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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 5143

03/25/2024 Authored by Nelson, M.; Vang; Nadeau and Frazier
The bill was read for the first time and referred to the Committee on Workforce Development Finance and Policy

1.1 A bill for an act
1.2 relating to economic development; providing special authority to the city of
1.3 Brooklyn Park to allow for the establishment of a biotech innovation district;
1.4 authorizing the city of Brooklyn Park to establish a value capture district; requiring
1.5 reports; appropriating money; authorizing the sale and issuance of state bonds;
1.6 amending Laws 2023, chapter 37, article 1, section 2, subdivision 17.

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

1.8 Section 1. Laws 2023, chapter 37, article 1, section 2, subdivision 17, is amended to read:

1.9 Subd. 17. Housing Infrastructure 100,000,000 100,000,000

1.10 This appropriation is for the housing
1.11 infrastructure program for the eligible
1.12 purposes under Minnesota Statutes, section
1.13 462A.37, subdivision 2. This is a onetime
1.14 appropriation. Of the 2025 appropriation,
1.15 \$10,000,000 is for awards to the city of
1.16 Brooklyn Park, to be awarded after the city of
1.17 Brooklyn Park submits documentation of a
1.18 project or projects eligible for housing
1.19 infrastructure bond funding.

1.20 Sec. 2. BROOKLYN PARK BIOTECH INNOVATION DISTRICT.

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

1.23 (b) "Authority" means the Brooklyn Park Economic Development Authority.

2.1 (c) "Biotech innovation district" means a geographic area in the city identified in the
2.2 development plan.

2.3 (d) "City" means the city of Brooklyn Park.

2.4 (e) "Development plan" means the plan adopted under subdivision 2.

2.5 (f) "Project" means a project to implement the development plan.

2.6 (g) "Public infrastructure project" means a project financed at least partially with public
2.7 money to:

2.8 (1) acquire or remediate real property, including site improvement;

2.9 (2) demolish, repair, or rehabilitate buildings;

2.10 (3) install, construct, or reconstruct public infrastructure necessary for the biotech
2.11 innovation district;

2.12 (4) acquire, construct, reconstruct, develop, or equip parking facilities and other
2.13 transit-related facilities; and

2.14 (5) acquire, install, construct, reconstruct, develop, or equip recreational, social, cultural,
2.15 or tourism facilities.

2.16 Subd. 2. **Development plan.** (a) The authority must prepare a plan for the development
2.17 of a biotech innovation district within the city. At least 60 days prior to a hearing on adopting
2.18 the proposed development plan, the economic development authority must provide copies
2.19 of the proposed development plan to the city, which the city must make available to the
2.20 public in its offices and on the city's website. At least ten days before the hearing, the
2.21 authority must publish notice of the hearing in a newspaper selected by the city for
2.22 publication of the notice. At the hearing, the authority may only adopt the plan if it finds
2.23 that:

2.24 (1) the plan provides an outline for the development of the city as a site of biotech
2.25 innovation;

2.26 (2) the plan identifies the location of the proposed biotech innovation district;

2.27 (3) the plan is sufficiently complete, including the identification of planned and
2.28 anticipated projects, to indicate its relationship to definite state and local objectives;

2.29 (4) the proposed development affords maximum opportunity, consistent with the needs
2.30 of the city, county, and state, for the development of the city by private enterprise as a
2.31 biotech innovation district;

3.1 (5) the plan conforms to the general plan for the development of the city and is consistent
3.2 with the city comprehensive plan;

3.3 (6) the city has approved the plan; and

3.4 (7) the plan includes:

3.5 (i) strategic planning consistent with a biotech innovation district;

3.6 (ii) a framework to identify and prioritize short- and long-term public investment and
3.7 public infrastructure project development and to facilitate private investment and
3.8 development;

3.9 (iii) land use planning;

3.10 (iv) multimodal transportation planning;

3.11 (v) goals, objectives, and strategies to increase racial equity and to create community
3.12 wealth for city residents, local businesses, and businesses owned by women and people of
3.13 color, guided by the city's racial equity principles; and

3.14 (vi) ongoing market research plans.

3.15 (b) In identifying planned and anticipated projects under paragraph (a), clause (2), the
3.16 authority must prioritize projects that will pay a wage covering the cost of living for Hennepin
3.17 County, calculated using the most recent report completed pursuant to Minnesota Statutes,
3.18 section 116J.013.

3.19 (c) The city must adopt the development plan within 60 days following its adoption by
3.20 the authority and may incorporate the development plan into the city's comprehensive plan.
3.21 Minnesota Statutes, section 15.99, does not apply to review and approval of the development
3.22 plan.

3.23 (d) The authority may modify the development plan at any time and must modify the
3.24 plan at least once every five years. To modify the development plan, the authority must
3.25 follow the same procedures set out in paragraph (a) for the development plan.

3.26 (e) When preparing the proposed development plan, the authority must seek input from
3.27 the community and other partners such as biotech trade associations, the City of Brooklyn
3.28 Park Planning Commission, the City of Brooklyn Park Community Long-Range Improvement
3.29 Committee, skilled trades, and other regional partners.

3.30 Subd. 3. **Special powers; requirements; limitations.** (a) In implementing the
3.31 development plan, the city may exercise the powers of a port authority under Minnesota
3.32 Statutes, section 469.048 to 469.068.

4.1 (b) The city must provide financial and administrative support to the authority and may
4.2 appropriate city funds to the authority for its work in developing and implementing the
4.3 development plan.

4.4 (c) The city may issue general obligation bonds, revenue bonds, or other obligations to
4.5 finance the development and implementation of the development project. Debt undertaken
4.6 pursuant to this paragraph is not subject to the net debt limit in Minnesota Statutes, section
4.7 475.53. Approval of the electors is not necessary to issue bonds or other obligations under
4.8 this paragraph. The city may pledge any of its revenues, including property taxes and state
4.9 aid issued pursuant to Minnesota Statutes, section 469.47, to the obligations issued pursuant
4.10 to this paragraph. The city must not issue obligations that are only payable from or secured
4.11 by state aid issued pursuant to Minnesota Statutes, section 469.47.

4.12 (d) Notwithstanding Minnesota Statutes, section 469.068, the city and its authority need
4.13 not require competitive bidding on a parking facility or other public improvement constructed
4.14 to implement the development plan.

4.15 (e) Except as otherwise specified, all activities to develop and implement the development
4.16 plan must comply with applicable state law and regulations and city ordinances, zoning,
4.17 and planning requirements.

4.18 Subd. 4. **Report.** Beginning in 2025, by February 15 of each year, the city and authority
4.19 must submit a joint report to the chairs and ranking minority members of the legislative
4.20 committees and divisions with jurisdiction over jobs and economic development. The report
4.21 must include:

4.22 (1) the development plan and any proposed changes to the development plan;

4.23 (2) information on the progress of projects identified in the development plan;

4.24 (3) costs and financing sources for the costs, including the amount paid with state aid
4.25 and local contributions of projects completed in the previous two years;

4.26 (4) estimated costs and financing sources for projects anticipated to start in the next two
4.27 years; and

4.28 (5) debt service schedules for all outstanding obligations of the city and authority for
4.29 debt issued for projects identified in the plan.

4.30 Sec. 3. **APPROPRIATION; DRIVE FOR FIVE GRANT FOR BROOKLYN PARK.**

4.31 Of the amount appropriated in Laws 2023, chapter 53, article 20, section 2, subdivision
4.32 2, paragraph (d), the commissioner of employment and economic development must award

5.1 grants in the amount of \$500,000 to the city of Brooklyn Park to support MetroNorth and
5.2 the North Metro Manufacturers Consortium to connect Brooklyn Park students and job
5.3 seekers with in-demand careers and local manufacturers.

5.4 **Sec. 4. BROOKLYN PARK WATER INFRASTRUCTURE.**

5.5 Subdivision 1. **Appropriation.** \$12,000,000 is appropriated from the bond proceeds
5.6 fund to the Public Facilities Authority for a grant to the city of Brooklyn Park for a new
5.7 water tower and three water main crossings under Highway 610 and Highway 169.

5.8 Subd. 2. **Bond sale.** To provide the money appropriated in this section from the bond
5.9 proceeds fund, the commissioner of management and budget shall sell and issue bonds of
5.10 the state in an amount up to \$12,000,000 in the manner, upon the terms, and with the effect
5.11 prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota
5.12 Constitution, article XI, sections 4 to 7.

5.13 **EFFECTIVE DATE.** This section is effective the day following final enactment.

5.14 **Sec. 5. APPROPRIATION; BROOKLYN PARK AND BROOKLYN CENTER**
5.15 **WORKFORCE DEVELOPMENT.**

5.16 \$3,000,000 in fiscal year 2025 is appropriated from the workforce development fund to
5.17 the commissioner of employment and economic development for a grant to the city of
5.18 Brooklyn Park for the city to expand the workforce development programming of Brooklyn
5.19 Park and Brooklyn Center through workforce development programs serving primarily
5.20 underrepresented populations, including such programs as Brooklynk, Career Pathways,
5.21 Youth Entrepreneurship, and Community Partnership. This appropriation is onetime and
5.22 available until spent.

5.23 **Sec. 6. APPROPRIATION; BROOKLYN PARK SMALL BUSINESS CENTER.**

5.24 \$1,000,000 in fiscal year 2025 is appropriated from the workforce development fund to
5.25 the commissioner of employment and economic development for a grant to the city of
5.26 Brooklyn Park for the Brooklyn Park Small Business Center. This appropriation is onetime
5.27 and available until spent.

5.28 **Sec. 7. ALLOCATION; MINNESOTA INVESTMENT FUND.**

5.29 The commissioner of employment and economic development shall grant \$1,000,000
5.30 from the Minnesota investment fund to the city of Brooklyn Park for its biotech innovation

- 6.1 district under section 2. The term of this grant contract shall make the funds available to
- 6.2 the city until June 30, 2035.