

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 2514
Version: As introduced

DATE: March 15, 2016

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Subject: Host community economic development grants

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Overview

Modifies the Host Community Economic Development Grant Program.

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1 **Definitions.** Modifies the definition of the following terms related to the Host Community Economic Development Program.

1. Provides clarification to the current definition of “capital costs” to specify that it means expenditures for public acquisition of land and buildings in addition to: betterment of public lands and buildings, for other publicly owned capital improvements, and expenditures for predesign, design, engineering, and similar activities for identified eligible projects.
2. Specifies that an “eligible project” is one that will generate economic development within five years or facilitate the preparation of long term economic development within a host community.
3. Specifies that “economic development” means assistance in preparation of a redevelopment or development area that results in at least one of the following:
 - (a) job creation, including jobs related to construction or temporary jobs;
 - (b) an increase in the tax base;
 - (c) the ability of a project to attract private investment;
 - (d) long term economic development;

Section

- (e) needed public infrastructure or transportation-related improvements to facilitate long-term redevelopment or development; or
- (f) other objective criteria established by the commissioner.

4. Provides a definition of “long-term economic development” to mean the capital costs associated with economic development projects identified by a host community comprehensive plan or redevelopment plan that will generate eligible economic development.

- 2** **Application.** Removes language that when awarding grants, required the commissioner to give priority to projects that had the highest return on investment based on a cost-benefit analysis.