



MINUTES

**Mankato Economic Development Authority
Regular Meeting
September 8, 2025 - 7:01 p.m.
IGC - Mankato Room**

1. **Call Meeting to Order**

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

Staff Present: Executive Director Susan Arntz, Community Development Director Mark Konz, Economic Development Coordinator Courtney Kramlinger, Housing Coordinator Nicole Cunningham, 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**

Mr. McLaughlin moved and Mr. Mettler seconded a motion to approve the Economic Development Authority minutes of the Regular Meeting of August 11, 2025, as written. The motion carried unanimously.

4. **Economic Development Authority Business**

- A. Ms. Kramlinger reported that in 2007, the city approved of the Economic Development Authority Levy, which is reflected in the Economic Development Fund. She stated that Minnesota Statutes 469.107 enables cities to levy a tax for the benefit of an Economic Development Authority (EDA); however, the amount of the tax must not be more than 0.01813 percent of the estimated market value.

Ms. Kramlinger noted that from 2013 to 2020, the levy was set at \$225,000. She summarized the funding purposes in the Economic Development Budget. She noted that the EDA levy then increased to \$365,000 as the fee for Greater Mankato Growth (GMG) services (REDA partnership), increased from \$99,714 in 2009 to \$195,733.44 in 2023. She mentioned that the Council approved a new REDA Joint Services Agreement at their October 10, 2023, meeting which will expire on December 31, 2029. She explained that under the current Agreement, the per capita rate that is used to calculate the fees will be stabilized to the same rate between all the partners by the end of the agreement in 2029; thus, Mankato's fee will be reduced to \$190,946.49 in 2026. She added that in 2025, the savings from the reduced REDA fee were allocated to commercial/residential rehabilitation.

Ms. Kramlinger concluded that the recommended EDA levy is \$365,000 and the following items reflected in the proposed 2026 budget would be funded by the levy:

- \$10,000: Southern Minnesota Initiative Foundation
- \$25,000: City Center Business Association
- \$40,500: Funding Arts and Culture (Twin Rivers and City Art)
- \$98,553.51: Funding for Commercial & Residential Building Rehabilitation
- \$190,946.49: Funding for GMG Regional Services Agreement (REDA Partnership)

Mr. McLaughlin moved and Mr. Mettler seconded a motion to approve the Resolution requesting the establishment of a property tax levy for the Economic Development Authority for property taxes to be collected during the 2025 fiscal year. The motion carried unanimously.

- B. Ms. Cunningham stated that Minnesota Housing seeks to ensure all Minnesotans live and thrive in a stable, safe and accessible home they can afford in a community of their choice. She commented that under Minnesota Statute 462A.2095, a statewide Bring It Home rental assistance program has been established that provides tenant-based and project-based rental assistance and is granting funding to eligible program administrators to provide direct rental assistance through the Bring It Home Rental Assistance Program.

Ms. Cunningham indicated that the EDA was awarded Bring It Home funding on July 24, 2025, by Minnesota Housing, to provide needed rental assistance to the region. She noted that the grant amount of \$3,347,771.00 is made up of \$62,575.00 in startup costs to be used in the first twelve months of contracting and \$3,285,196.00 in Housing Assistance Payments (HAP) and Administrative Fees intended to be used during the full two-year contract term.

Ms. Cunningham explained that the program will be administered throughout region nine in partnership with Blue Earth County EDA, Faribault County HRA, LeSueur County HRA, the New Ulm HRA, the Pipestone HRA, and the South-Central MN Multi-County HRA and provide rental assistance for cost-burdened households earning up to 50% area median income (AMI), with priority given to households with children 18 years of age and under and annual incomes of up to 30% of the area's median income.

Ms. Cunningham reported that the EDA is required to establish a Memorandum of Agreement between agencies to coordinate the administration of the program. She indicated that the agreement details the roles and responsibilities of the grantee, Mankato Economic Development Authority (grantee) and partner Public Housing Authorities in meeting the specific requirements of the Bring It Home Rental Assistance program as detailed in the grant agreement and Minnesota Statute 462A.05, Subdivision 8.

Mr. McLaughlin moved and Ms. Melby-Kelley seconded a motion to approve the Resolutions authorizing the execution of the Grant Agreement and the Memorandum of Understanding administering the MN Housing Bring It Home program regionally. The motion carried unanimously.

- C. Ms. Cunningham indicated that Minnesota Housing approved the Mankato EDA's request for funding under the 2025 Local Housing Trust Fund Grants Program Request for Proposal on May 28, 2025, and a grant has been awarded in the amount of \$150,000.

Ms. Cunningham explained that the Local Housing Trust Funds Grant Program was established by Minnesota Housing to encourage local governments to create or fund Local Housing Trust Funds. She noted that the program uses state funding to match a portion of new housing trust fund dollars to encourage local investment in affordable housing across Minnesota. She added that the EDA approved a local match to these grant funds of \$150,000 from its general fund.

Ms. Cunningham summarized the grant funds:

- Must be used for households at or below 115% of the state median income.
- May be used for
 - Development, rehabilitation or financing of housing
 - Down payment assistance
 - Rental assistance
 - Homebuyer counseling services
 - Administrative expenses, up to 10% of grant
- Must be used within five years.

Ms. Cunningham commented that within the application for grant funds, the EDA stipulated that the use of these funds would support the Partnership Community Land Trust in Mankato, and the \$300,000 will create affordable homeownership with 12 homes in the PCLT by December 31, 2026.

Ms. Hatanpa moved and Mr. Mettler seconded a Resolution authorizing the execution of the Local Housing Trust Fund Grant Agreement with Minnesota Housing. The motion carried unanimously.

- D. Ms. Cunningham stated that the 2025 PHA Annual Plan is a comprehensive guide to public housing agency policies, programs, operations, and strategies for meeting local housing needs and goals. She noted that the EDA submits a streamlined plan that represents the role of the agency and programs in the community that follows strategic planning identified in the community consolidated plan, strengthens ties to community service agencies, fair housing, and accesses necessary tools to reach established goals.

Ms. Cunningham reviewed the identified and recommended policy changes enacted since submission of the last Annual Plan and touched on the Capital Fund Program (CFP). She indicated that while this plan has specific emphasis on the operations and strategies of the Housing Choice Voucher program and Public Housing program, it also addresses affordable housing needs in the community and progress in implementing action steps identified in the Affordable Housing Action Plan (AHAP).

Ms. Cunningham highlighted the Annual Agency Plan routine accomplishments and new initiatives over the past year and the AHAP within the following categories: administering Housing Choice Voucher and Public Housing Programs; creation of the Housing Trust Fund; creation and preservation of affordable housing; preventing and ending homelessness; community education and landlord engagement; successful administration of the Community Development Block Grant; assisting participants who are victims of domestic abuse; and continuing to build partnerships.

Ms. Cunningham commented that the plan was posted for public comment and Resident Advisory Committee Meetings were held on September 2.

Chair Massad opened the public hearing. There being no one wishing to speak, Chair Massad closed the public hearing.

Ms. Melby-Kelley moved and Ms. Hatanpa seconded a motion to approve the Resolution approving the 2026 Mankato Annual Agency Plan. The motion carried unanimously.

5. **Reports/EDA Comments**

None.

6. **Adjournment**

There being no further business, Ms. Hatanpa moved and Mr. Mettler seconded a motion to adjourn. With all members voting in favor, the meeting adjourned at 7:17 p.m.

Prepared by:

Approved by:

Renae Kopischke
City Clerk

Najwa Massad
Chair