



MINUTES

**Mankato Economic Development Authority
Regular Meeting
July 14, 2025 - 6:46 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**

Mr. Laven 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 Mr. Dieken seconded a motion to approve the Economic Development Authority minutes of the Regular Meeting of June 16, 2025, as written. The motion carried unanimously.

4. **Economic Development Authority Business**

- A. Ms. Bokelmann reported that a draft of the Comprehensive Housing Needs Analysis, prepared by Maxfield Research, was reviewed at the Council Work Session on April 28, 2025, and by community stakeholders on May 29, 2025, to develop a meaningful sense of the housing market, as well as an understanding of key housing issues, and how they affect the community. She indicated that the study is a basis for formulating community-specific housing priorities, policy alternatives and intervention strategies, including land use and zoning decisions, and will help guide decisions related to the allocation of public funds and other resources.

Mary Bujold, Maxfield Research, reported on Mankato's Comprehensive Housing Needs Analysis, addressing multiple goals including providing updated demographic estimates and projections; an update of recent additions to housing stock and rental inventory; potential future housing trends that the area can expect to address over the next 5–10 years; an analysis of supply and demand for future housing development, as well as an update to previous housing findings and recommendations.

It was noted that after approval, staff will review key performance indicators to develop an affordable housing plan to make progress in meeting the needs as defined in the study.

Ms. Arntz commented on the legislature and recent discussion related to accessory dwellings. Ms. Bujold noted that the twin cities tried the approach without any success.

Ms. Hatanpa inquired about 3D housing construction options. Brief discussion on the concept and how it is being built in the southern states.

Mr. Laven moved and Ms. Hatanpa seconded a motion to approve the Resolution adopting the Comprehensive Housing Needs Analysis for the City of Mankato. The motion carried unanimously.

- B. Ms. Bokelmann stated that as discussed at previous EDA meetings and in the Public Housing Authority (PHA) Annual Plan, the repositioning of public housing has been evaluated. She indicated that the Rental Assistance Demonstration Program (“RAD”) 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). RAD and Section 18 Disposition allow Public Housing Authorities (PHAs) to convert public housing subsidies into a long-term, Project-Based Section 8 rental assistance contract. She explained that this is beneficial to PHAs because, historically, public housing subsidies and funding for capital projects have been unpredictable and fluctuate annually due to federal budgets. She added that Project-Based Section 8 Vouchers provide a stable and predictable annual subsidy, and the repositioning allows the EDA to utilize other sources of financing to fund public housing renovations if and when needed.

Ms. Bokelmann noted that staff worked with a RAD Consultant to develop the Financial Plan for HUD, which included a comprehensive needs assessment providing a capital improvement plan, an environmental review, a development budget, and property title work.

Ms. Bokelmann commented that the Section 8 Project-Based Voucher program will set contract rents at 110 percent of the Fair Market Rent, a considerable increase above current public housing funding. She mentioned that the initial contract will be for a period of 20 years upon approval and renewable for another 20 years, and each project will also be subject to a RAD Use Agreement that runs with the land in perpetuity and will be recorded superior to other liens on the property, which ensures the property will continue to serve low-income families.

Ms. Bokelmann pointed out that all residents currently living at Orness Plaza and in the Scattered Site units will have a right to remain in their unit after conversion and will continue to pay 30 percent of AGI for rent and utilities.

Mr. Laven moved and Ms. Melby-Kelley seconded a motion approving the Resolution authorizing the submission of the RAD/Section 18 Small PHA Blend Financing Plan to the US Department of Housing and Urban Development (HUD) to convert the public housing subsidy for 101 units at Orness Plaza and at 29 Scattered Site units to Project Based Section 8 rent assistance and certifying an agreement to comply with all requirements of the program . The motion carried unanimously.

5. **Reports/EDA Comments**

None.

6. **Adjournment**

There being no further business, Ms. Hatanpa moved and Mr. Laven seconded a motion to adjourn. With all members voting in favor, the meeting adjourned at 7:24 p.m.

Prepared by:

Approved by:

Renae Kopischke
City Clerk

Najwa Massad
Chair