

Minnesota Job Creation Fund

Eligibility:

- Business must be primarily engaged in manufacturing, warehousing, distribution, or IT
- Invest \$500,000 in real property improvements within one year of designation as JCF Business
- Create 10 new full-time, permanent jobs within two years of designation as JCF Business
 - All new jobs must pay at least \$12.45/hour in total compensation
 - Jobs must be held in place for at least one year before rewards granted
- Obtain a resolution of support from the local government where the business is located
- Projects that begin prior to becoming designated by DEED are not eligible

Benefits:

- Up to 5% rebate on capital investment in real property, which includes any improvements made to land, structures, or firmly attached and integrated equipment. A maximum of \$500,000 in capital investment rebates may be granted.
- Between \$1,000-\$3,000 per new permanent full-time job created per year, depending on annual cash wages paid. A maximum of \$500,000 in job creation awards may be granted.

Business Subsidy Agreement:

- Business Subsidy Agreement between DEED and participating business outlines job creation, wage, and capital investment goals, funding levels, and reporting requirements
- The term of the Agreement may be for up to 5-years. A business is eligible for job creation awards and capital investment rebates for the length of the term as long as the program's required capital investment amount is met within one year and the required job creation numbers are met within two years.
- Provide documentation and complete annual reports with assistance from the City

Minnesota Investment Fund

Eligibility:

- Focus is on industrial, manufacturing, and technology-related industries
- Projects must meet minimum criteria for number of jobs created or retained and wages paid
- A minimum of 50% of total costs must be privately financed (most applications selected for funding have at least 70% private financing)
- Leaseholder improvements qualify for funding

Loan Structure:

- DEED provides grant funding to the City, which then administers the funds in the form of a loan to the participating businesses.
- Terms are for a maximum of 10 years for machinery and equipment acquisition
- MIF grants to the City cannot exceed \$1,000,000
- Interest rate is set by participating City and is negotiated
- Certain project may be eligible for loan forgiveness

- The City may retain up to 20%, but no more than \$100,000 of a MIF grant when it is repaid by the business

Application Process:

- The City must contact DEED on behalf the business that wishes to receive funding to discuss the proposed project. If the loan officer agrees that the project appears to meet the program requirements, the City submits an initial application on behalf of the business.
- If the project meets basic criteria, the local government and business have two months to submit a detailed final application. This application includes sections that both the local government and business complete.