

RESOLUTION

Authorizing submission of the RAD/Section 18 Small PHA Blend Financing Plan to the U.S. Department of Housing and Urban Development (HUD) and certifying an agreement to comply with all requirements of the program.

WHEREAS, the Economic Development Authority of Mankato, MN (EDA) operates a public housing portfolio of 130 units and will be converting 101 public housing units at Orness Plaza and 29 Scattered Site public housing units from the Section 9 Public Housing program to the Section 8 Project-Based Voucher (PBV) program via the Rental Assistance Demonstration (RAD) and Section 18 Small PHA Blend program to provide a stable and predictable annual subsidy; and

WHEREAS, the Rental Assistance Demonstration Program is authorized by the RAD Statute and the Section 18 Disposition Program is authorized under Section 18 of the United States Housing Act of 1937 (42 U.S.C. 1437p) (1937 Act); and

WHEREAS, The EDA has determined that submitting a RAD/Section 18 Financing Plan and converting the public housing subsidy to Section 8 PBV subsidy is financially feasible and results in increased revenue to support the long-term needs of the units; and

WHEREAS, the 101 units at Orness Plaza and the 29 Scattered Site public housing units will be sold to the City of Mankato for less than fair market value and will continue to serve low-income households under the Section 8 Project-Based Voucher Program administered by the EDA.

WHEREAS, the disposition under the RAD/Section 18 program requires the 29 Scattered Site public housing units and 101 units at Orness Plaza to be subject to a RAD Use Agreement requiring the rental properties serve low-income households into perpetuity, with such use agreement to be a recorded covenant running with the land and binding on successors and assigns of the EDA.

WHEREAS, The EDA will comply with the fair housing and civil rights requirements at 24 CFR 5.105(a) and will affirmatively further fair housing; and

WHEREAS, The EDA has conducted six (6) resident meetings and summarized the comments and responses from these meetings; and

WHEREAS, The EDA has consulted with the City of Mankato and received a letter of support to submit a RAD/Section 18 Financing Plan to HUD for 101 units at Orness Plaza and 29 Scattered Site public housing units.

WHEREAS, there are no debarments, suspensions, or limited denials of participation in federal programs lodged against the EDA, it's Executive Director, board commissioners, or affiliates; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the EDA hereby adopts this Resolution authorizing the conversion of public housing subsidy for 101 units at Orness Plaza and 29 Scattered Site units to Section 8 PBV subsidy which are currently held under declaration of trusts with HUD and certifying an agreement to comply with all requirements of the program and Notice H-2019-09/PIH-2019-23 (HA); and

BE IT FURTHER RESOLVED that the EDA is authorized to sell or transfer ownership of Orness Plaza and the 29 Scattered Site units, in exhibit A, to the City of Mankato when approved by HUD at below fair market value and subject to a RAD Use Agreement requiring the continued use of the units as low-income rental housing into perpetuity.

BE IT FURTHER RESOLVED that if the RAD/Section 18 Financing Plan should be approved, this resolution also authorizes the execution of all applicable award agreements and the implementation of the Section 8 Project-Based Voucher Program as described in the application.

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

Adopted this 14th day of July 2025.

Najwa Massad, Board Chair

ATTEST:

Susan MH Arntz, Executive Director

EXHIBIT A

1617 Fifth Avenue A-1	512 Agency Road
1617 Fifth Avenue A-2	508 Agency Road
1617 Fifth Avenue A-3	504 Agency Road
1621 Fifth Avenue B-1	500 Agency Road
1621 Fifth Avenue B-2	2005 Hoffman Road
1621 Fifth Avenue B-3	2009 Hoffman Road
617 Elm Avenue #1	2013 Hoffman Road
617 Elm Avenue #2	2017 Hoffman Road
617 Elm Avenue #3	2021 Hoffman Road
601 Harper Street A-1	900 Hope Street
601 Harper Street A-2	
601 Harper Street A-3	
605 Harper Street B-1	
605 Harper Street B-2	
925 Mayvis Boulevard	
923 Mayvis Boulevard	
921 Mayvis Boulevard	
919 Mayvis Boulevard	
915 Mayvis Boulevard	
913 Mayvis Boulevard	