

SE MN Regional Economic Development Study Proposal (HF3637/SF3379)

Southeastern Minnesota has exciting and challenging times ahead with unprecedented growth potential, and we do that without the support of a regional economic development organization such as other parts of the state have. There is no Region 10 Development Commission.

As communities throughout the eight counties of Dodge, Fillmore, Goodhue, Houston, Mower, Olmsted, Wabasha, and Winona prepare to meet the needs of the projected growth in our region, planning is more important than ever before, services that the state helps finance in other regions of the state through Regional Development Commissions.

Similar to what was proposed and passed for border communities in northwestern Minnesota, **the SEMLM proposes the state fund an economic development study to encourage and inform community planning efforts, including such things as engineering studies, housing studies, upgrading infrastructure, and other preparations.** The funding pass-through agent for this project would be Community and Economic Development Associates (CEDA), whose home office is located in Chatfield, Minnesota. CEDA has the appropriate certification and authority to handle the funds, and will add their technical expertise to the project through the RFP and review process.

The SEMLM proposes that \$275,000 in fiscal year 2016 is appropriated from the general fund to CEDA, in consultation with the commissioner of revenue, to finance a study and analysis of the effects of current and projected economic growth in the southeastern region of Minnesota.

The study and analysis must address:

- (1) current and projected economic, fiscal, and demographic effects and issues;
- (2) direct and indirect costs and benefits;
- (3) positive and negative effects, including those upon workforce, taxation, and transportation; and
- (4) economic challenges and opportunities for economic growth or diversification.

The study must be objective, evidence-based, and designed to produce empirical data. Study data must be utilized to formulate policy recommendations on how the state, the southeastern region of the state, and cities in southeast Minnesota may respond to the challenges and opportunities for economic growth and financial investment that may be derived from the projected regional economic changes.

The study and analysis must be conducted by an independent entity with demonstrated knowledge in the following areas:

- (1) the economy and demography of Minnesota;
- (2) the medical and technology fields of southeast Minnesota; and
- (3) technologies, markets, and other factors that have an impact on current and future economic growth in the region; and
- (4) the transportation, housing, and current infrastructure of southeast Minnesota.

CEDA shall report on the findings and recommendations of the study to the committees of the House of Representatives and Senate having jurisdiction over economic development and workforce issues by February 15, 2017. All results and information gathered from the study shall be made available for use by cities in southeast Minnesota by March 15, 2017.