

Budget for One Minnesota



DEED Capital Budget Request and Legislative Update

February 22, 2024

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Implementing a Historic Slate of Programs

- DEED received almost **\$1.8 billion** in total funding for FY24-25 following **historic investments** in our legislative priorities in 2023.
- **Effective and efficient implementation** of the programs supported by these investments has been **the highest priority** at DEED.



Implementation– Capital Investment

The 2023 Capital Investment bill made many investments in public infrastructure, including **funding for three of DEED's existing programs and one new program:**

- **Greater Minnesota Business Development Public Infrastructure Grant Program** - \$10 million
- **Innovative Business Development Public Infrastructure Grant Program** - \$1.5 million
- **Transportation Economic Development Infrastructure Grant Program** - \$1.5 million
- **Greater Minnesota Child Care Facilities** - \$900,000
- There are also over 100 provisions **totaling \$47.7 million in General Obligation bonds and \$395.567 million in cash** projects that DEED is administering.

Implementation– Capital Investment Special Projects

- DEED received **118 individual projects** to administer out of the two Capital Investment bills.
- **Post Session:**
 - Held an overview session for all special projects
 - Working closely with MMB on process, questions and potential solutions
 - Hired, trained and assigned additional staff to projects
 - Finalizing and approving contracts and projects are kicking off their work
 - 13 projects approved or awaiting signatures
 - 23 grantees have advised DEED they will be ready to proceed within the next 6-12 weeks

DEED Capital Budget Request

Capital Budget Requests

- **Business Development Public Infrastructure Grant Program (BDPI) – \$3 million**
- **Transportation Economic Development Infrastructure Program (TEDI) – \$2 million**

Business Development Public Infrastructure Grant Program (BDPI)

\$3 million

Greater Minnesota Business Development Public Infrastructure – \$3 million

Grants fund public infrastructure improvements that will promote economic development such as:

- Wastewater collection and treatment, drinking water, storm sewers, utility extensions, and roads.



BDPI Project: Lineage Logistics (Luverne)

- City of Luverne awarded \$467,422.
- This includes extension of streets and utilities within their industrial park.
- Supports a 235,000-square-foot storage facility costing \$50 million in investments, creating 75 new jobs.



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BDPI Current Balance and Pipeline

- Current Balance = \$10,121,907
- Pipeline: Austin (\$2 mil), Dodge Center, Delano (\$1.2 mil)
- This program received \$12M in 2023 which, based on demand and pipelines, is projected to last through FY24.

Transportation Economic Development Infrastructure Grant Program (TEDI)

\$2 million

Transportation Economic Development Infrastructure – \$2 million

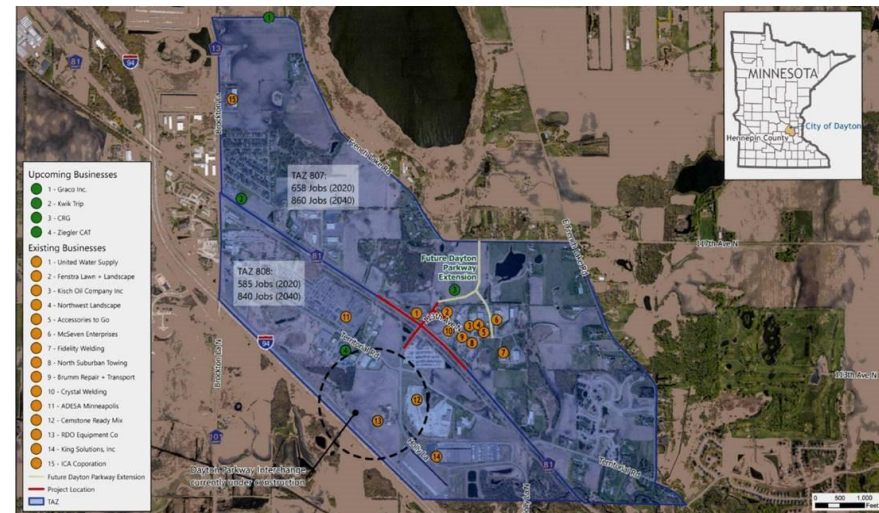
Grants fund improvements that will promote economic development, such as:

- Pre-design, land acquisition, construction, reconstruction, and infrastructure improvements.



TEDI Project: City of Dayton

- Dayton awarded \$1 million
- Will assist with the construction of a four-lane divided highway linking a new interchange on I94 to city of Dayton.
- Project will retain 1,455 jobs in the area at businesses like Graco, King Solutions, Zeigler, etc. Tax base increase estimated at \$134 Million



TEDI Current Balance and Pipeline

- Current Balance = \$1,962,400
- Pipeline: Anoka, Lino Lakes
- NOTE: We are currently in a TEDI grant review. Apps received from Waconia, Norwood Young America, Carver County, Brooklyn Center. Total requests = \$2,881,000

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Questions?