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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. **3536**

02/17/2022 Authored by Greenman, Mariani, Gomez, Jordan, Feist and others
The bill was read for the first time and referred to the Committee on Workforce and Business Development 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.