

## CHAPTER 469

### ECONOMIC DEVELOPMENT

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#### 469.015 LETTING OF CONTRACTS; PERFORMANCE BONDS.

*[For text of subd 1, see M.S.2006]*

Subd. 1a. **Best value alternative.** As an alternative to the procurement method described in subdivision 1, the authority may issue a request for proposals and award the contract to the vendor or contractor offering the best value under a request for proposals as described in section 16C.28, subdivision 1, paragraph (a), clause (2), and paragraph (c).

*[For text of subds 2 to 5, see M.S.2006]*

**History:** 2007 c 148 art 3 s 27

#### 469.021 PREFERENCES.

As between applicants equally in need and eligible for occupancy of a dwelling and at the rent involved, preference shall be given to disabled veterans, persons with disabilities, and families of service persons who died in service and to families of veterans. In admitting families of low income to dwelling accommodations in any housing project an authority shall, as far as is reasonably practicable, give consideration to applications from families receiving assistance under chapter 256J, and to resident families to whom public assistance or supplemental security income for the aged, blind, and disabled is payable, when those families are otherwise eligible.

**History:** 2007 c 135 art 8 s 8

#### 469.068 BID LAW FOR CONSTRUCTION CONTRACTS.

Subdivision 1. **Contracts; bids; bonds.** All construction work and every purchase of equipment, supplies, or materials necessary in carrying out the purposes of sections 469.048 to 469.068, that involve the expenditure of \$1,000 or more, shall be awarded by contract as provided in this subdivision or in subdivision 1a. Before receiving bids under sections 469.048 to 469.068, the authority shall publish, once a week for two consecutive weeks in the official newspaper of the port's city, a notice that bids will be received for the construction work, or purchase of equipment, supplies, or materials. The notice shall state the nature of the work, and the terms and conditions upon which the contract is to be let and name a time and place where the bids will be received, opened, and read publicly, which time shall be not less than seven days after the date of the last publication. After the bids have been received, opened, read publicly, and recorded, the commissioners shall award the contract to the lowest responsible bidder, reserving the right to reject any or all bids. The contract shall be executed in writing and the person to whom the contract is awarded shall give sufficient bond to the board for its faithful performance. If no satisfactory bid is received, the port authority may readvertise, or, by an affirmative vote of two of its commissioners in the case of a three-member commission, or five of its members in the case of a seven-member commission, may authorize the authority to perform any part or parts of any construction work by day labor under conditions it prescribes. The commissioners may establish reasonable qualifications to determine the fitness and responsibility of bidders, and require bidders to meet the qualifications before bids are accepted. If the commissioners by a two-thirds or five-sevenths vote declare that an emergency exists requiring the immediate purchase of any

equipment or material or supplies at a cost in excess of \$1,000, but not exceeding \$5,000, in amount, or making of emergency repairs, it shall not be necessary to advertise for bids, but the material, equipment, or supplies may be purchased in the open market at the lowest price obtainable, or the emergency repairs may be contracted for or performed without securing formal competitive bids. An emergency, for purposes of this section, is unforeseen circumstances or conditions which result in the jeopardizing of human life or property.

In all contracts involving the employment of labor, the commissioners shall stipulate conditions they deem reasonable, as to the hours of labor and wages and may stipulate as to the residence of employees to be employed by the contractors.

Bonds shall be required from contractors for any works of construction as provided in and subject to all the provisions of sections 574.26 to 574.31.

Subd. 1a. **Contracts; best value alternative.** As an alternative to the procurement method described in subdivision 1, a contract may be awarded to the vendor or contractor offering the best value under a request for proposals as described in section 16C.28, subdivision 1, paragraph (a), clause (2), and paragraph (c).

*[For text of subds 2 and 3, see M.S.2006]*

**History:** 2007 c 148 art 3 s 28,29

#### 469.101 POWERS.

*[For text of subds 1 to 5, see M.S.2006]*

Subd. 5a. **Construction contracts.** For all contracts for construction, alteration, repair, or maintenance work, the authority may award contracts to the vendor offering the best value, and "best value" shall be defined and applied as set forth in sections 16C.02, subdivision 4a, and 16C.28, subdivision 1, paragraph (a), clause (2), and paragraph (c). Alternatively, the authority may award all contracts for construction, alteration, repair, or maintenance work to the lowest responsible bidder, reserving the right to reject any or all bids.

*[For text of subds 6 to 23, see M.S.2006]*

**History:** 2007 c 148 art 3 s 30

#### 469.321 DEFINITIONS.

Subdivision 1. **Scope.** For purposes of sections 469.321 to 469.329, the following terms have the meanings given.

*[For text of subds 2 to 10, see M.S.2006]*

**History:** 2007 c 13 art 3 s 25

#### 469.333 APPLICATION FOR DESIGNATION.

*[For text of subd 1, see M.S.2006]*

Subd. 2. **Application content.** The application must include:

- (1) a development plan meeting the requirements of section 469.331;
- (2) the proposed duration of the zone, not to exceed 12 years;
- (3) a resolution or ordinance adopted by each of the cities or towns and the counties in which the zone is located, agreeing to provide all of the local sales and use tax exemptions provided under section 469.336;
- (4) an agreement by the applicant to treat incentives provided under the zone designation as business subsidies under sections 116J.993 to 116J.995 and to comply with the requirements of that law; and
- (5) supporting evidence to allow the commissioner to evaluate the application under the criteria in section 469.334.

**History:** 2007 c 13 art 3 s 26

**469.334 DESIGNATION OF ZONE.**

**Subdivision 1. Commissioner to designate.** (a) The commissioner, in consultation with the commissioner of revenue and the director of the Office of Strategic and Long-Range Planning, may designate biotechnology and health sciences industry zones. Priority must be given to applicants with a development plan that links a higher education/research institution with a biotechnology and health sciences industry facility.

(b) The commissioner may consult with the applicant prior to the designation of the zone. The commissioner may modify the development plan, including the boundaries of the zone or subzones, if in the commissioner's opinion a modified plan would better meet the objectives of the biotechnology and health sciences industry zone program. The commissioner shall notify the applicant of the modifications and provide a statement of the reasons for the modifications.

**Subd. 2. Need indicators.** (a) In evaluating applications to determine the need for designation of a biotechnology and health sciences industry zone, the commissioner shall consider the following factors as indicators of need:

(1) the extent to which land in proximity to a significant scientific research institution could be developed as a higher and better use for biotechnology and health sciences industry facilities;

(2) the amount of property in or near the zone that is deteriorated or underutilized; and

(3) the extent to which property in the area would remain underdeveloped or nonperforming due to physical characteristics.

(b) The commissioner may require applicants to provide data to demonstrate how the area meets one or more of the indicators of need.

**Subd. 3. Success indicators.** In determining the likelihood of success of a proposed zone, the commissioner shall consider:

(1) applicants that show a viable link between a higher education/research institution, the biotechnology and/or medical devices business sectors, and one or more units of local government with a development plan;

(2) the extent to which the area has substantial real property with adequate infrastructure and energy to support new or expanded development;

(3) the strength and viability of the proposed development goals, objectives, and strategies in the development plan;

(4) whether the development plan is creative and innovative in comparison to other applications;

(5) local public and private commitment to development of a biotechnology and health sciences industry facility or facilities in the proposed zone and the potential cooperation of surrounding communities;

(6) existing resources available to the proposed zone;

(7) how the designation of the zone would relate to other economic and community development projects and to regional initiatives or programs;

(8) how the regulatory burden will be eased for biotechnology and health sciences industry facilities located in the proposed zone;

(9) proposals to establish and link job creation and job training in the biotechnology and health sciences industry with research/educational institutions; and

(10) the extent to which the development is directed at encouraging, and that designation of the zone is likely to result in, the creation of high-paying jobs.

**Subd. 4. Designation schedule.** (a) The schedule in paragraphs (b) to (e) applies to the designation of the first biotechnology and health sciences industry zone.

(b) The commissioner shall publish the form for applications and any procedural, form, or content requirements for applications by no later than August 1, 2003. The commissioner may publish these requirements on the Internet, in the State Register, or by any other means the commissioner determines appropriate to disseminate the information to potential applicants for designation.

(c) Applications must be submitted by October 15, 2003.

(d) The commissioner shall designate the zones by no later than December 31, 2003.

(e) The designation of the zones takes effect January 1, 2004.

(f) Additional zones may be designated in later years, only after the commissioner of employment and economic development has established criteria for expanding the number of zones. The criteria must limit designating a new zone to a community that has adequate resources and infrastructure to support bioindustry, including postsecondary institutions, strong health care systems, and existing bioscience companies. It must also require that a new zone be located on a transportation corridor.

**History:** 2007 c 135 art 2 s 33

#### **469.335 APPLICATION FOR TAX BENEFITS.**

(a) To claim a tax credit or exemption against a state tax under section 469.336, a business must apply to the commissioner for a tax credit certificate. As a condition of its application, the business must agree to furnish information to the commissioner that is sufficient to verify the eligibility for any credits or exemptions claimed. The total amount of the state tax credits and exemptions allowed for the specified period may not exceed the amount of the tax credit certificates provided by the commissioner to the business. The commissioner must verify to the commissioner of revenue the amount of tax exemptions or credits for which each business is eligible.

(b) A tax credit certificate issued under this section may specify the particular tax exemptions or credits against a state tax that the qualified business is eligible to claim under section 469.336, and the amount of each exemption or credit allowed.

(c) The commissioner may issue \$1,000,000 of tax credits or exemptions in fiscal year 2004. Any tax credits or exemptions not awarded in fiscal year 2004 may be awarded in fiscal year 2005.

(d) A qualified business must use the tax credits or tax exemptions granted under this section by the later of the end of the state fiscal year or the taxpayer's tax year in which the credits or exemptions are granted.

**History:** 2007 c 13 art 3 s 27

#### **469.336 TAX INCENTIVES AVAILABLE IN ZONES.**

Qualified businesses that operate in a biotechnology and health sciences industry zone, individuals who invest in a qualified business that operates in a biotechnology and health sciences industry zone, and property of a qualified business located in a biotechnology and health sciences industry zone qualify for:

(1) exemption from corporate franchise taxes as provided under section 469.337;

(2) exemption from the state sales and use tax and any local sales and use taxes on qualifying purchases as provided in section 297A.68, subdivision 38;

(3) research and development credits as provided under section 469.339;

(4) jobs credits as provided under section 469.338.

**History:** 2007 c 13 art 3 s 28