

MEMORANDUM

TO: Workforce and Business Development Conference Committee

Senator Eric Pratt

Representative Mohamud Noor

Senator Jason Rarick

Representative Rob Ecklund

Senator Karin Housley

Representative Liz Olson

Senator Rich Draheim

Representative Kaela Berg

Senator Kent Eken

Representative Rod Hamilton

FROM: Economic Development Association of Minnesota (EDAM)

**RE: Support for DEED Programs Including Request for Line-Item
Appropriation for the Redevelopment Account**

DATE: April 27, 2021

EDAM is a statewide association of over 400 economic development leaders in the public and private sectors – in both rural and urban areas – from all corners of the state. We provide training and public policy advocacy for our industry and appreciate your work and commitment to economic development in Minnesota.

EDAM strongly supports the core economic development programs administered by DEED. We are particularly interested in three provisions – the Minnesota Investment Fund (MIF), the Job Creation Fund (JCF) and the Redevelopment Account. Both MIF and JCF are included in the Omnibus Bill in both the House and Senate. We support ongoing funding and thank the Legislature for prioritizing these key programs.

The number one priority among EDAM members in a 2020 survey was to re-establish a line-item appropriation for the Redevelopment Account. Redevelopment projects produce jobs at three points in time. First there are jobs created to remove dilapidated buildings and infrastructure to prepare a site for redevelopment. Then jobs are created during the construction of buildings on the recently cleared property and finally there are permanent jobs created by the companies who move into these buildings to commence or expand their business activity.

The Redevelopment Account is administered so that there is equal opportunity for metro and Greater Minnesota communities to secure funding. When funds are available for redevelopment, the Department typically solicits proposals two times each year.

EDAM's strong preference is for permanent funding to establish a base level appropriation so that communities have consistent and predictable resources to better plan for redevelopment projects. These projects are complex, multi-faceted, and require a lot of time and planning to be successful. Stable, consistent, and reliable funding for the Redevelopment Grant Program will deliver the highest return on investment and effectiveness for our communities.

If you have any questions or would like additional information regarding EDAM's position on the Redevelopment Account, please contact Sam Richie at (218) 301-9758 or by email at srichie@fryberger.com or Kevin Walli at (651) 208-8162 or by email at kwalli@fryberger.com.