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State of Minnesota  
HOUSE OF REPRESENTATIVES  
NINETIETH SESSION

H. F. No. 1946

03/02/2017 Authored by Theis, Omar, Liebling and Pierson  
The bill was read for the first time and referred to the Committee on Job Growth and Energy Affordability Policy and Finance

1.1 A bill for an act  
1.2 relating to community development; establishing a Somali community development  
1.3 pilot grant program; requiring reports; appropriating money; proposing coding for  
1.4 new law in Minnesota Statutes, chapter 116J.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. [116J.9921] SOMALI COMMUNITY DEVELOPMENT PILOT GRANT  
1.7 PROGRAM.

1.8 Subdivision 1. Definitions. (a) For the purposes of this section, the following terms have  
1.9 the meanings given.

1.10 (b) "Commissioner" means the commissioner of employment and economic development.

1.11 (c) "Community initiative" means a nonprofit organization which:

1.12 (1) participates in a statewide collaborative network serving Somali communities; and

1.13 (2) provides services to Somali communities in one or more of the program areas listed  
1.14 in subdivision 4, paragraph (b).

1.15 (d) "Intermediary organization" means a nonprofit organization that is highly  
1.16 knowledgeable about community initiatives providing services to Somali communities in  
1.17 one or more of the program areas listed in subdivision 4, paragraph (b).

1.18 Subd. 2. Establishment. The commissioner shall establish a Somali community  
1.19 development pilot grant program to award grants to one or more intermediary organizations  
1.20 to identify and support community initiatives designed to enhance long-term economic  
1.21 self-sufficiency by improving health, education, housing, and economic outcomes for  
1.22 Minnesota Somali communities.

2.1 Subd. 3. Grants to intermediary organizations. (a) The commissioner shall award  
 2.2 grants to one or more intermediary organizations through a competitive process. In  
 2.3 determining grant awards, the commissioner shall give weight to applications from  
 2.4 organizations that demonstrate:

2.5 (1) a high level of knowledge about community initiatives providing services to Somali  
 2.6 communities in one or more program areas listed in subdivision 4, paragraph (b);

2.7 (2) a history of successful past collaboration with such community initiatives; and

2.8 (3) a history of successful fund-raising from private sources for such initiatives.

2.9 (b) Intermediary organizations awarded grants by the commissioner shall receive all  
 2.10 grant funds intended for distribution to community initiatives under subdivision 4.

2.11 (c) An intermediary organization awarded a grant under this subdivision may use up to  
 2.12 five percent of grant funds for administrative costs.

2.13 Subd. 4. Grants to community initiatives. (a) An intermediary organization awarded  
 2.14 a grant under subdivision 3 must award funds through a competitive grant process to  
 2.15 community initiatives within that intermediary organization's service area.

2.16 (b) The intermediary organization must award grants to community initiatives that will  
 2.17 provide services, either alone or in partnership with another nonprofit organization, in one  
 2.18 or more of the following areas:

2.19 (1) economic development, including but not limited to programs to foster  
 2.20 entrepreneurship or small business development in Minnesota Somali communities;

2.21 (2) health, including but not limited to programs to provide Somali community-based  
 2.22 preventative, behavioral, or pregnancy-related health care;

2.23 (3) education, including but not limited to programs to encourage civic engagement or  
 2.24 early childhood development or that provide after-school or recreation programs targeted  
 2.25 at Somali youth; or

2.26 (4) housing, including but not limited to programs to prevent and respond to homelessness  
 2.27 in Somali communities or to provide access to loans or grants for housing stability and  
 2.28 affordability.

2.29 (c) To receive grant funds, a community initiative must submit a written application to  
 2.30 an intermediary organization, using a form developed by that intermediary organization.  
 2.31 This grant application must include:

2.32 (1) a description of the activities that will be funded by the grant;

- 3.1 (2) an estimate of the cost of each grant activity;  
 3.2 (3) the total cost of the project;  
 3.3 (4) the sources and amounts of nonstate funds supplementing the grant;  
 3.4 (5) how the project aims to achieve stated outcomes in areas including improved public  
 3.5 health and health care delivery; job training; workforce development; small business support;  
 3.6 early childhood, kindergarten through grade 12, and higher education achievement; and  
 3.7 access to housing, including loans; and  
 3.8 (6) any additional information requested by an intermediary organization.

3.9 (d) In awarding grants under this subdivision, the intermediary organization shall give  
 3.10 weight to applications from organizations that demonstrate:

- 3.11 (1) a history of successful provision of the services listed in paragraph (b); and  
 3.12 (2) a history of successful fund-raising from private sources for such services.

3.13 (e) In evaluating grant applications, the intermediary organization shall not consider the  
 3.14 composition of a community initiative's governing board.

3.15 (f) Grant funds may be used by a community initiative for the following purposes:

3.16 (1) operating costs, including but not limited to staff, office space, computers, software,  
 3.17 and Web development and maintenance services;

3.18 (2) program costs;

3.19 (3) travel within Minnesota;

3.20 (4) consultants directly related to and necessary for delivering services listed in paragraph  
 3.21 (b); and

3.22 (5) capacity building.

3.23 Subd. 5. **Limitation.** To the extent possible, at least 50 percent of grant amounts awarded  
 3.24 under subdivision 4 must be distributed to community initiatives serving areas located  
 3.25 outside of the seven-county metropolitan area, as defined in section 473.121, subdivision  
 3.26 2.

3.27 Subd. 6. **Reports to the legislature.** By January 15, 2019, and each January 15 thereafter  
 3.28 through January 2022, the commissioner must submit a report to the chairs and ranking  
 3.29 minority members of the committees of the house of representatives and the senate having  
 3.30 jurisdiction over economic development that details the use of grant funds. This report must

4.1 include data on the number of individuals served and, to the extent practical, measures of  
4.2 progress toward achieving the outcomes stated in subdivision 4, paragraph (c), clause 5.

4.3 Sec. 2. **APPROPRIATION.**

4.4 \$9,000,000 in fiscal year 2018 and \$9,000,000 in fiscal year 2019 are appropriated from  
4.5 the general fund to the commissioner of employment and economic development for the  
4.6 Somali community development pilot grant program established under Minnesota Statutes,  
4.7 section 116J.9921. These appropriations are available until June 30, 2022. Starting in fiscal  
4.8 year 2022, the base funding for this program shall be \$0.