

## LOANS AND GRANTS

### **City of St. Cloud Revolving Loan Fund** [City of St. Cloud](#)

Up to \$100,000 low interest loan focused on industrial, manufacturing, and technology related industries that increase tax base, increase employment, and pay livable wages. Funds can be used for acquisition of land, construction, demolition or rehabilitation of facilities, site improvements, utilities or infrastructure, machinery and equipment. Other requirements and job and wage goals apply.

### **Direct Business Loan Fund** [Initiative Foundation](#)

Up to \$500,000 for value added agriculture and manufacturing companies that bring new revenue to communities.

### **Initiative Foundation Gap Loans** [Gap Loans – Initiative Foundation \(ifound.org\)](#)

Gap lending at the Initiative Foundation is a partnership between the borrower, a lead lender and our lending team. Gap loans “fill the gap” between what a bank can provide and what the borrower needs to remain solvent on a business-investment project.

### **Initiative Foundation Micro Loan** [Microloans Initiative Foundation \(ifound.org\)](#)

Microloans can range from a few hundred dollars up to tens of thousands of dollars. The goal of the Initiative Foundation’s microlending program is to support entrepreneurship, foster economic self-sufficiency, and creating opportunities for individuals and small businesses.

### **Minnesota Investment Fund** [City of St. Cloud/State of Minnesota](#)

Offers a maximum of \$500,000 per grant. Focuses on industrial, manufacturing and technology related industries that increase the local and state tax base and improve economic vitality statewide. Grants are awarded to local units of government, which use the money to provide below market rate loans to help companies expand. Funding may be used to purchase land, machinery, and equipment.

### **Minnesota Job Creation Fund** [State of Minnesota](#)

Provides up to \$1 million in grants to approved industrial, manufacturing, and technology related businesses after specified job creation and capital investment goals are achieved. Minimum requirements: 10 jobs created and \$500,000 capital investment.

### **Automation Loan Participation Program**

[Automation Loan Participation Program / Minnesota Department of Employment and Economic Development \(mn.gov\)](#)

DEED makes companion loans intended to fill gap financing needs for businesses purchasing machinery, equipment, or software to increase productivity and automation. Eligible borrowers include manufacturing, distribution, technology and warehousing businesses located in Minnesota. The program targets businesses with fewer than 500 employees. Loans are made in conjunction with private financing from a lead lender, typically a bank. Private financing will ideally be five times the amount of the requested DEED loan and is required to be at least equal to the DEED loan. Loans may be up to \$500,000 with 1% interest on a 5 to 7-year term.

### **Business Expansion Loan Program** [Great River Energy](#)

Facilitates new commercial and industrial investment in areas served by cooperative member-owners of Great River Energy. Loans from \$100,000 up to \$500,000 will be considered for large, high-impact projects and may be used for most business expansion or start-up costs. The maximum maturity is 10 years, and the interest rate could be as low as 0%, based on the scope of the project. Limited to 50% of the total project costs.

### **E3 Loan Program** [Great River Energy](#)

Provides a low-interest loan to cover the costs of acquisition and installation of energy efficient equipment and beneficial electrification projects. Loans from \$50,000 up to \$350,000 will be considered with an interest rate determined by energy savings achieved. The maximum maturity is 10 years based upon the useful life of the equipment. Limited to 80% of the total project costs. Funding is available to end use consumers of Great River Energy’s electric distribution cooperatives, and the loans are structured as a pass-through loan to the member co-op.

## LOANS AND GRANTS CONTINUED

### **Native American Business Loan Program**

[Minnesota Native American Business Loan Program / Minnesota Department of Employment and Economic Development \(mn.gov\)](#)

Supports the development of Indian-owned and operated businesses and promotes economic opportunities for Indian people in Minnesota. Loans may be up to 75% of costs and feature favorable interest rates.

### **MN Reservist and Veteran Business Loan Program** [State of Minnesota](#)

Provides interest free, business loans of up to \$20,000 to businesses that are adversely affected when certain employees are called to active military duty and to individual veterans who have returned from active duty and want to start their own business.

### **Growth Loan Program** [Growth Loan Fund / Minnesota Department of Employment and Economic Development \(mn.gov\)](#)

GLF supports entrepreneurial growth throughout Minnesota by offering low-interest loans to early-stage businesses that are seeking to raise equity investments. Businesses seeking funding through this program need to be engaged in, or be committed to engage in, technological innovation in Minnesota. Qualified high-technology fields include, aerospace, agricultural processing, renewable energy, energy efficiency and conservation, environmental engineering, food technology, cellulosic ethanol, information technology, materials science technology, nanotechnology, telecommunications, biotechnology, medical devices, pharmaceuticals, diagnostics, biologicals, chemistry, veterinary science, or similar.

### **C-Pace** [St. Paul Port Authority](#)

Property Assessed Clean Energy- An innovative way to finance energy efficiency and renewable energy upgrades to buildings. 100% financing, repaid as a property tax assessment for up to 20 years.

### **Redevelopment and Site Clean-Up** [State of Minnesota](#)

Grant and loan funds available to assist in the redevelopment of sites for business expansions or relocation. Public funds can pay for up to 50% of eligible redevelopment costs or 75% of contamination clean-up costs.

### **SBA 504 Loans** [MN Business Finance Corp](#)

Provides start-up and existing businesses loans to create new jobs with long term, low down payment, fixed-rate financing of major fixed assets, such as land and buildings.

### **Greater Minnesota Job Expansion Program** [State of Minnesota](#)

Provides sales tax exemptions of up to 12 years to eligible existing businesses located in Greater Minnesota that meet eligibility requirements including specified job creation and wage level.

### **Innovative Business Development Public Infrastructure** [State of Minnesota](#)

Focuses on job creation and retention through the growth of new innovative businesses and organizations. Provides grants to local governmental units on a competitive basis statewide. The amount of a grant may not exceed the lesser of the cost of the public infrastructure or 50% of the sum of the cost of the public infrastructure plus the cost of the completed eligible project.

## TAX CREDITS

### **Capital Equipment Exemption** [State of Minnesota](#)

Effective July 1, 2015, Minnesota law allows a sales and use tax exemption at the time of purchase on qualified capital equipment; previously a purchaser was required to file a refund claim for any tax paid at time of purchase. Available to people who purchase or lease capital equipment for use in Minnesota.

### **Direct Investment Venture Capital Program**

[Direct Investment Venture Capital Program / Minnesota Department of Employment and Economic Development \(mn.gov\)](#)

The program will invest in Minnesota-based seed and early-stage startups. This program is expected to target key sectors such as advanced manufacturing, agtech/foodtech, climate tech, life sciences, software, and technology.

## TAX CREDITS CONTINUED

### **Angel Tax Credit** [State of Minnesota](#)

Businesses headquartered in Minnesota with fewer than 25 employees and engaged in research and development of qualifying high-technology can qualify for up to \$1 million in angel tax credit.

### **Research and Development Tax Credit** [State of Minnesota](#)

The tax credit for R&D expenditures is 10%, up to the first \$2 million in eligible expenses. The credit is 2.5% for eligible expenses above \$2 million. Individuals involved in partnerships, S-corporations and limited liability companies can claim the credit against their individual income taxes.

### **New Market Tax Credit** [City of St. Cloud](#)

A financial tool available for commercial real estate development projects in designated economically distressed areas of the City. Contact the St. Cloud EDA for designated areas and details.

### **Opportunity Zones** [City of St. Cloud](#)

Uses federal tax incentives in low-income urban and rural communities nationwide to draw long-term investment to areas that are in the most economic need by creating a fund for these investments. Additional Information can be found at [MN DEED](#).

### **Tax Exempt Industrial Development Bonds** [City of St. Cloud](#)

Provides manufacturers below market rate financing for the purchase of real estate and fixed assets.

### **Tax Increment Financing (TIF) and Tax Abatement** [City of St. Cloud](#)

Tools the City may use to help finance project costs. These tools are used to encourage private development and pay for public improvement costs such as streets, sidewalks, sewer and water and similar public infrastructure improvements. The eligibility parameters are defined by state statutes and are generally targeted to new developments that increase the tax base, provide employment opportunities, or redevelop blighted areas. Tax Increment or tax abatement are the proceeds derived from the difference between the base property tax value of parcels and the increase property value of the parcels as a result of new development. The total amount of tax increment or tax abatement is calculated for the projected term of the district. A developer can then obtain a loan based on the projected tax increment revenues in order to use the funds upfront for public improvements.

## BUSINESS COUNSELING AND TECHNICAL ASSISTANCE

### **Integrated Science and Engineering Laboratory (ISELF)** [St. Cloud State University](#)

The ISELF has been used by global leaders to develop new prototypes and products and is a collaborative space for the University, its students, and area industry. Business gain access to resources, state-of-the-art laboratory facilities, and a strong pool of faculty and student talent, while retaining their intellectual property rights.

### **Minnesota High Technology Association** [mntech.org](#)

A membership group that offers workshops, networking events, and support services.

### **Enterprise Minnesota** [enterpriseminnesota.org](#)

An ISO 9001:2015 certified consulting organization that works with small and medium sized manufacturing companies to help them compete and grow profitably. It is the official representative of the Manufacturing Extension Partnership (MEP) National Network in Minnesota.

### **Minnesota Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR)** [State of Minnesota](#)

The Governor's resource to provide free and confidential business and technical assistance to Minnesota firms to access federal SBIR/STTR investments.

**BUSINESS COUNSELING AND TECHNICAL ASSISTANCE CONTINUED**

**African Development Center of Minnesota** [admcmnnesota.org](http://admcmnnesota.org)

Provides business training, commercial financing and technical assistance to assist African immigrants and refugees in Minnesota.

**Export Counseling and Assistance** [MN Trade Office](#)

Provides professional assistance from international trade representatives to guide small and midsize companies through the challenges and opportunities of conducting international business, including technical, regulatory and logistical information, market intelligence and research, and conducting business across borders and cultures. Eligible small businesses may apply for reimbursement up to \$500 for export training that results in the development of an export strategy or up to \$7,500 for approved export development activities.

