

TO: Jobs and Economic Development, Labor and Industry Conference Committee Members

FROM: Economic Development Association of Minnesota (EDAM)

RE: Jobs and Economic Development, Labor and Industry Omnibus Bill

DATE: April 27, 2023

**Senator and Chair Champion
Senator and Chair McEwen
Senator and Vice-Chair Mohamed
Senator Hauschild
Senator Gustafson**

**Representative and Chair Hassan
Representative and Chair Xiong
Representative and Chair Nelson
Representative and Chair Olson
Representative and Vice-Chair Berg**

As you likely know, EDAM is a statewide association of over 500 economic development leaders in the public and private sectors – in urban and rural 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.

We write to you today in support of several provisions in the Jobs and Economic Development, Labor and Industry Omnibus Bill. There are a number of important appropriations and policy provisions in the bill, but the following are top priorities for EDAM’s membership.

- **EDAM is strongly in support of the increase to the Redevelopment Fund, included in the Senate Jobs and Economic Development Omnibus bill, SF 3035** (included at line 6.32, and originating from SF 2360/HF 1920). We urge the Conference Committee to adopt the Senate provision that includes the modest increase of \$2.2 million dollars in each year of the upcoming biennium.
- Additionally, both the House and Senate bills include transfer authority, allowing the Commissioner of DEED to transfer up to \$2 million from the Job Creation Fund (JCF) Program to the Redevelopment Grant program (line 43.17). EDAM is supportive of the flexibility this transfer authority provides as it allows DEED to take a comprehensive approach to this area of economic development.

So far, the \$80 million in Redevelopment funds awarded to date have leveraged over \$3.5 billion in business investment and increased local tax bases by almost \$59 million. This increase is wise investment in Minnesota’s local communities. The Redevelopment program has resulted in the redevelopment of 1,450 acres of land, as well as the addition of 8,500 housing units, and the creation or retention of 30,000 jobs across the state. These are complex projects that would not have been possible without this funding.

The benefits mentioned above are top of mind for our members. EDAM’s members – a mix of economic development professionals across the state from the public and private sectors – identified an increase in consistent funding for the Redevelopment Account as their number one priority in the most recent survey.

We strongly believe increasing the funding for the Redevelopment Fund is a critical step toward building thriving and inclusive local economies. This program provides wealth building and economic mobility opportunities in the metro area, as well as greater Minnesota. It is especially important now, as we work to recover from a pandemic, that the legislature invests in programs that advance equity in economic development.

Again, we strongly urge the Conference Committee to adopt the Senate's position on the Redevelopment Grants, which includes a modest \$2.2 million increase in each year of the biennium.

If you would like any additional information regarding EDAM's position, contact Sam Richie at (218) 301-9758 or by email at srichie@fryberger.com.

Sincerely,



Kati Bachmayer
2023 President, Economic Development Association of Minnesota