

**RESOLUTION APPROVING ACQUISITION OF CERTAIN PROPERTY
OWNED BY THE ECONOMIC DEVELOPMENT AUTHORITY
OF MANKATO AND TO ENTER INTO A PROPERTY MANAGEMENT
AGREEMENT WITH BLUE EARTH COUNTY.**

WHEREAS, the Economic Development Authority of Mankato (EDA) owns and operates certain public housing units located throughout Mankato, Minnesota, including Orness Plaza and scattered sites consisting of 130 units (collectively, the Development); and

WHEREAS, the EDA previously disposed of forty-nine (49) public housing scattered site units pursuant to Section 18 of the United States Housing Act of 1937 as amended the (Section 18 Units) to the City of Mankato (City) on April 1, 2025; and

WHEREAS, the EDA has applied for and received HUD approval to convert the remaining public housing units, including Orness Plaza and scattered site units to long-term Section 8 assistance under HUD's Rental Assistance Demonstration program (RAD) , together with a Section 18 blend (collectively the RAD/Section 18 Conversions); and

WHEREAS, the EDA has determined that it is in the best interest of the public to convey the Property to the City; and

WHEREAS, the EDA will sell the Development to the City for a nominal amount; and

WHEREAS, the City is interested in owning the Property; and

WHEREAS, in connection with the RAD/Section 18 Conversions, the EDA will enter two (2) RAD Section 8 Project-Based Voucher Housing Assistance Payments contracts (RAD Section 8 PBV HAP Contracts) with the City and act as contract administrator for the receipt of subsidy from HUD for the converted units; and

WHEREAS, the EDA operates a Housing Choice Voucher (HCV) program and possesses sufficient administrative capacity to satisfy applicable HUD requirements for the administration of RAD Project-Based Vouchers (PBV);

WHEREAS, the City and Economic development Authority of Blue Earth County, MN (BECEDA) desire to enter into a management agreement pursuant to which BECEDA manages and operates the RAD/Section 18 Units in accordance with RAD requirements and applicable HUD regulations; and

NOW THEREFORE, BE IT RESOLVED by the City authorizes the conveyance of the Properties by quit claim deed from the EDA to the City.

FURTHER RESOLVED, that the City is hereby authorized to enter into the Management Agreement with BECEDA, pursuant to which the BECEDA shall provide management and operational services for the RAD/Section 18 Units in compliance with RAD program requirements, HUD regulations, and the RAD Section 8 PBV HAP contracts; and it is

FURTHER RESOLVED, that the City Manager, or their designee, is hereby authorized and directed, for and on behalf of the City, to negotiate, execute, and deliver all agreements, documents, instruments, and certifications, including but not limited to purchase and sale agreements, RAD Section 8 PBV HAP contracts, management agreements, and to take any and all actions deemed necessary or appropriate to carry out the intent and purposes of this Resolution;

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

Adopted this 8th day of June 2026.

Najwa Massad, Mayor

ATTEST:

Susan MH Arntz, City Manager