

**SENATE
STATE OF MINNESOTA
NINETY-SECOND SESSION**

S.F. No. 3097

(SENATE AUTHORS: HOUSLEY)

DATE
02/14/2022

D-PG

OFFICIAL STATUS
Introduction and first reading
Referred to Jobs and Economic Growth Finance and Policy

1.1 A bill for an act
1.2 relating to economic development; appropriating money for a grant to the
1.3 Neighborhood Development Center.

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

1.5 Section 1. THE NEIGHBORHOOD DEVELOPMENT CENTER; APPROPRIATION.

1.6 (a) \$9,500,000 in fiscal year 2023 is appropriated from the general fund to the
1.7 commissioner of employment and economic development for a grant to the Neighborhood
1.8 Development Center. This is a onetime appropriation.

1.9 (b) Of the amount appropriated:

1.10 (1) \$2,000,000 is for the Neighborhood Development Center's current and new small
1.11 business incubators to assist with capital investment needs;

1.12 (2) \$1,000,000 is to support the development of small business incubators outside the
1.13 seven-county metropolitan area as defined in Minnesota Statutes, section 473.121, subdivision
1.14 2;

1.15 (3) \$1,000,000 is to leverage additional loan dollars in recourse lending capital and for
1.16 loan loss reserve for high-risk lending to mitigate losses;

1.17 (4) \$3,500,000 is for real estate lending capital to assist entrepreneurs to purchase
1.18 commercial properties or to redevelop a property already owned by an entrepreneur; and

1.19 (5) \$2,000,000 is for nonrecourse lending capital for low-income entrepreneurs, with
1.20 an emphasis on BIPOC entrepreneurs, with loan payment schedules and terms customized
1.21 to the entrepreneur.