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# Minnesota Department of TRADE AND ECONOMIC DEVELOPMENT

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**Minnesota Department of  
TRADE AND ECONOMIC  
DEVELOPMENT**

*April 1988*

## Minnesota Department of

# Trade and Economic Development

150 East Kellogg Blvd., American Center Building, Ninth Floor, St. Paul, MN 55101

David Speer, commissioner

Jayne Khalifa, chief of staff

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**T**he Department of Trade and Economic Development is the lead agency in state government's commitment to be a catalyst in the development of a balanced and competitive statewide economy through partnerships with industry, communities, agriculture, labor and education.

Based upon an understanding of regional and structural economic strengths, DTED develops and implements policies and programs that create a favorable environment for economic development.

The department serves communities, the commercial, industrial and agricultural sectors, and consumers to meet shared goals for economic development in domestic and international markets, in collaboration with the Minnesota Legislature and the executive branch of state government.

The agency identifies issues and opportunities, and develops policies, partnerships, programs and implementation strategies to promote economic development of the state through diversification and maximum use of resources in domestic and international markets.

Direct services and functions of the department include marketing, technical and financial assistance, and gathering, analyzing and disseminating economic and market data as a public information clearinghouse.

DTED ensures, through a coordinated team approach, that all department services are responsive, timely, of high quality and understandable to its

customers. The department serves as the key public agency for the formulation and implementation of a comprehensive long-term state strategy for global competitiveness. It promotes and markets Minnesota's strengths through partnerships with local communities, the private sector and other government agencies.

The department was reorganized during the 1987 legislative session and renamed the Department of Trade and Economic Development. The reorganization included transfer of the Energy Division to the Department of Public Service, and moving the Minnesota Trade Office to Trade and Economic Development from the Department of Agriculture.

Many of the direct business assistance programs of the department were eliminated in 1987 or made the responsibility of the new Greater Minnesota Corporation. There are two remaining: OMNI and the Minnesota Development Program. The Minnesota Community Improvement and Main Street programs, both administered by the Environmental Resource Development Office, were moved from the State Planning Agency to the department. The Council for Quality, the Public Facilities Authority, the Committee on Science and Technology and the Rural Development Board were created by the 1987 Legislature.

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**State of Minnesota Washington Office,  
(202) 624-5308**

**Barbara Rohde, director  
Thomas R. Lehman, associate director**

**T**he Washington Office of the State of Minnesota operates from the office of the commissioner of Trade and Economic Development. It was opened in August 1983 as a unit of the Governor's Office to represent Minnesota state government's concerns in Washington with federal agencies and Congress. Its offices are located in Suite 322, 400 N. Capitol Street, N.W., Washington, D.C. 20001.

The office has four principal goals: to influence federal legislation and regulatory activity to be more favorable to the State of Minnesota; to work for an increase in federal funds and projects going to Minnesota and to broaden understanding and participation in federal government decision-making by Minnesota state government; to develop expertise in federal government activity of importance to Minnesota economic development initiatives; and to more effectively work with multi-state governmental affairs organizations to ensure that Minnesota's concerns are adequately represented. The Washington Office serves as the lead agency for the Governor's work with the National Governors' Association, the Council of Great Lakes Governors and the Midwest Governors' Association.

**Communications Office  
(612) 297-1300**

**Barbara Young, director**

**T**his office provides communications support to all divisions and offices of the department in an effort to reach businesses, the public and policy makers.

The office's objectives include reaching out to the business community, especially Minnesota businesses, to encourage them to expand and/or locate in Minnesota; working toward improving public perception of Minnesota's economic outlook; and improving public policy makers' understanding of economic development activities under way in Minnesota.

The office produces the bi-monthly *Minnesota Magazine*, a newsletter for business executives and economic development professionals. The Communications Office staff also writes, edits and designs other publications such as fact sheets, brochures and pamphlets on specific programs administered by DTED.

## **Business Promotion Division**

**(612) 296-3977**

**Robert de la Vega, acting deputy commissioner**

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**T**he primary function of this division is to assist communities in developing opportunities for small businesses and to encourage growth of overall economic activity. Business assistance in the areas of management, marketing, licensing, trade development, financing packaging, business community contacts, intergovernmental coordination and referral is available to small business owners, operators and potential entrepreneurs by calling the Small Business Information Hotline at statewide toll-free 1-800-652-9747.

### **Small Business Assistance Office**

**(612) 296-3871**

**Charles A. Schaffer, director**

**T**his office provides comprehensive information and assistance to businesses on all aspects of start-up, operation and expansion. Services are provided at no charge through the Bureau of Business Licenses and the Bureau of Small Business.

The Bureau of Business Licenses provides information and assistance to applicants on the requirements of licenses and permits to do business in Minnesota and aids in securing these through a master application procedure and a pre-application conference procedure. To assist businesses in ascertaining license and permit requirements, the bureau publishes the *State of Minnesota Directory of Licenses and Permits*, *Mini-Directory of Licenses and Permits* and *Duluth City Licenses*. Similar directories of licensing requirements for the cities of Minneapolis and St. Paul are also available. The bureau also administers

the provision of the Minnesota Environmental Permit Coordination Act and publishes *A Small Business Guide to Environmental Regulation in Minnesota*.

The Bureau of Small Business provides a single point of access within state government for those seeking information on business organization, regulation, taxation and issues as an employer. The office also serves as a clearinghouse for, and supports the development of, a wide range of public and private business assistance resources concerned with small business matters. Publications include *A Guide to Starting a Business in Minnesota*, *Minnesota Minimum Wage and Tip Credit Law*, *Checklist for Hiring an Employee* and *A Guide to Administrative Agency Rulemaking in Minnesota*.

The office collaborates with other organizations to sponsor a number of workshops and seminars on small business topics each year. To enable those who counsel small businesses to remain current, the office develops working papers, offers workshop presentations and publishes *Small Business Notes*, a monthly newsletter on issues affecting small businesses. The office also publishes a quarterly *Workshop and Seminar Schedule* describing various education and training opportunities available to small businesses.

To meet the specialized needs of business clients throughout Minnesota, the office conducts small business advocacy projects in several areas of the state. The projects bring together the resources and expertise of federal, state and local governmental and private organizations to provide informational presentations and

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individualized counseling for small businesses. A Small Business Management Project provides for the delivery of business planning and business management services through seven area vocational-technical institutes. The office assists in the development of an inventor support network in Minnesota, co-sponsors educational programs on patents, trademarks and copyright protection, and publishes *A Guide to Intellectual Property Protection*.

The office conducts workshops on government procurement and the set-aside process for firms interested in selling their goods or services to governmental entities. To further assist these firms, the office also publishes *Selling Your Product to the State of Minnesota*, *A Seller's Guide to Local Government Purchasing* and *The Minnesota Set-Aside Program*.

Staff also perform the certification of "qualified small businesses" and "small business assistance offices" required for the technology transfer tax credit and small business assistance office contribution tax credit.

**Development Resources Office  
(612) 296-5010**

**Harry Rosefelt, director**

**T**his office serves as the state's central data resource for businesses considering expansion or relocation. Information includes economic data, financing and other facts companies use to make decisions on whether to begin manufacturing, and whether to expand or

to relocate. A complete inventory of information is maintained on industrial properties and Minnesota communities.

Staff provide several outreach services directed at assisting communities to develop a local capacity in economic development planning and implementation. Since 1982, almost 70 communities have been designated as Minnesota Star Cities and have demonstrated the benefits of the program through increased private sector investment and more jobs in Minnesota.

The office also has marketing programs for the wood products and health care fields, and administers the Main Street program.

**Minnesota Amateur Sports Commission  
(612) 296-4845**

**Paul D. Erickson, executive director**

**T**he goal of the Minnesota Amateur Sports Commission is to support the amateur sport associations in the state and to promote major amateur sport events. Through these activities the state promotes physical fitness and tourism. Two advisory groups support the work of the commission: The Minnesota Amateur Sports Congress (representing all amateur sport associations in the state) and the Governor's Council on Physical Fitness, which promotes physical well-being in the state. In addition, the Minnesota Amateur Sports Commission supervises the Minnesota State Games Board and the Minnesota Amateur Sports Events Advisory Committee, and sets policy and operates Olympic Development Training Centers in the state. Information and

program support are available to all amateur sport associations in the state. A proposed newsletter will offer pertinent information to all amateur sport associations in the state.

seasons, Taste of Minnesota and the Minnesota State Fair, as well as hundreds of community celebrations.

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**Environmental Resource Development  
Office, (612) 297-3190**

**Frank V. Ongaro, director**

**T**his office administers the Minnesota Community Improvement Program and provides coordination assistance to the Minnesota Beautiful Program, the Governor's Design Team, and the state's waste tire, used oil, used railroad tie, and salvage yard clean-up and screening programs. This office also identifies and implements other projects designed to improve the state's environment, both aesthetically and physically. In that role, the office will be very involved in Celebrate Minnesota 1990.

**Celebrate Minnesota 1990  
(612) 296-5334**

**Gerry Nelson, project director**

**T**his office is designing and coordinating the events for Celebrate Minnesota 1990, a year-long series of events designed to focus people's attention on the benefits of economic development activity, especially through tourism. It will include events throughout the state, including the U.S. Olympic Festival, Grandma's Marathon, the Twin Cities Marathon, the second Midsummer Music Festival, the fishing opener, the Twins' and Viking

## **Community Development Division** **(612) 296-5005**

**Robert Benner, deputy commissioner**  
**Bonnie Burt, assistant commissioner**

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**T**his division provides financial and technical assistance to townships, cities and counties through a variety of state and federal grant programs. Areas eligible for financing include housing, economic development, public infrastructure and outdoor recreation facilities. Technical assistance and training for potential applicants to the grant programs are available through information manuals and workshops.

### **Outdoor Recreation Grant Program** **(612) 296-1567**

**Sue Gunderson, director**

**T**his program administers federal and state grants to local government for the acquisition and development of parks and outdoor recreation facilities such as ballfields and game fields, large outdoor game courts, picnic areas, campgrounds, swimming beaches, nature areas, boat access and hiking, bicycling and ski-touring trails. The staff provides assistance on applications and conducts on-site inspections of the proposed park or facility improvement.

### **Small Cities Development Grant Program, (612) 297-3172**

**Louis Jambois, director**

**T**his program administers federal funds to nonentitlement cities and townships under 50,000 population and nonentitlement counties under 200,000 population. Grants are awarded for single-purpose applications to improve housing, economic development or public

facilities, and for comprehensive programs. The staff provides assistance on application procedures, reviews applications, monitors grant progress and processes payment requests.

This office is also responsible for the Enterprise Zone Program and the Community Development Corporation Program.

### **Economic Development Grant Program** **(612) 296-2394**

**Mike Auger, director**

**T**his program administers federal and state grants to local government and Indian reservations for economic development projects. Grants may be used to finance public infrastructure or to provide loans to businesses needed for the creation and retention of jobs.

Opportunities Minnesota Incorporated (OMNI), a private financing corporation, will combine its resources with lending institutions by providing subordinated mortgage financing to industry and manufacturing enterprises through the issuance of debentures. The proceeds from the sale of OMNI debentures are used to provide fixed-asset financing for up to 40 percent of any project or \$500,000, whichever is less. A local lending institution is required to provide 50 percent of the financing for the project. The remaining 10 percent of a project is financed in the form of equity by the company.

The office also provides the application and review functions for the OMNI board of directors.



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**Minnesota Public Facilities Authority**  
**(612) 296-4704**

**Terry Kuhlman, director**

**T**he authority manages grant and loan programs for assisting state or local jurisdictions in financing water and wastewater treatment systems (Independent Wastewater Treatment Grant Program and the Water Pollution Control Revolving Fund). In addition, the authority assists local units of government in administering the Municipal Energy Grant and Loan Program, the School Energy Loan Program, and the Health Care Equipment Loan Program.

**Rural Development Board**  
**(612) 296-9090**

**Mark Lofthus, director**

**T**he board is responsible for investigating and evaluating new methods to enhance rural development, for preparing a rural investment guide to help state agencies and the legislature create and implement rural development programs, and for planning the coordination and allocation of public and private resources to rural Minnesota. The board administers the Challenge Grant Program designed to provide loans, through regional revolving loan programs, to new and expanding businesses in rural Minnesota.

**Agricultural and Economic  
Development Authority**  
**(612) 297-1391**

**David Mocol, director**

**T**he Agricultural and Economic Development Authority, through its loan staff, administers and implements fixed-asset lending programs. These programs can be used for the acquisition or expansion of land, buildings, machinery and equipment. The authority also manages the loan portfolio of the former Minnesota Energy and Economic Development Authority.

The Minnesota Development Program encourages agricultural and economic development by providing financial assistance for Minnesota businesses. The approving authority is composed of the president of the Greater Minnesota Corporation, two public members appointed by the Greater Minnesota Corporation, and four state department commissioners. David Speer serves as administrator to the board and Tom Triplett, commissioner of finance, serves as chair.

The Small Business Development Loan Program provides industrial development tax-exempt financing for businesses throughout the state.

The Minnesota Agricultural and Economic Development Authority has a working relationship with OMNI, a state-wide certified development corporation which provides long-term financing through banks in the Small Business Administration.

## **Minnesota Trade Office**

**(612) 297-4222**

**Michael A. Olson, deputy commissioner**

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**T**his office was established by the 1983 Legislature to help small and medium-sized businesses export and to encourage foreign investment and joint ventures with Minnesota companies. The office enables Minnesota businesses to develop and strengthen their presence in the international trading world through a number of programs and promotions. Efforts focus on Minnesota's major industries: high technology, medical technology, agriculture and wood products. Target world trade areas are the Orient and Western Europe. Its offices are located at 1000 World Trade Center, St. Paul 55101.

### **Planning and Communications (612) 297-4224**

**James Gambone, director**

**T**his staff assembles support material such as brochures, manuals, directories, slide presentations and displays for use in trade shows, on trade missions and for foreign delegations. They publish directories of Minnesota goods and services for foreign and domestic buyers and the *World Trade Update*, a newsletter providing information on international marketing trends. This staff is also responsible for media relations and for providing information to the public on the trade office and international trade issues.

### **Export Development (612) 297-1317**

**Sandra Renner, director**

**T**his staff educates and advises businesses on how to enter the international marketplace. Its emphasis is directed toward small and medium-sized companies that are new to exporting or those entering new markets. Staff also provide assistance in identifying and developing international trade opportunities by conducting small-group training seminars and workshops throughout Minnesota; generating and distributing a monthly average of 1,600 computer-matched trade leads; maintaining an international business library; providing one-on-one international counseling and supplying details on international trade shows and assisting companies wishing to participate.

Staff also work with Minnesota crop and food producers and processors to develop new businesses and increase sales in international markets. Special emphasis is on promoting processed foods, horticultural crops, agricultural technology and breeding livestock. The staff develops and distributes trade inquiries to companies; does limited market research; locates sources of established services and helps clear food labels for international markets; and counsels Minnesota companies in their negotiations with overseas operations.

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**International Marketing and  
Investment, (612) 297-4222**

**Richard Bohr, director**

**T**his staff promotes Minnesota-manufactured products and services internationally through participation in and planning of trade shows, conferences and trade missions. Trade mission delegations generally consist of screened representatives of small or medium-sized businesses prospecting for international trade opportunities. International trade representatives advance delegations from Minnesota and promote the state of Minnesota by encouraging foreign investment.

**Export Finance  
(612) 297-4659**

**M. Noor Doja, director**

**T**he Minnesota Export Finance Authority was the first state export finance agency in the nation. It provides financial assistance for small and medium-sized businesses involved in export. The agency can guarantee loans to exporters who have an export order but can't raise capital to fill that order. MEFA can guarantee up to 90 percent of loans ranging from \$25,000 to \$250,000 for up to one year. MEFA also works with the Export-Import Bank of the United States (EximBank) and the Foreign Credit Insurance Association to provide Minnesota exporters with insurance coverage against the commercial and political risks of nonrepayment for foreign buyers. The authority also counsels exporters, bankers and buyers on all aspects of international transactions.

## **Policy Analysis Office**

**(612) 296-8341**

**Lee Munnich, assistant commissioner**

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**T**his office disseminates information and develops strategies that promote economic growth in Minnesota and analyzes economic development programs and projects to assure that state resources are directed toward their most productive use.

### **Economic Analysis Section**

**(612) 296-8285**

**Abby McKenzie, director**

**T**his section analyzes markets for potential business expansion projects; evaluates Minnesota's comparative economic advantages for specific industries and firms; assesses economic and international trends for their impact on the state; evaluates program effectiveness; and develops economic development strategies.

### **Information Systems Section**

**(612) 296-8282**

**Dan Quillin, director**

**T**his section provides data processing and MIS support to the entire department, including maintaining a project management system and Minnesota employers data bases. In addition, this unit produces information materials for businesses and industry.

## **Trade, Economic Development and Energy Library**

**(612) 296-8902**

**Pat Fenton, senior librarian**

**T**he library is a research and information resource available for use by both the Departments of Trade and Economic Development and Public Service, as well as the general public. Technical information on all aspects of energy use and economic development is available from the library's collection of 12,000 books and documents, 80,000 microfiche, 200 periodicals and computerized data bases. The library participates in inter-library loan systems to locate and obtain information that may not be on file. Although materials may not be taken out, the library may be used for research during regular working hours, 8 a.m. to 4:30 p.m. Monday through Friday. Limited photocopying is available.

## **Minnesota Council for Quality**

**(612) 297-1935**

**Walter Bruning, executive director**

**T**he council was created by the 1987 Legislature to raise the visibility of the concepts of quality and productivity and their importance to global economic competitiveness and the state's economic future. The council conducts outreach programs and activities to this end and develops relevant statistics to help assess the state's competitive position.



## Office of Science and Technology

(612) 297-4368

Beverly Jones, director

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This office provides a broad range of services directed toward economic expansion, diversification and revitalization of Minnesota's economy through applications of technological innovations. The office serves a diverse clientele ranging from private-sector entrepreneurs in technology-intensive businesses to academic researchers and governmental policy makers. Its objectives are to assist and promote technology-intensive firms throughout Minnesota and to integrate the needs and contributions of science and technological innovation into state economic development strategies.

The office is responsible for research, policy guidance, review of all state research efforts, and the development of overall strategies to promote scientific advancements and technological innovation in Minnesota. The office conducts research on science and technology issues and disseminates its results; tracks state research dollars; provides guidelines for peer review of all agency-funded research; serves as the first point of contact for information on existing state and private-sector technology resources and programs; establishes and maintains linkage relationships with scientific and professional organizations, the private sector and educational institutions; maintains data bases on Minnesota's technology and software businesses; and provides input for national science and technology policy decisions in order to enhance and promote the state's image as a leader in technological innovation, education and entrepreneurship.

Several advisory groups assist the office in fulfilling its mission. The Committee on

Science and Technology, established by the 1987 Legislature, will assist the office in developing guidelines for state-funded research. It will also assist the office in its review of scientific and technology-related research and development legislation, loans or grants at the request of the governor, legislators or other state officials.

The Council on Technology for Persons with Disabilities was also established by the 1987 Legislature. The council is responsible for developing a state policy agenda to promote and facilitate the use of technology by people with disabilities, and increase awareness of the technological advancements among persons with disabilities, their families, professionals, policy makers and the general public.

The Minnesota Software Technology Commission is responsible for examining the state's software industry and making policy recommendations on how the state could support the economic development of the industry.

The following documents are available from the office: *High Technology in Minnesota: A Directory of Programs, Policies and Services*, containing descriptions and contact names for more than 70 activities in the state; *High Technology in Minnesota: A Directory of Technology Companies*, information on more than 1,800 technology-intensive firms located in the state; *Minnesota: A Natural High in Tech and Touch*, a promotional brochure published in cooperation with the Minnesota High Technology Council; and *State Technological Programs in the United States*, which describes science and technology programs in all 50 states.

## Office of Tourism

(612) 296-2755

**Henry R. Todd Jr., director**

**Bonnie Richter, assistant director**

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**T**he Office of Tourism coordinates the state's tourism marketing activities. It works with local chambers of commerce as well as regional, state and national agencies to develop tourism potential. The office coordinates advertising, publication creation and distribution, travel counseling, grant programs, package motorcoach and international tours, trade show programs, and meeting and convention promotions. Its offices are in the Farm Credit Services Building, 375 Jackson St., 250 Skyway Level, St. Paul 55101.

The tourism industry is a \$5.3 billion industry in Minnesota, providing more than 100,000 jobs for residents, and contributing more than \$700 million in total tax revenues. The industry comprises resorts, campgrounds, hotels, motels and historical, cultural and recreational attractions. In addition, the economic benefits of tourism touch on a wide variety of other retail and service-oriented facilities.

All Minnesota Office of Tourism units are involved in continual survey and research projects in order to evaluate and enhance new and existing programs. Brochures, grant information, photos, slides, videotape and film footage, travel counseling, conference information, and advisory committee applications can be obtained by calling or writing the Minnesota Travel Information Center.

A newsletter, the *Travel Minute*, is distributed every three weeks to tourism industry groups, businesses, advisory committee members and associations.

These groups convene annually for the state tourism conference sponsored by the Tourism Office. Seminars and workshops are also held periodically throughout the state.

### Communications Unit

(612) 297-3879

**Judy Hohmann, acting communications manager**

**T**his unit organizes public relations activities to increase visibility of Minnesota travel, attractions and events. Staff creates brochures and collateral material. Its primary publication is the *Minnesota Explorer*. Published three times a year, this newspaper includes 12 to 24 pages of feature stories and a calendar of events, and has an annual circulation of more than one million.

### Travel Trade Services Unit

(612) 297-2333

**Colleen Illg, manager**

**T**his unit coordinates advertising and marketing programs for group tour operators and travel agents, international travelers, and meeting and convention groups. International markets include Europe, Japan and Canada. The travel/trade specialists are involved in a variety of national, international and local activities for the creation, development and evaluation of tourism marketing programs.

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**Travel Information Unit**  
**(612) 296-5029**

**Linda Limback, manager**

Through the Minnesota Travel Information Center, inquiries are taken and information disseminated free to potential vacationers about a wide variety of year-round Minnesota travel opportunities. A multitude of brochures and travel information pieces is available, including the *Minnesota Explorer* travel newspaper, *Arts and Attractions Guide*, *Cross Country Ski Guide*, *Canoeing, Hiking and Backpacking Guide*, state highway and fishing maps, and state directories for accommodations and attractions.

Chambers of commerce, convention and visitors' bureaus, and regional or state organizations provide the center with supplemental literature on lodging, attractions, events and much more. Bulk orders of some materials published by the office are available to tourism organizations. Publications are free to the public and can be obtained by mail or from the walk-in information center from 8 a.m. to 5 p.m. weekdays.