

TO: Chair Champion and Jobs and Economic Development Committee Members

FROM: Economic Development Association of Minnesota (EDAM)

RE: SF3035 DE and the DEED Redevelopment Grant Program Appropriation

DATE: March 29, 2023

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

Thank you Chair Champion and Committee Members increasing the Redevelopment Funding to \$4.26 million in each year of the upcoming biennium. 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.

Additionally, SF 3035 DE also includes transfer authority, allowing the commissioner 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.

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.

We are grateful to the Committee for hearing SF 2360 and **funding the Redevelopment Grant Program at \$4.26 million each year of the upcoming 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