AGENDA

Economic Development Authority
Monday, January 26, 2026, at 5:30 p.m.
IGC - Council Chambers

1. **Call Meeting to Order**

2. **Approval of Agenda**

3. **Approval of Minutes**

   A. Economic Development Authority Meeting of December 8, 2025

4. **Economic Development Authority Business**

   A. Resolution approving the 2026 Public Housing Capital Fund program.

   B. Resolution adopting Housing Choice Voucher Utility Allowance Schedule for 2026.

   C. Resolution authorizing support for the voluntary transfer of the Housing Choice Voucher program from the South-Central MN Multi-County HRA to the Economic Development Authority of Mankato, Minnesota.

5. **Adjournment**

MINUTES

Mankato Economic Development Authority
Regular Meeting
December 8, 2025 - 8:05 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**

   Ms. Hatanpa moved and Mr. McLaughlin seconded a motion to approve the agenda as written. The motion carried unanimously.

3. **Approval of Minutes**

   Ms. Hatanpa moved and Mr. McLaughlin seconded a motion to approve the Economic Development Authority minutes of the Regular Meeting of October 14, 2025, as written . The motion carried unanimously.

4. **Economic Development Authority Business**

   A. Ms. Arntz reported on the Mankato EDA annual operating budget. She indicated that the proposed 2026 operating budget is identical to the budget adopted in 2025. Upon approval, the budget and accompanying resolution will be submitted to HUD with the annual operating subsidy request.

   Mr. McLaughlin moved and Mr. Mettler seconded a motion to approve the Resolution approving the 2026 Public Housing Operating Budget. The motion carried unanimously.

   B. Ms. Kramlinger stated that on August 13, 2018, the Mankato Economic Development Authority (EDA) approved a City Center Renaissance (CCR) loan for Cultivate Mankato, LLC (Cultivate) in the amount of up to $125,000 to finance a portion of leasehold improvement costs for the property located at 227 East Main Street. She noted that subsequently, on February 11, 2019, the EDA approved an amendment to increase the loan by an additional $75,000 to support the installation of a fire suppression system, as required by the State Fire Marshall.

Ms. Kramlinger indicated that on December 13, 2021, the EDA approved a further amendment to defer loan payments at 0% interest until January 2023 and payments resumed via ACH on the 15th of each month. She commented that in 2024, Cultivate Mankato requested to transition to a bank bill-pay system to allow for more flexible payment scheduling, and as a result, ACH payments were discontinued in October 2024. She mentioned that while payments for November and December 2024 were made, no payments have been received in 2025, and the outstanding balance is $40,528.68, which includes $5,726.83 in accrued interest.

Mr. Kramlinger explained that staff have been working with the business, property owner, and other representatives from community organizations since May 2025 to identify possible solutions to the business' needs and to address the outstanding loan.

Ms. Kramlinger stated that the property owner, Innovation 6 Holdings, LLC, has entered into a purchase agreement with New Horizon Real Estate Development 6, LLP, which intends to acquire the property and New Horizon Enterprises, Inc. will acquire the assets of Cultivate Mankato to establish a New Horizon Academy childcare center at the site. She pointed out that completion of the sale is contingent upon repayment of the CCR loan, and as Cultivate Mankato is unable to satisfy the remaining balance, the property owner has requested forgiveness of the accrued interest to facilitate the transaction.

Ms. Kramlinger reported that forgiveness of the interest is consistent with the City's strategic plan, which prioritizes support for childcare availability and affordability, small business development, workforce retention, and the growth of existing businesses. She added that the proposed sale would preserve essential downtown childcare capacity. New Horizon Academy is a well-established, Minnesota-based provider with nationally recognized accreditations, including those from the National Association for the Education of Young Children (NAEYC), the National Early Childhood Program Accreditation (NECPA), and a 4-star Parent Aware rating.

Ms. Hatanpa moved and Mr. McLaughlin seconded a motion to approve theResolution authorizing the Executive Director to execute the City Center Renaissance Loan Amendment documents for Cultivate Mankato, LLC and Innovation 6 Holdings, LLC. The motion carried unanimously.

C. Ms. Bokelmann requested EDA Board authorization for the Executive Director to apply to the River Valleys Continuum of Care (CoC) as part of the 2025 HUD Continuum of Care Program competition to seek funding to continue the EDA's street outreach operations.

Ms. Bokelmann stated that on November 20, 2025, the CoC opened its annual Call for Projects to all eligible applicants, and the full application is due December 12, 2025, with an anticipated project start date in summer 2026. She summarized how the HUD CoC Program aims to promote community-wide commitment to ending homelessness as well as the eligible project types.

Ms. Bokelmann noted that the EDA launched its Street Outreach Team in 2023 utilizing CoC Coordinated Entry Navigator funds. She commented that the team provides direct outreach, engagement, needs assessment, and service navigation for unsheltered individuals. She concluded that the 2025 CoC competition presents an opportunity to continue funding these services. She added that existing staffing resources will be used as match funding toward the CoC requirement.

Mr. Mettler moved and Mr. Dieken seconded a motion to approve the Resolution authorizing submittal of an application to the River Valleys Continuum of Care (CoC) for the 2025 HUD CoC Program Funding. The motion carried unanimously.

D. Ms. Bokelmann stated that the 2026 Public Housing Capital Fund supports ongoing modernization and repairs to public housing units, as well as the site improvements required under the RAD Small PHA Blend process. She indicated that the plan also incorporates work items identified in the physical needs assessment, as required for repositioning the remaining Public Housing units. She commented that for 2026, the Capital Fund budget projects $550,000 and allocates funding for dwelling upgrades, appliances, site improvements, and general operations, as outlined in the attached budget.

Mr. Laven moved and Mr. McLaughlin seconded a motion to set January 12 as the date of the Public Hearing for the 2026 Public Housing Capital Fund Program. The motion carried unanimously.

5. **Reports/EDA Comments**

A. Housing Trust Fund Advisory Committee report.

6. **Adjournment**

There being no further business, Mr. Laven moved and Ms. Melby-Kelley seconded a motion to adjourn. With all members voting in favor, the meeting adjourned at 8:31 p.m.

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

AGENDA RECOMMENDATION

Economic Development Authority **4. A.**

Meeting Date: 01/26/2026

Agenda Item:

Resolution approving the 2026 Public Housing Capital Fund program.

Recommendation/Action(s):

Public Hearing and adoption of the resolution.

Summary:

The Public Housing Capital Fund Budget has traditionally been approved each year with the PHA Annual Plan to manage the formula funding for modernization of the Mankato Public Housing units. HUD has separated the procedures and adjusted timelines for the Capital Fund budget to align with the annual operating budget process.

The 2026 Capital Fund includes the continued modernization and repair of the public housing units and site improvements required through RAD process. This plan also includes work requirements based on the physical needs assessment as required for the repositioning of the remaining Public Housing through the RAD Small PHA Blend program. For 2026, the capital fund budget anticipates $550.000.00 and provides funding for dwelling improvements, appliances, site improvements and general operations as presented in the attached budget.

The Capital Fund Program for 2026 has been posted for public comments and a Resident Advisory Meeting was held. Resident comments regarding capital funds were received. Requests included wiring the building for fiber-optic service to improve internet access. Residents expressed appreciation for the capital improvements scheduled for 2026, including the re-striping of parking lots, noting that it helps with parking management. Appreciation was also expressed for signage designating resident parking areas. Ongoing concerns were noted regarding enforcement of the smoking policy, specifically the requirement that smokers maintain a minimum distance of 25 feet from the building.

The requested action is to approve by resolution the 2026 Capital Fund Budget as presented.

Attachments

Resolution

2026 Capital Fund Program

50071 Certification

50077 Civil Rights Certifcation

Certificate of Public Hearing

Resolution Approving the 2026 Public Housing Capital Fund Budget

WHEREAS, the U.S. Department of Housing and Urban Development requires Public Housing Agencies to annually approve and submit an capital fund budget; and

WHEREAS, the Mankato Economic Development Authority (EDA) has developed a 2026 Capital Fund Budget.

NOW, THEREFORE, BE IT RESOLVED THAT the EDA approves the 2026 Public Housing Capital Fund Budget.

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

Adopted this 26th day of January 2026.

____
Najwa Massad, Board Chair

Attest: ________________________________
Susan MH Arntz, Executive Director

Capital Fund Program - Five-Year Action Plan

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
2577-0274
02/28/2022

Status: Approved **Approval Date:** 01/31/2024 **Approved By:** CLAUSEN, LUCIA M.

Part I: Summary

PHA Name : MANKATO EDA

PHA Number: MN063

Locality (City/County & State)

☒ **Original 5-Year Plan** ☐ **Revised 5-Year Plan (Revision No:)**

A.	Development Number and Name	Work Statement for Year 1 2023	Work Statement for Year 2 2024	Work Statement for Year 3 2025	Work Statement for Year 4 2026	Work Statement for Year 5 2027
	ORNESS PLAZA AND SCATTERED FAMILY SITE	$561,984.00	$550,000.00	$550,000.00	$550,000.00	$550,000.00

Part II: Supporting Pages - Physical Needs Work Statements (s)

Work Statement for Year 3 2025

Identifier	Development Number/Name	General Description of Major Work Categories	Quantity	Estimated Cost
	ORNESS PLAZA AND SCATTERED FAMILY SITE (MN063000001)			$550,000.00
ID0055	Dwelling Interior Improvements(Dwelling Unit-Interior (1480)-Bathroom Counters and Sinks,Dwelling Unit-Interior (1480)-Bathroom Flooring (non cyclical),Dwelling Unit-Interior (1480)-Commodes,Dwelling Unit-Interior (1480)-Electrical,Dwelling Unit-Interior (1480)-Flooring (non routine),Dwelling Unit-Interior (1480)-Interior Doors,Dwelling Unit-Interior (1480)-Interior Painting (non routine),Dwelling Unit-Interior (1480)-Kitchen Cabinets,Dwelling Unit-Interior (1480)-Kitchen Sinks and Faucets,Dwelling Unit-Interior (1480)-Other)	Unit Modernization. The contract will include mitigation for lead based paint and asbestos, if needed. 120 interior doors $30000 20 exterior doors $11000 10 floors $69355 19 tubs/surrounds $20370 10 kitchen cab/counter/sink $63850 32 lighting/electrical updates $10220 Plaster/sheetrock repairs $5000 8 windows $59120 8 insulation $24592 4 decks $21680 3 shingles 18000 1 siding/facia/soffits/gutters $40737 UFAS standards $18000 overhead doors $1736 EFIS (Orness) $6000		$399,660.00
ID0057	Dwelling Appliance Replacement(Dwelling Unit-Interior (1480)-Appliances,Dwelling Unit-Interior (1480)-Electrical)	12 range replacements $7800 11 refrigerator replacements $8580		$16,380.00
ID0058	Dwelling Water Heater Replacement(Dwelling Unit-Interior (1480)-Appliances,Dwelling Unit-Interior (1480)-Electrical,Dwelling Unit-Interior (1480)-Mechanical,Dwelling Unit-Interior (1480)-Plumbing)	3 water heater replacements. The contract will include mitigation for lead based paint and asbestos, if needed.		$3,960.00
ID0059	Site Driveway and Sidewalk Repairs(Dwelling Unit-Site Work (1480)-Asphalt - Concrete - Paving,Dwelling Unit-Site Work (1480)-Parking,Dwelling Unit-Site Work (1480)-Seal Coat,Dwelling Unit-Site Work (1480)-Striping)	2 units repair concrete/ seal coating sidewalks and driveways. Scope of work will include monitoring for soil contamination and work will stop immediately if any potential risks are discovered. Addresses: 617 Elm St, units 1,2,&3		$10,000.00

Capital Fund Program - Five-Year Action Plan

Part II: Supporting Pages - Physical Needs Work Statements (s)

Work Statement for Year 3 2025

Identifier	Development Number/Name	General Description of Major Work Categories	Quantity	Estimated Cost
ID0060	Site Foundation Repairs(Dwelling Unit-Exterior (1480)-Foundations)	6 units have foundation repairs. The contract will include mitigation for lead based paint and asbestos, if needed. PHA will be responsive to any potential contamination issues noted during environmental review process. Scope of work will include monitoring for soil contamination and work will stop immediately if any potential risks are discovered.		$60,000.00
ID0078	Dwelling Furnace Replacement(Dwelling Unit-Interior (1480)-Appliances,Dwelling Unit-Interior (1480)-Electrical,Dwelling Unit-Interior (1480)-Mechanical)	10 furnace replacement. The contract will include mitigation for lead based paint and asbestos, if needed. Possible site locations: 1514 Woodland Ave 2108 Marwood 106 Carlton Ct #3 1034 Pfau St 6 Riverview 327 Center St 1320 Carney Ave 107 Chapman Rd 1,2 2010 5th Ave 1,2,3 111 Chapman Rd 10-1,2 433 N. 6th St 11-1,2,3 125 Welcome Ave 12-1,2,3,4 1617 5th Ave 13A-1,2,3 1621 5th Ave 13B-1,2,3 617 Elm St 14-1,2,3 601 Harper St 15A-1,2,3 605 Harper St 15B-1,2 1710 6th Ave 16A-1,2,3 2020 6th Ave 16B-1,2 300, 404 Homestead Rd 101 Sandpiper Dr 115,117 Cedar St 913,915,919,921,923,925 Mayvis Bld 500,504,508,512 Agency Rd 2005,2009,2013,2017,2021 Hoffman Rd 113 Long St 125 Grace Ct 716 N 5th St 1348 N 6th St 116 Swiss St 108 S Plainview 404 Agency Rd 1212 Highland Ave		$35,000.00

Part II: Supporting Pages - Physical Needs Work Statements (s)				
Work Statement for Year 3	2025			
Identifier	**Development Number/Name**	**General Description of Major Work Categories**	**Quantity**	**Estimated Cost**
		116 Haynes St 1407 Fair St 104,106 E Welcome 1509 Marsh St 122 Porter Ave 117 Iota Ave 127 Knollcrest Dr 414 Malin St 1429 N 5th St		
ID0079	Site Landscaping(Dwelling Unit-Site Work (1480)-Landscape)	10 units replace landscaping. PHA wil be responsive to any potential contamination issues noted during environmental review process. Scope of work will include monitoring for soil contamination and work will stop immediately if any potential risks are discovered.		$20,000.00
ID0081	Operations(Operations (1406))	Transfer to operating costs for routine maintenance such as turnover cleaning, painting, receptacle plate replacements, toilet stoppers, smoke/Co2 detectors and other miscellaneous routine, plumbing and electrical repairs. Operating expenses include staffing costs. Monies used for maintenance items will be allowed items covered by Part 50 HUD's programmatic determination and not subject to environmental review.		$5,000.00
	Subtotal of Estimated Cost			$550,000.00

Certification of Payments to Influence Federal Transactions

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

Applicant Name

Mankato Economic Development Authority

Program/Activity Receiving Federal Grant Funding

Capital Fund Program

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying, in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. **Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official	Title
Susan MH Arntz	Executive Director

Signature	Date (mm/dd/yyyy)
	1-26-26

Civil Rights Certification *(Qualified PHAs)*	**U.S. Department of Housing and Urban Development** Office of Public and Indian Housing **OMB Approval No. 2577-0226** **Expires: 09/30/2027**

Civil Rights Certification

Annual Certification and Board Resolution

Acting on behalf of the Board of Commissioners of the Public Housing Agency (PHA) listed below, as its Chairperson or other authorized PHA official if there is no Board of Commissioners, I approve the submission of the 5-Year PHA Plan, hereinafter referred to as "the Plan," of which this document is a part, and make the following certification and agreements with the Department of Housing and Urban Development (HUD) for the fiscal year beginning 01-01-26*, in which the PHA receives assistance under 42 U.S.C. 1437f and/or 1437g in connection with the submission of the Plan and implementation thereof:*

The PHA certifies that it will carry out the public housing program of the agency in conformity with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d—4), the Fair Housing Act (42 U.S.C. 3601-19), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), Title II of the Americans with Disabilities Act (42 U.S.C. 12101 *et seq.*), the Violence Against Women Act (34 U.S.C. § 12291 et seq.), and other applicable civil rights requirements, and that it will affirmatively further fair housing in the administration of all HUD programs. In addition, if it administers a Housing Choice Voucher Program, the PHA certifies that it will administer the program in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act, the Violence Against Women Act, and other applicable civil rights requirements, and that it will affirmatively further fair housing in the administration of all HUD programs. The PHA will affirmatively further fair housing in compliance with the Fair Housing Act, 24 CFR § 5.150 et seq., 24 CFR § 903.7(o), and 24 CFR § 903.15, which means that it will take meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially or ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws (24 CFR § 5.151). Pursuant to 24 CFR § 903.15(c)(2), a PHA's policies are designed to reduce the concentration of tenants and other assisted persons by race, national origin, and disability. PHA policies include affirmative steps stated in 24 CFR § 903.15(c)(2)(i) and 24 CFR § 903.15(c)(2)(ii). Furthermore, under 24 CFR § 903.7(o), a PHA must submit a civil rights certification with its Annual and 5-year PHA Plans, except for qualified PHAs who submit the Form HUD-50077-CR as a standalone document. The PHA certifies that it will take no action that is materially inconsistent with its obligation to affirmatively further fair housing.

Mankato EDA	MN063
PHA Name	PHA Number/HA Code

I/We, the undersigned, certify under penalty of perjury that the information provided above is true and correct. WARNING: Anyone who knowingly submits a false claim or makes a false statement is subject to criminal and/or civil penalties, including confinement for up to 5 years, fines, and civil and administrative penalties. (18 U.S.C. §§ 287, 1001, 1010, 1012, 1014; 31 U.S.C. §3729, 3802)

Name of Executive Director: Susan MH Arntz	Name of Board Chairperson: Najwa Massad
Signature: Date: 01/26/2026	Signature: Date: 01/26/2026

The information is collected to ensure that PHAs carry out applicable civil rights requirements.

Public reporting burden for this information collection is estimated to average 0.16 hours per response, including the time for reviewing instructions, searching existing data sources, gathering, and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions to reduce this burden, to the Reports Management Officer, REE, Department of Housing and Urban Development, 451 7th Street, SW, Room 4176, Washington, DC 20410-5000. When providing comments, please refer to OMB Approval No. 2577-0226. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Notice. The United States Department of Housing and Urban Development is authorized to collect the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality.

Certificate of Public Hearing

The Blue Earth County Economic Development Authority certifies that a public hearing was conducted for the 2026 Capital Fund Program on January 26, 2026, in compliance with the 24 CFR Part 905.

Signature: ________________________________
Susan MH Arntz, Executive Director

Date: 1-26-26

AGENDA RECOMMENDATION

Economic Development Authority **4. B.**

Meeting Date: 01/26/2026

Agenda Item:

Resolution adopting Housing Choice Voucher Utility Allowance Schedule for 2026.

Recommendation/Action(s):

Adoption of the attached resolution.

Summary:

The United States Department of Housing and Urban Development requires the annual review and adjustment, if required, of tenant-furnished utilities. Utility allowances are based on reasonable consumption of energy for conservative families to provide basic essentials needed to provide a living environment that is safe, sanitary, and healthful. This year's analysis was conducted by The Nelrod Company and includes a review of consumption through the following analysis method:

- Costs were received from local vendors for heating, electricity, water and sewer, and garbage. These costs across the county were collected and averaged.
- These costs were compared with previously collected consumption histories of program participants.
- Consumer reports compiled from recent publications are used to estimate costs and life expectancy on appliances.
- Where limited data was available, HUD recommends the latest version of the HUD Utility Schedule Model. This version has additional allowances for electric heat pumps, electric and gas standard fees, and A/C.
- Created a utility allowance for reasonable accommodations for medical expenses.

The utility allowance schedule has been adjusted using the latest HUD projections where needed. The new rates show a slight increase to electric and gas rates and increases to water and sewer rates. The use of this schedule provides average utility costs to participants who pay their own utility costs and streamlines efficiency in calculating rent subsidies using standard rates under the Housing Choice Voucher program, Public Housing and other affordable housing projects that access these schedules throughout the county.

The HUD 52667 Allowance for Tenant Furnished Utilities is broken down by basic utilities subsidized by HUD. The schedules are broken down for High Rise, Low Rise, Rowhouse/townhome/Duplex, and Single Family.

Utilities are included in gross rents and in establishing our payment standards. This schedule is used in determining rent subsidies when a tenant is responsible for the cost of some or all the utilities. These allowances are based on typical costs of utilities paid by energy-conservative households that occupy housing by size and type in a community. The PHA must use the appropriate utility allowance for the lesser of the size of the dwelling unit actually leased by the family or the family unit size as determined under the PHA subsidy standards.

For example: a 2BR single-family detached home paying electric heating $109, cooking $12, other electricity $62, water heater electricity $36, and electric standard charge $19 would have an estimated utility allowance of $238.00. If we have a 2BR unit that rents for $850, add on the estimated utility of $238, we have a gross rent of $1,088. Households pay approximately 30% of income towards this gross rent.

The requested action is to review and adopt the 2026 utility allowance schedules as presented.

Attachments

Resolution

Utility Allowance Schedules

A RESOLUTION AUTHORIZING THE SECTION 8
HOUSING CHOICE VOUCHER PROGRAM
UTILITY ALLOWANCE SCHEDULE

WHEREAS, the United States Department of Housing and Urban Development requires the annual review and adjustment, if required, of tenant furnished utilities; and

WHEREAS, the Mankato Economic Development Authority has performed its annual assessment of consumption rates and usage for Blue Earth County; and

NOW, THEREFORE, BE IT RESOLVED that the Mankato Economic Development Authority's governing body authorizes the implementation of its Section 8 Housing Choice Voucher utility allowance schedule for Blue Earth County as adjusted for March 1, 2026.

This resolution shall become effective immediately upon passage.

Dated this 26th day of January 2026.

____
Njawa Massad, Chair

ATTEST: _________________________________
Susan MH Arntz, Executive Director

Utility Allowance Schedule

See Public Reporting and Instructions on back.

U.S. Department of Housing and Urban Development

Office of Public and Indian Housing

OMB Approval No. 2577-0169
(exp. 04/30/2026)

The following allowances are used to determine the total cost of tenant-furnised utilities and appliances.

Locality/PHA **Mankato & Blue Earth County Economic Development Authority, MN**		Unit Type: **Larger Apartment Bldgs (5+units) High-Rise Apartment**				Date (mm/dd/yyyy)	
Utility of Service	**Fuel Type**	**0 BR**	**1 BR**	**2 BR**	**3 BR**	**4 BR**	**5 BR**
Heating	Natural Gas ***(avg)***	$31.00	$36.00	$42.00	$49.00	$55.00	$61.00
	Bottle Gas						
	Electric ***(avg)***	$33.00	$39.00	$53.00	$67.00	$82.00	$96.00
	Electric Heat Pump ***(avg)***	$29.00	$34.00	$41.00	$46.00	$51.00	$56.00
	Fuel Oil						
Cooking	Natural Gas ***(avg)***	$3.00	$3.00	$5.00	$7.00	$9.00	$10.00
	Bottle Gas						
	Electric ***(avg)***	$7.00	$8.00	$12.00	$15.00	$19.00	$23.00
Other Electric	***(avg)***	$26.00	$31.00	$43.00	$55.00	$67.00	$78.00
Air Conditioning	***(avg)***	$4.00	$5.00	$7.00	$9.00	$11.00	$13.00
Water Heating	Natural Gas ***(avg)***	$8.00	$12.00	$16.00	$22.00	$27.00	$32.00
	Bottle Gas						
	Electric ***(avg)***	$19.00	$22.00	$28.00	$35.00	$41.00	$47.00
	Fuel Oil						
Water	***(avg)***	$30.00	$31.00	$40.00	$49.00	$59.00	$69.00
Sewer	***(avg)***	$45.00	$47.00	$58.00	$70.00	$81.00	$93.00
Trash Collection	***(avg)***	$27.00	$27.00	$27.00	$27.00	$27.00	$27.00
Other specify: Electric Charge $19.32 (avg)		$19.00	$19.00	$19.00	$19.00	$19.00	$19.00
Other specify: Natural Gas Charge $10.17 (avg)		$10.00	$10.00	$10.00	$10.00	$10.00	$10.00
Range/Microwave		$11.00	$11.00	$11.00	$11.00	$11.00	$11.00
Refrigerator		$12.00	$12.00	$12.00	$12.00	$12.00	$12.00

Actual Family Allowances-May be used by the family to compute allowance while searching for a unit.	Utility/Service/Appliance	Allowance
	Heating	
Head of Household Name	Cooking	
	Other Electric	
	Air Conditioning	
Unit Address	Water Heating	
	Water	
	Sewer	
	Trash Collection	
	Other	
Number of Bedrooms	Range/Microwave	
	Refrigerator	
	Total	

adapted from form HUD-52667 (04/2023)

Utility Allowance Schedule

See Public Reporting and Instructions on back.

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0169
(exp. 04/30/2026)

The following allowances are used to determine the total cost of tenant-furnised utilities and appliances.

Locality/PHA **Mankato & Blue Earth County Economic Development Authority, MN**		Unit Type: **Low-Rise Apartment (2-4 units) Multi-Family Apartment**				Date (mm/dd/yyyy)	
Utility of Service	**Fuel Type**	**0 BR**	**1 BR**	**2 BR**	**3 BR**	**4 BR**	**5 BR**
Heating	Natural Gas ***(avg)***	$55.00	$64.00	$69.00	$74.00	$79.00	$85.00
	Bottle Gas						
	Electric ***(avg)***	$47.00	$56.00	$73.00	$91.00	$109.00	$127.00
	Electric Heat Pump ***(avg)***	$38.00	$44.00	$52.00	$59.00	$65.00	$72.00
	Fuel Oil						
Cooking	Natural Gas ***(avg)***	$3.00	$3.00	$5.00	$7.00	$9.00	$10.00
	Bottle Gas						
	Electric ***(avg)***	$7.00	$8.00	$12.00	$15.00	$19.00	$23.00
Other Electric	***(avg)***	$32.00	$37.00	$52.00	$67.00	$81.00	$96.00
Air Conditioning	***(avg)***	$5.00	$6.00	$8.00	$11.00	$13.00	$15.00
Water Heating	Natural Gas ***(avg)***	$10.00	$12.00	$16.00	$22.00	$27.00	$32.00
	Bottle Gas						
	Electric ***(avg)***	$24.00	$28.00	$36.00	$43.00	$51.00	$58.00
	Fuel Oil						
Water	***(avg)***	$30.00	$31.00	$40.00	$49.00	$59.00	$69.00
Sewer	***(avg)***	$45.00	$47.00	$58.00	$70.00	$81.00	$93.00
Trash Collection	***(avg)***	$27.00	$27.00	$27.00	$27.00	$27.00	$27.00
Other specify: Electric Charge $19.32 (avg)		$19.00	$19.00	$19.00	$19.00	$19.00	$19.00
Other specify: Natural Gas Charge $10.17 (avg)		$10.00	$10.00	$10.00	$10.00	$10.00	$10.00
Range/Microwave		$11.00	$11.00	$11.00	$11.00	$11.00	$11.00
Refrigerator		$12.00	$12.00	$12.00	$12.00	$12.00	$12.00

Actual Family Allowances-May be used by the family to compute allowance while searching for a unit.	Utility/Service/Appliance	Allowance
	Heating	
Head of Household Name	Cooking	
	Other Electric	
	Air Conditioning	
Unit Address	Water Heating	
	Water	
	Sewer	
	Trash Collection	
	Other	
Number of Bedrooms	Range/Microwave	
	Refrigerator	
	Total	

Seal of Certified Compliance® 2025 ResidentLife Utility Allowances

Utility Allowance Schedule

See Public Reporting and Instructions on back.

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0169
(exp. 04/30/2026)

The following allowances are used to determine the total cost of tenant-furnised utilities and appliances.

Locality/PHA **Mankato & Blue Earth County Economic Development Authority, MN**		Unit Type: **Row House/Townhouse/ Semi-Detached/Duplex**				Date (mm/dd/yyyy)	
Utility of Service	**Fuel Type**	**0 BR**	**1 BR**	**2 BR**	**3 BR**	**4 BR**	**5 BR**
Heating	Natural Gas ***(avg)***	$39.00	$45.00	$53.00	$60.00	$67.00	$75.00
	Bottle Gas						
	Electric ***(avg)***	$47.00	$56.00	$73.00	$91.00	$109.00	$127.00
	Electric Heat Pump ***(avg)***	$35.00	$42.00	$49.00	$56.00	$62.00	$68.00
	Fuel Oil						
Cooking	Natural Gas ***(avg)***	$3.00	$3.00	$5.00	$7.00	$9.00	$10.00
	Bottle Gas						
	Electric ***(avg)***	$7.00	$8.00	$12.00	$15.00	$19.00	$23.00
Other Electric	***(avg)***	$33.00	$39.00	$54.00	$69.00	$84.00	$99.00
Air Conditioning	***(avg)***	$4.00	$5.00	$9.00	$13.00	$16.00	$20.00
Water Heating	Natural Gas ***(avg)***	$10.00	$12.00	$16.00	$22.00	$27.00	$32.00
	Bottle Gas						
	Electric ***(avg)***	$24.00	$28.00	$36.00	$43.00	$51.00	$58.00
	Fuel Oil						
Water	***(avg)***	$30.00	$31.00	$40.00	$49.00	$59.00	$69.00
Sewer	***(avg)***	$45.00	$47.00	$58.00	$70.00	$81.00	$93.00
Trash Collection	***(avg)***	$27.00	$27.00	$27.00	$27.00	$27.00	$27.00
Other specify: Electric Charge $19.32 (avg)		$19.00	$19.00	$19.00	$19.00	$19.00	$19.00
Other specify: Natural Gas Charge $10.17 (avg)		$10.00	$10.00	$10.00	$10.00	$10.00	$10.00
Range/Microwave		$11.00	$11.00	$11.00	$11.00	$11.00	$11.00
Refrigerator		$12.00	$12.00	$12.00	$12.00	$12.00	$12.00

Actual Family Allowances-May be used by the family to compute allowance while searching for a unit.	Utility/Service/Appliance	Allowance
	Heating	
Head of Household Name	Cooking	
	Other Electric	
	Air Conditioning	
Unit Address	Water Heating	
	Water	
	Sewer	
	Trash Collection	
	Other	
Number of Bedrooms	Range/Microwave	
	Refrigerator	
	Total	

adapted from form HUD-52667
(04/2023)

Utility Allowance Schedule

See Public Reporting and Instructions on back.

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0169
(exp. 04/30/2026)

The following allowances are used to determine the total cost of tenant-furnished utilities and appliances.

Locality/PHA **Mankato & Blue Earth County Economic Development Authority, MN**		Unit Type **Detached House**				Date (mm/dd/yyyy)		
Utility of Service	**Fuel Type**	**0 BR**	**1 BR**	**2 BR**	**3 BR**	**4 BR**	**5 BR**	**6BR**
Heating	Natural Gas ***(avg)***	$44.00	$51.00	$60.00	$69.00	$78.00	$88.00	$95.00
	Bottle Gas							
	Electric ***(avg)***	$79.00	$93.00	$109.00	$125.00	$141.00	$158.00	$170.00
	Electric Heat Pump ***(avg)***	$42.00	$49.00	$58.00	$65.00	$73.00	$74.00	$79.00
	Fuel Oil							
Cooking	Natural Gas ***(avg)***	$3.00	$3.00	$5.00	$7.00	$9.00	$10.00	$11.00
	Bottle Gas							
	Electric ***(avg)***	$7.00	$8.00	$12.00	$15.00	$19.00	$23.00	$24.00
Other Electric	***(avg)***	$38.00	$45.00	$62.00	$80.00	$98.00	$115.00	$125.00
Air Conditioning	***(avg)***	$3.00	$4.00	$9.00	$14.00	$19.00	$25.00	$26.00
Water Heating	Natural Gas ***(avg)***	$10.00	$12.00	$16.00	$22.00	$27.00	$32.00	$34.00
	Bottle Gas							
	Electric ***(avg)***	$24.00	$28.00	$36.00	$43.00	$51.00	$58.00	$63.00
	Fuel Oil							
Water	***(avg)***	$30.00	$31.00	$40.00	$49.00	$59.00	$69.00	$76.00
Sewer	***(avg)***	$45.00	$47.00	$58.00	$70.00	$81.00	$93.00	$101.00
Trash Collection	***(avg)***	$27.00	$27.00	$27.00	$27.00	$27.00	$27.00	$27.00
Other specify: Electric Charge $19.32 (avg)		$19.00	$19.00	$19.00	$19.00	$19.00	$19.00	$19.00
Other specify: Natural Gas Charge $10.17 (avg)		$10.00	$10.00	$10.00	$10.00	$10.00	$10.00	$10.00
Range/Microwave		$11.00	$11.00	$11.00	$11.00	$11.00	$11.00	$11.00
Refrigerator		$12.00	$12.00	$12.00	$12.00	$12.00	$12.00	$12.00

Actual Family Allowances-May be used by the family to compute allowance while searching for a unit.

Head of Household Name

Unit Address

Number of Bedrooms

Utility/Service/Appliance	Allowance
Heating	
Cooking	
Other Electric	
Air Conditioning	
Water Heating	
Water	
Sewer	
Trash Collection	
Other	
Range / Microwave	
Refrigerator	
Total	

Seal of Certified Compliance® 2025 ResidentLife Utility Allowances

Utility Allowance Schedule

See Public Reporting and Instructions on back.

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0169
(exp. 04/30/2026)

The following allowances are used to determine the total cost of tenant-furnised utilities and appliances.

Locality/PHA **Mankato & Blue Earth County Economic Development Authority, MN**

Unit Type **Mobile Home**

Date (mm/dd/yyyy)

Utility of Service	Fuel Type	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
Heating	Natural Gas ***(avg)***	$37.00	$44.00	$51.00	$59.00	$66.00	$74.00
	Bottle Gas						
	Electric ***(avg)***	$82.00	$97.00	$100.00	$103.00	$106.00	$109.00
	Electric Heat Pump ***(avg)***	$35.00	$42.00	$49.00	$56.00	$62.00	$68.00
	Fuel Oil						
Cooking	Natural Gas ***(avg)***	$3.00	$3.00	$5.00	$7.00	$9.00	$10.00
	Bottle Gas						
	Electric ***(avg)***	$7.00	$8.00	$12.00	$15.00	$19.00	$23.00
Other Electric	***(avg)***	$38.00	$45.00	$62.00	$80.00	$98.00	$115.00
Air Conditioning	***(avg)***	$4.00	$5.00	$8.00	$12.00	$16.00	$19.00
Water Heating	Natural Gas ***(avg)***	$10.00	$11.00	$15.00	$20.00	$25.00	$29.00
	Bottle Gas						
	Electric ***(avg)***	$24.00	$28.00	$36.00	$43.00	$51.00	$58.00
	Fuel Oil						
Water	***(avg)***	$30.00	$31.00	$40.00	$49.00	$59.00	$69.00
Sewer	***(avg)***	$45.00	$47.00	$58.00	$70.00	$81.00	$93.00
Trash Collection	***(avg)***	$27.00	$27.00	$27.00	$27.00	$27.00	$27.00
Other specify: Electric Charge $19.32 (avg)		$19.00	$19.00	$19.00	$19.00	$19.00	$19.00
Other specify: Natural Gas Charge $10.17 (avg)		$10.00	$10.00	$10.00	$10.00	$10.00	$10.00
Range/Microwave		$11.00	$11.00	$11.00	$11.00	$11.00	$11.00
Refrigerator		$12.00	$12.00	$12.00	$12.00	$12.00	$12.00

Actual Family Allowances-May be used by the family to compute allowance while searching for a unit.

Head of Household Name

Unit Address

Number of Bedrooms

Utility/Service/Appliance	Allowance
Heating	
Cooking	
Other Electric	
Air Conditioning	
Water Heating	
Water	
Sewer	
Trash Collection	
Other	
Range / Microwave	
Refrigerator	
Total	

Reasonable Accommodation
Medical Equipment Allowances

Electric Provider: XCEL Energy, Benco, & City of Lake Crystal (wtd avg)

Item	Hours per Day	Wattage	Monthly kWh	Energy Charge	Utility Allowance
Oxygen Concentrator	18	400	223	0.155741	$35.00
Nebulizer	2	75	5	0.155741	$1.00
Electric Hospital Bed	0.2	200	1	0.155741	$1.00
Alternating Pressure Pad	24	70	52	0.155741	$8.00
Low Air-Loss Mattress	24	120	89	0.155741	$14.00
Power Wheelchair/Scooter	3	360	33	0.155741	$5.00
Feeding Tube Pump	24	120	89	0.155741	$14.00
CPAP Machine	10	30	9	0.155741	$1.00
Leg Compression Pump	24	30	22	0.155741	$3.00
Dialysis Machine/Equipment	2	710	44	0.155741	$7.00

Oxygen Concentrator

Use per day varies, assume 12-14 hours a day. The 5-Liter model uses 400 W, the 3-Liter model uses 320 W.

Nebulizer

A medicine delivery system used mostly for pediatric care.Used 4-6 times a day for 20 minutes at a time at 75W.

0.151383
0.13884
0.177
0.155741

Semi/Fully Electric Hospital Bed

Use depends on adjustments. 200 W.

Alternating Pressure Pad

An air-filled mattress overlay. Used 24 hours a day for someone who is bed-ridden.

Low Air-Loss Mattress

Takes the place of mattress - air -filled pressurized mattress.Cycles air around every 15-20 minutes.

Power Wheelchairs and Scooters

Need to be charged approximately 8 hours every 3 days. Batteries are 120 V, 3 Amp, 360 W.

Feeding Tube Pump *(Continuous Feed)*

A pump delivers a constant amount of formula throughout the day or night.

CPAP Machine

For Sleep Apnea. Runs only at night for people who have a tendency to stop breathing at night. At maximum pressure use is 40 Watts. On average - 30 Watts

Leg Compression Pump

Provides intensive compression therapy. Use varies, generally from 8-24 hours daily.

Dialysis Machine/Equipment *(Small/Portable)*

Filters a patient's blood to remove excess water and waste products. Used 2 hours daily.

AGENDA RECOMMENDATION

Economic Development Authority **4. C.**

Meeting Date: 01/26/2026

Agenda Item:

Resolution authorizing support for the voluntary transfer of the Housing Choice Voucher program from the South-Central MN Multi-County HRA to the Economic Development Authority of Mankato, Minnesota.

Recommendation/Action(s):

Adoption of the attached resolution and letter of request.

Summary:

The South-Central MN Multi-County Housing and Redevelopment Authority (HRA) administers the Housing Choice Voucher program funded by the US Department of Housing and Urban Development (HUD) to provide tenant-based rental assistance vouchers to meet the housing needs of low-income households in Nicollet, Martin, Waseca, Watonwan, Sibley Counties. The information provided by HUD included:

- Total ACC units 712
- HUD is working on a breakdown by county – Vouchers currently in use:
  - Nicollet Co 308, (Mankato)
  - Waseca 55, Watonwan 10, Sibley 4 (Blue Earth)
  - Martin Co 79 (MVAC – Faribault/LeSueur)

The HRA has experienced underutilization and is in shortfall funding of the Housing Choice Voucher program, have been unable to support program staffing, and desires to dissolve their HRA and transfer their vouchers with another housing agency in the region.

The HRA is requesting voluntary transfer for the administration of the Housing Choice Voucher Program (HCV) with the Economic Development Authority of Blue Earth County, Economic Development Authority of Mankato, and Minnesota Valley Action Council for the Faribault County HRA effective July 1, 2026. A transfer with the EDA would allow these Housing Choice Vouchers to be utilized in each HRA county or Blue Earth County. Vouchers will have access to the EDA's current wait list.

Attached is provided guidance for voluntary transfers and a summary of why the EDA would consider a voluntary transfer.

The requested action is a resolution authorizing support for the voluntary transfer of the Housing Choice Voucher program to the Economic Development Authority of Mankato and a letter of request for the transfer.

Attachments

Resolution
Letter of Request
Guidance for Voluntary Transfer
Why Accept a Voluntary Transfer

A RESOLUTION AUTHORIZING THE SECTION 8
HOUSING CHOICE VOUCHER PROGRAM
UTILITY ALLOWANCE SCHEDULE

WHEREAS, the United States Department of Housing and Urban Development requires the annual review and adjustment, if required, of tenant furnished utilities; and

WHEREAS, the Mankato Economic Development Authority has performed its annual assessment of consumption rates and usage for Blue Earth County; and

NOW, THEREFORE, BE IT RESOLVED that the Mankato Economic Development Authority's governing body authorizes the implementation of its Section 8 Housing Choice Voucher utility allowance schedule for Blue Earth County as adjusted for March 1, 2026.

This resolution shall become effective immediately upon passage.

Dated this 26th day of January 2026.

____
Njawa Massad, Chair

ATTEST: ________________________________
Susan MH Arntz, Executive Director

10 Civic Center Plaza
Post Office Box 3368
Mankato, Minnesota 56002-3368

Phone: (507) 387-8600
Fax: (507) 388-7530
www.mankatomn.gov

City of MANKATO
Leading the way...

January 26, 2026

Cynthia Yuen Arbit
U.S. Department of HUD
Office of Public & Indian Housing
Minneapolis Field Office
212 3rd Avenue South, Suite 150
Minneapolis, MN 55401

RE: Voluntary Transfer

Dear Cynthia Yuen Arbit,

The Economic Development Authority of Mankato, Minnesota requests to coordinate with the South-Central MN Multi-County HRA for the voluntary transfer of their Housing Choice Voucher Program.

Divesting PHA:	South Central MN Multi-County HRA, 219
Receiving PHA:	EDA of Mankato, MN063
Consolidation Date:	July 1, 2026

A transfer with the EDA would allow these vouchers to be utilized in a multi-county jurisdiction including Blue Earth County. The EDA is committed to serving populations within these counties and to continue to administer the vouchers as intended under the Housing Choice Voucher Program. Vouchers will have access to the EDA's current waitlist.

Currently, the Mankato EDA has 1200 families on the waiting list. These additional vouchers expand affordable housing opportunities in the community and are supported by the Affordable Housing Action Plan for Blue Earth County and the Strategic Plan for the City of Mankato.

We request approval to transfer the South-Central MN Multi-County HRA Vouchers and are providing the enclosed resolution approved by the EDA Board of Directors.

Sincerely,

Susan MH Arntz
Executive Director
Enclosure

Guidelines for Voluntary Transfer of the Housing Choice Voucher (HCV) Program

1. What Is a Voluntary Transfer?

A **voluntary transfer** occurs when:

- One PHA (**the divesting PHA**) permanently transfers its **entire HCV program** to another **existing PHA** (**the receiving PHA**); and
- The receiving PHA continues operating under its **existing CACC** (no new PHA is created).

2. Governing Authority

- **HUD Notice PIH 2018-12**
  Guidance on Voluntary Transfers and Consolidations of the Housing Choice Voucher Program

This notice applies to:

- Tenant-Based HCV
- Project-Based Vouchers (PBVs)

3. Eligibility Requirements

✓ Eligible PHAs

- Both PHAs must be **HUD-recognized PHAs**
- The divesting PHA must currently administer HCV
- The receiving PHA must already administer HCV

✓ Geographic Requirements

- PHAs must be located **within the same state**
- The receiving PHA must have **legal authority/jurisdiction** to operate in the divesting PHA's service area

4. Voluntary Nature & Permanency

HUD requires that:

- The transfer is **fully voluntary**
- Both PHAs formally agree to the transfer
- The transfer is **permanent and irrevocable**

HUD does **not** approve temporary or partial transfers.

5. Scope of the Transfer

The following transfer in full to the receiving PHA:

✓ Program Elements

- All **voucher units**
- All **budget authority**
- All **PBV units** (if applicable)

✓ Financial Assets & Liabilities

- HAP reserves
- Administrative fee reserves
- Restricted and unrestricted net position
- Any program-related liabilities

6. Administrative Capacity Review (Receiving PHA)

HUD evaluates whether the receiving PHA can successfully administer the expanded program, including:

- Staffing levels and expertise
- Financial management systems
- Inspection capacity
- Proximity to the transferred jurisdiction
- Overall program performance

7. Governance & Legal Requirements

Required documentation typically includes:

- Board resolutions from **both PHAs**
- Evidence of jurisdictional authority
- Intergovernmental agreements or MOUs (if needed)
- Confirmation the receiving PHA's governance structure remains intact

8. CACC Treatment

- **Divesting PHA's CACC is terminated**
- **Receiving PHA's CACC remains in effect**
- HUD amends the receiving PHA's CACC to reflect:
    - Increased units
    - Increased budget authority
- Waiting list and eligibility systems

9. HUD Approval Process

PHAs mutually agree to the transfer

1. Written request submitted to HUD Field Office
2. HUD reviews:
    - Legal authority
    - Administrative capacity
    - Financial integrity
3. HUD approves or requests revisions
4. HUD executes CACC amendments and fund transfers
5. Transfer is implemented

10. Participant & Landlord Protections

HUD expects:

- No interruption in assistance
- Clear notification to participants and landlords
- Continuation of housing assistance payments
- Reasonable transition of policies and procedures

Common HUD Reasons for Denial

- Insufficient administrative capacity
- Lack of jurisdictional authority
- Incomplete board approvals
- Attempted partial or temporary transfer
- Financial or compliance concerns

HUD prefers **voluntary transfers** when:

- A smaller PHA is exiting HCV administration
- An existing PHA can efficiently absorb the program
- No new governance structure is needed

Why Accepts a Voluntary HCV Transfer

1. **Program Growth**
    - Gains more vouchers, higher budget authority, and a bigger service area.
    - HUD rarely issues new vouchers, so transfers are one of the few ways to grow.
    - Larger programs are more stable and influential.
2. **More Stable Administrative Fee Revenue**
    - Receives ongoing admin fees and reserves.
    - Helps cover staffing, technology, and absorb funding fluctuations.
    - Extra revenue usually exceeds extra costs.
3. **Economies of Scale**
    - Fixed costs (software, inspections, compliance) spread over more units.
    - It is easier to run a bigger program than start from scratch.
    - HUD favors PHAs that improve efficiency this way.
4. **Regional Role & Influence**
    - We already are a key regional or statewide housing administrator.
    - CoC, Bridges, and Bring It Home are already regional.
    - Addressing Homelessness where it is at rather than bringing it to Mankato.
    - Streamlining services in our greater Mankato area – N Mankato and St Peter.
    - Strengthens relationships with HUD, state, local governments, and partners. (MVAC)
    - Positions EDA for future expansions, special vouchers, PBVs, and policy leadership.
5. **Preserves Housing Assistance**
    - Prevents residents from losing vouchers due to problems in the divesting PHA.
    - HUD sees EDA as stabilizers for low-income housing.
6. **Improves Program Performance**
    - Corrects deficiencies from the divesting PHA. Streamlines service delivery – many same landlords.
    - Increases lease-up, compliance, and SEMAP performance.
    - Boosts EDA reputation and HUD standing.
7. **Access to PBVs and Development Opportunities**
    - Gains control of existing PBV contracts and long-term affordable housing.
    - Supports local development, LIHTC projects, and special-needs housing.
8. **Stronger Financial Position**
    - HAP and admin reserves transfer with the program.
    - Reserves cushion funding swings and support growth.
9. **Workforce & Knowledge Retention**
    - Experienced staff may move with the program, preserving local knowledge.
    - Reduces onboarding costs.
10. **Alignment with HUD Policy**
    - HUD encourages regional activity to balance voucher utilization where it is needed while providing opportunity across the state.

Risks That Might Lead EDA to Decline

- Insufficient administrative fees or reserves
- Hidden liabilities
- Jurisdictional or political complications
- Increased compliance risk

Bottom Line

EDA accepts a voluntary transfer when it **strengthens program size, finances, regional influence, and mission impact** without creating excessive risk.