



## 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 the Resolution 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