMHP is planning for a late Fall 2025 construction start, with homes available for purchase by Summer/Fall 2026.

Part 2:
The focus is on five **Acquisition/Rehabilitation** homes not exceeding **80%** of the statewide Area Median Income (AMI). City and SWMHP contributions acted as a write-down/reduction of the purchase price and were used as leverage to secure funds through MHFA, NMTC and Otto Bremer Trust Foundation (OBT).

Progress Report: The MHFA contract was signed. The PCLT also secured New Markets Tax Credits (NMTC) which will be applied as needed to fill the homebuyer assistance gap. City funds were also leveraged in a successful request to the Otto Bremer Foundation for write-down funds of $25,000 for this phase. Staff at SWMHP are actively discussing the need for homes with local Realtors and shopping to preemptively purchase three of the five homes to begin rehab work prior to homebuyer acquisition. The delay is due to waiting until the NMTC funds are available, which will be at the end of May 2025. The remaining two homes will be homebuyer-initiated, meaning they will select their home, and we will support them through the purchase process.

***Phase IV* - Seeking Resolution Approving Contract – Close out Summer/Fall 2026**
The focus is on ten **New Construction** homes not exceeding **80%** of the statewide Area Median Income (AMI). City, County, and SWMHP contributions act as a write-down/reduction of the purchase price and were used as leverage to secure funds through the Minnesota Housing Finance Agency (MHFA), Greater Minnesota Housing Fund (GMHF) and NMTC.

Background:SWMHP included these homes in two applications to the MHFA Impact Fund last July with support from the City and County – one specifically for Mankato, and one as part of a Scattered Site Regional application. The Scattered Site application was awarded for 10 homes to be placed in communities where the PCLT is already working. SWMHP has chosen to place 6 in Mankato, 2 in St Peter and 2 in Willmar. They have leveraged existing funds to secure an NMTC award for 10 homes in Mankato for this phase. Therefore, the summary is split into two subsections reflecting the change of sources in this phase.

Progress Report: The MHFA contract was finalized in February 2025, GMHF was finalized in April 2025 and the NMTC contract will be finalized in May 2025. These homes will be part of the evaluation and execution of Phase III. SWMHP is currently evaluating a list of 12 parcels on which to build and anticipate purchase before June 2025. When the parcel is identified, SWMHP staff will select home concepts and request bids from contractors. SWMHP is planning for a late Fall 2025 construction start, with homes available for purchase by Summer 2026.

Requested Action: The PCLT is requesting the County to enter a service contract for Phase IV of the land trust activities in the City of Mankato. On June 25, 2024, the EDA adopted a resolution supporting an application to Minnesota Housing for Phase IV. A contract for Phase IV has been drafted and is attached. The contract contemplates a total funding of $250,000 of EDA Funding through the Affordable Housing Trust Fund.

Use of Local Housing Trust Fund to support

The EDAs have allocated Statewide Affordable Housing Aid to create local housing trusts funds throughout the city of Mankato and Blue Earth County. Additionally, in April 2025, they made applications to MN Housing seeking Housing Trust Fund grants matching EDA general funds to support the PCLT in Mankato for Phase IV and V. Should these funds be awarded, the EDAs will have $825,000 to commit to the PCLT.

Below provides a breakdown of the PCLT funding with funding set aside under the LHTF grant request with the EDA request of $225,000 matched with general funding of $300,000, totaling $525,000 to be allocated towards the PCLT. We anticipate notification on whether these funds are awarded in June 2025. The EDA has committed $250,000 of these funds to Phase IV.

	2023	2024	2025	Subtotal	**LHTF Grant Request**	**General Fund**	Total
Mankato	$288,957	$288,957	$123,108	$ 701,022	**$225,000**	**$300,000**	$1,226,022
Blue Earth County	$165,141	$165,141	$ 69,985	$ 330,282	**$150,000**	**$150,000**	$ 700,267
Total	$454,098	$454,098	$193,093	$1,031,304	**$375,000**	**$450,000**	$1,926,289

Ready Homebuyers
Through outreach to existing SWMHP tenants, area non-profits, realtors, social media posts and media coverage of our initial home sales, word of mouth from our new homeowners and our pipeline of potential homebuyers is increasing. Currently, they have several buyers who are mortgage-ready and many others who are at various stages of purchase readiness – from working with a lender to shopping for a home. Families intending to buy range from 2 to 11 people in the household, and are qualifying for mortgages in the $150,000-350,000 range. However, for some, that equates to up to 49% of their income, which is higher than our target of 29% income spent on housing payments. Their vision to not overburden new homebuyers reduces that client's responsibility to $150,000-210,000. Buyers working with SWMHP staff are evaluating the potential of leveraging the state's down payment assistance programs such as 1st time and/or 1st Generation homebuyer programs through Minnesota Housing and Midwest Minnesota Community Development Corporation (MMCDC), Housing Choice Vouchers, USDA mortgages and other sources. SWMHP is meeting with more organizations to educate them about the PCLT and how they can partner, as well as marketing efforts to continue to spread the word. They are actively working with Gustavus Adolphus marketing students on plans dedicated to the promotion of the PCLT in Mankato and St. Peter.

Acquisition / Rehabilitation Summary Update
After the winter months, as expected, SWMHP is anticipating a typical for-sale market uptick, leading to more opportunities for potential acquisition/rehab homes on the market. Their experience shows that while a limited number of existing homes can be found at lower price points, the amount of rehab needed to address health and safety issues far exceeds the allocation of CDBG funds. Additionally, items that are excluded, such as sidewalks, garages and driveways, can be an immediate burden to new homeowners. The addition of more financial resources will be helpful in shopping for homes at a higher price point that will require less rehabilitation while still meeting the needs of our homebuyers.

Funding Opportunities – Homebuyers
USDA funds which have repeatedly opened and closed are now temporarily frozen. Congress allotted USDA-wide funding instead of funding specific programs, causing a hold on loans while USDA determines how much each program gets. Until the 502 & 504 programs receive their allotted money, they do not have money to close loans and applicants go on a waitlist.
There is no guarantee that USDA leaders will fund the program, but there are no signs that they won't either. Our team continues to work with qualifying households to add them to the waitlist. However, depending on when mortgage loans will be available again, we will need to resubmit applications.

In the meantime, homebuyers are continuing to seek local funding for their first mortgages. Two local banks have embraced the CLT model, and we continue to work on improved processes to expedite closings.

SWMHP continues to work with homebuyers to access first-time homebuyer funds who qualify, which can provide down payment assistance of up to $18,000. A first-generation down payment assistance program was rolled out in two forms: one directly through Minnesota Housing and the second through MMCDC, from which SWMHP is a distributor of those funds. The state's program has run out of funds and the MMCDC funds are quickly being depleted. As a qualified distributor of these funds, many homebuyers in Mankato have benefited as SWMHP has facilitated over $1 million dollars in down payment assistance locally for PCLT and non-PCLT buyers.

Other PCLT News

- Local real estate, title and banking professionals who were part of the first PCLT home sale are now champions and continue to help the PCLT spread the word about what a great option the community land trust is. In fact, more Realtors are reaching out to learn more and asking how they can be involved and send their homebuyers to us for education. SWMHP plans to hold additional educational sessions this summer and has been presenting to brokerages.
- CEO Chad Adams and other SWMHP colleagues were active at the State Capitol this year as well as last year to advocate for changes in the property tax rates on Community Land Trusts through the Minnesota Coalition of Community Land Trusts. Legislation was approved last year to reduce the property tax rate for single-family CLT homes from 1.0% to 0.75%, which will help current and future buyers of CLT homes. The new tax rate does not go into effect until taxes are payable in 2026. Several of their staff also went to the Capitol last month to advocate for housing funding. Chad has had the opportunity to testify twice in the past month, and recently returned from advocacy efforts in Washington D.C. The MN Coalition of CLTs is also leveraging a $1 million contribution from a Minnesota foundation to help Minnesota CLTs get access to more affordable construction financing for homes throughout the state.
- SWMHP continues to plan for housing and other community development opportunities to support the City of Mankato's Strategic Priorities. In February 2025, SWMHP and the School Sisters of Notre Dame executed a Purchase-Sale Agreement for the purchase of the Good Counsel parcels. The purchase includes multiple parcels of approximately 95 acres encompassing buildings, gardens and landscape on top of the hill and in the pasture. The pasture parcel, located on N. 4th Street across from Tourtellotte Park, is planned to be one of the first projects to include 8 or more PCLT homes (included in Phases III & IV). The purchase of the property will be completed in Fall 2025. However, much work with the City Staff has already occurred to inform the plating process. In addition to housing, plans for multipurpose space, offices, heritage center and more are planned, as well as maintaining the presence of the Living Earth Center for the foreseeable future.

Recommendation/Action:

The requested action is to accept the PCLT update and approve the resolution authorizing the Executive Director to enter the service contract for Phase IV and the PCLT through December 31, 2026.

Attachments

Resolution

Financial Summary

Contract

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO ENTER INTO A CONTRACT WITH PARTNERSHIP COMMUNITY LAND TRUST FOR IMPLEMENTATION SERVICES FOR A COMMUNITY LAND TRUST

WHEREAS, the Mankato Economic Development Authority (EDA)has undertaken a variety of action steps to promote the development and preservation of affordable housing; and

WHEREAS, a community land trust is one strategy to promote and preserve single family affordable housing; and

WHEREAS, Southwest Minnesota Housing Partnership operates the Partnership Community Land Trust in other communities; and

WHEREAS, Southwest Minnesota Housing Partnership has expanded their Partnership Community Land Trust, LLC (PCLT) in Mankato to create affordable homeownership and preserving the affordability of homeownership for future owners; and

WHEREAS, it is anticipated that successful development of the project will require participation from the EDA through financial support of $250,000 in funding for ten (10) single family homes; and

WHEREAS, Partnership Community Land Trust applied for Phase IV of the community land trust to the Minnesota Housing Finance Agency under the Super RFP in July 2024; and

WHEREAS, Partnership Community Land Trust applied for Phase IV of the community land trust to Housing Partnership Network seeking New Market Tax Credits in July 2023; and

WHEREAS, the Partnership Community Land Trust Phase IV application for funding through the Minnesota Housing Finance Agency was awarded funding to construct six (6) new homes in Mankato in December 2024; and

WHEREAS, Partnership Community Land Trust Phase IV application for funding through the Housing Partnership Network was awarded New Market Tax Credits to construct ten (10) new homes in Mankato in October 2024; and

WHEREAS, a Phase IV contract will facilitate the new construction of ten (10) single-family homes within the City of Mankato for prospective homebuyers at or below 80% of AMI per the application funding awards for completion by December 31, 2026.

NOW, THEREFORE, BE IT RESOLVED THAT the Executive Director is hereby authorized to execute the Phase IV contract with Partnership Community Land Trust providing $250,000 from the Affordable Housing Trust Fund for the construction of ten (10) new homes on a pay as you go basis.

This resolution shall become effective immediately upon passage.
Dated this 12th day of May 2025.

____
Najwa Massad, Chair

ATTEST:________________________________
Susan MH Arntz, Executive Director

FINANCIAL SUMMARY

Phase I - CLOSED

Acquisition /Rehabilitation

	Per Home	# Homes	Total	Balance
City Contribution	**$83,333**	**3**	**$249,999**	**$0**
City CDBG	**$35,000**	**3**	**$105,000**	**$65,400**
City Administrative	**$ 5,000**	**3**	**$ 15,000**	**$ 0**
Total	$123,333	3	$ 369,999	$65,400

Phase II – ANTICIPATING CLOSE OUT JUNE 2025

New Construction

	Per Home	# Homes	Total	Balance
City Contribution	**$70,000**	**3**	**$210,000**	**$140,000**
MHFA Contribution	$90,500	3	$271,500	$181,000
SWMHP Contribution	$20,000	3	$ 60,000	$ 40,000
Developer Contribution	$20,000	3	$ 60,000	$ 40,000
Target Foundation Contribution	$10,000	3	$ 30,000	$ 20,000
Total	$210,500	3	$631,500	$421,000

Phase III – HELD FOR NEW MARKET TAX CREDITs –CLOSING SUMMER 2026

New Construction

	Per Home	# Homes	Total	Balance
City Contribution	**$70,000**	**2**	**$140,000**	**$140,000**
MHFA Contribution	$141,000	2	$282,000	$282,000
SWMHP Contribution	$10,000	2	$ 20,000	$ 20,000
NMTC Contribution	$54,000	2	$108,000	$108,000
Total	$275,000	2	$550,000	$550,000

Acquisition/Rehabilitation

	Per Home	# Homes	Total	Balance
City Contribution	**$ 15,000**	**5**	**$ 75,000**	**$ 75,000**
City CDBG	**$ 35,000**	**5**	**$175,000**	**$175,000**
MHFA Contribution	$118,000	5	$590,000	$590,000
SWMHP Contribution	$ 3,000	5	$ 15,000	$ 15,000
NMTC Contribution	$ 52,000	5	$260,000	$260,000
OBT Contribution	$ 5,000	5	$ 25,000	$ 25,000
Total	$ 228,000	5	$1,140,000	$1,140,000

Phase IV – A – RESOLUTION APPROVING CONTRACT – CLOSING SUMMER 2026

New Construction

	Per Home	# Homes	Total	Balance
City Contribution	**$ 25,000**	**6**	**$150,000**	**$150,000**
County Contribution	**$ 25,000**	**6**	**$150,000**	**$150,000**
MHFA Contribution	$145,450	6	$872,700	$872,700
GMHF Contribution	$ 15,000	6	$ 90,000	$ 90,000
NMTC Contribution	$ 25,000	6	$150,000	$150,000
SWMHP Contribution	$ 10,000	6	$ 60,000	$ 60,000
Total	$ 245,450	6	$1,472,700	$1,472,700

Phase IV - B - RESOLUTION APPROVING CONTRACT – CLOSING SUMMER 2026

New Construction

	Per Home	# Homes	Total	Balance
City Contribution	**$ 25,000**	**4**	**$100,000**	**$100,000**
County Contribution	**$ 25,000**	**4**	**$100,000**	**$100,000**
MHFA Contribution	0	4	0	0
GMHF Contribution	0	4	0	0
NMTC Contribution	$205,000	4	$820,000	$820,000
SWMHP Contribution	$ 10,000	4	$ 40,000	$ 40,000
Total	$265,000	4	$1,060,000	$1,060,000

Summary of Support:

	City EDA	CDBG	City HTF	County HTF
Phase I	$ 265,000	$39,600	$ 0	$ 0
Phase II	$ 210,000	$0	$ 0	$ 0
Phase III	$ 215,000	$175,000	$ 0	$ 0
Phase IV	$ 0	$0	$250,000	$250,000
Total	$ 690,000	$214,600	$250,000	$250,000

Local Housing Trust Fund:

	2023	2024	2025	Subtotal	**LHTF Grant Request**	**General Fund**	Total
Mankato	$288,957	$288,957	$123,108	$ 701,022	**$225,000**	**$300,000**	$1,226,022
Blue Earth County	$165,141	$165,141	$ 69,985	$ 330,282	**$150,000**	**$150,000**	$ 700,267
Total	$454,098	$454,098	$193,093	$1,031,304	**$375,000**	**$450,000**	$1,926,289

CONTRACT FOR COMMUNITY LAND TRUST PHASE IV SERVICES BY AND BETWEEN THE ECONOMIC DEVELOPMENT AUTHORITY 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 __May 12___, 2025, by and between the Economic Development Authority of Mankato (hereinafter the "EDA") and the Partnership Community Land Trust (hereinafter the "PCLT").

WHEREAS, the EDA 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, PCLT is willing to implement the program in the community 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:

In implementing the program, the PCLT agrees to provide the following services:

PHASE IV

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 ten (10) single-family homes within the City of Mankato for prospective homebuyers at or below 80% of AMI per the New Market Tax Credits awarded in October 2024 and the Minnesota Housing Application funding award and details granted in December 2024.

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

    a. For new single-family home construction support, the EDA shall provide up to $250,000 in project write down grant funding for ten (10) homes to be purchased 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. Funds to be flexible on the use of each home as homebuyer financial gaps vary based on their purchasing ability and other funds secured for the homes.

2. Covenants and Representations by the EDA. The EDA 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 EDA 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, 2026, but may be extended by mutual consent if the purchase of the ten 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:

Mankato EDA:	Economic Development Authority of Mankato Attn: Susan MH Arntz, Executive Director 10 Civic Center Plaza Mankato, MN 56001
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 EDA 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 EDA and the PCLT.

12. Assignments. This agreement shall inure to the benefit of and constitute a binding obligation upon the PCLT and the EDA, 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 EDA 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 EDA. 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 EDA with respect to any claim arising out of the EDA's performance under this Agreement. PCLT is responsible for payment of Agreement related insurance premiums and deductibles. Notwithstanding any provision of this Agreement, EDA 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 EDA and all employees of the PCLT or other people, while engaged in the performance of any work or services required by the PCLT under this Contract, shall not be considered employees of the EDA.

16. Liability. It is agreed that the EDA 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 EDA, 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, PCLT shall defend, indemnify, and save the EDA 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 PCLT, 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	**ECONOMIC DEVELOPMENT AUTHORITY MANKATO**
By: ______________________________	By: ______________________________
Its: Secretary/ Treasurer	**Its: Executive Director**

AGENDA RECOMMENDATION

Economic Development Authority **4. C.**

Meeting Date: 05/12/2025

Agenda Item:

Preliminary Data from the Annual Point In Time HUD Count on homelessness.

Recommendation/Action(s):

Receive and file.

Summary:

The Point-in-Time (PIT) count is an annual nationwide count of people experiencing sheltered and unsheltered homelessness on a single night. The count is required by and reported to the U.S. Department of Housing and Urban Development (HUD). It is conducted locally by Minnesota's 10 Continuums of Care (CoCs), which are local collaboratives of homelessness service providers. The Point in Time Count (PIT) and companion Housing Inventory Count (HIC) occur every January. The official count date is generally the night of the fourth Wednesday of the month. This year's count was held on January 22, 2025.

The count includes everyone who is in unsheltered situations as well as in shelter and housing on one night. It also includes all programs designated for housing or sheltering people experiencing homelessness.

- **PEOPLE** are counted in the Point in Time Count (PIT).
- **HOUSING** units and beds are counted in the Housing Inventory (HIC).

The count is conducted to measure and monitor trends and changes in homelessness on a local and national level. It is intended to help our community understand what resources we have and need, and to strategize the best ways to use resources.

Although updated information is not currently available on HIC. The HIC is an inventory of provider programs within a CoC that provide beds and units dedicated to serving people experiencing homelessness. On the same night each year, a count of units and the availability of the units is also completed. It includes all housing projects regardless of where they receive funding. These programs include emergency shelters, transitional housing, and rapid re-housing programs that provide short- or medium-term assistance to those who are homeless. It also includes permanent supportive housing for formerly homeless people, residential programs for the homeless, faith-based residential programs and interfaith hospitality networks.

This is informative information and no action is required.

Attachments

PIT Preliminary Report

River Valleys Continuum of Care (MN-502) DRAFT

Preliminary count: Unsheltered homelessness

Point in Time Count night: January 22, 2025

Total count of surveys and observations

Total Households

118

in unsheltered locations

136 overall

Total People

134

in unsheltered locations

172 overall

Total surveys and observations submitted = 246

Valid/Accepted	Invalid/Excluded
140	106

Reasons surveys/observations were excluded:

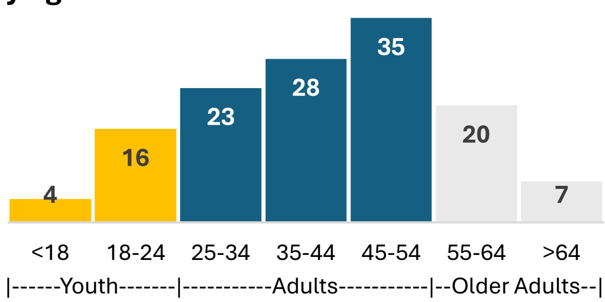
Duplication of other surveys or shelter reports

Ineligible location reported

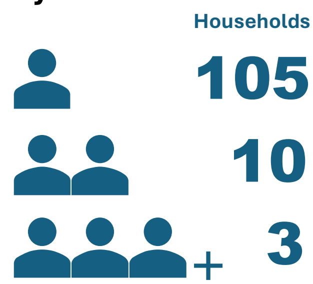
Methodology problems

Counts by demographic

By age



By household size



By household type

Adult only = 115

Unaccompanied Youth = 10

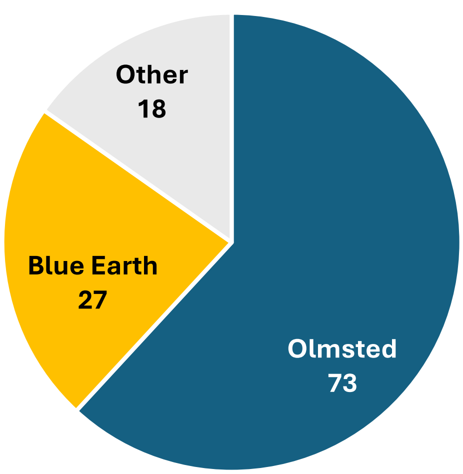
Adult + child = 3

Parenting youth = 0

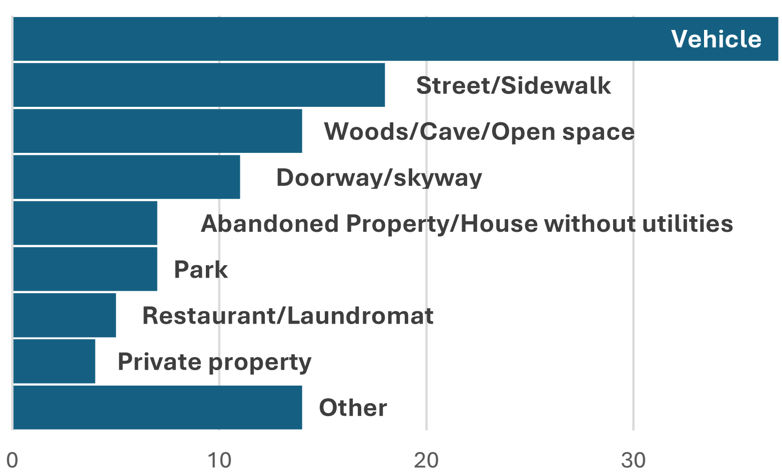
Child only = 0

Counts by location

By county



By description



Counties with 5-10 reported: Steele. Counties with <5: Brown, Dodge, Faribault, Fillmore, LeSueur, Mower, Nicollet, Rice, Sibley, Waseca, and Winona. Counties with no counts received: Freeborn, Goodhue, Houston, Martin, Wabasha, Watonwan.

NOTE: Preliminary counts may change slightly as data is reviewed and finalized. The final count totals will be posted on the CoC website at https://www.rivervalleyscoc.org/data--reports.html.