

Minnesota Investment Fund - Biomass Heating Program ~ Information

Program Goal

To provide funding to Eligible Applicants in Minnesota to install, in publicly owned facilities, infrastructure improvements that use renewable Minnesota biomass products to produce energy for heating air or water, thus reducing reliance on electricity, oil or natural gas.

Background/Program Purpose

In accordance with Laws 2008, Chapter 363, Article 10, Section 25, Subd. 2, part bb and Laws 2008, Chapter 363, Article 10, Section 29, the Minnesota Department of Employment and Economic Development (DEED) received an appropriation of \$1,000,000 from the Minnesota state legislature for the Minnesota Investment Fund (MIF) Program to award grants and loans specifically targeted for the installation, in publicly owned facilities, of infrastructure improvements that use renewable Minnesota biomass products to produce energy for heating air or water.

Funding

The Minnesota Department of Employment and Economic Development (DEED) will make available to Eligible Applicants a total of \$1 million in an open application process.

Applications will be accepted and awards made until all funds are committed, or until April 30, 2009, whichever is sooner. Funds for this program must be encumbered by June 30, 2009 and drawn by June 30, 2010. DEED reserves the right to modify or withdraw this application at any time and is not responsible to reimburse an applicant for costs incurred in the preparation or submittal of applications. DEED will provide notice on its website when all funds are committed.

Eligible Applicants

All units of general purpose local government are eligible applicants; this includes townships, cities, and counties. Eligible applicants may apply on behalf of other units of government, such as public school districts and public institutions of higher education, which own publicly owned facilities for which they are seeking to install infrastructure improvements that use renewable Minnesota biomass products to produce energy for heating air or water.

Eligible Projects

DEED may provide up to 50% of the total project costs to assist Eligible Applicants to install infrastructure improvements that use renewable Minnesota biomass products to produce energy for heating air or water. Projects must be for a publicly owned facility.

Type of Funds Available

DEED will provide funds in the forms of Grants or Loans.

Matching Requirement

Eligible Applicants must provide matching funds equal to or exceeding 50% of the total project costs. Funding from this program may not be used as a match for BDPI Biomass Energy projects.

The Applicant receiving the grant or loan can provide for the remainder of the project's cost either in cash or from in kind contributions. In kind contributions may include the value of the cost of site preparation.

Maximum Award

A funding award limit has been established at \$250,000 with a minimum local match of 1 to 1.

Disbursement Requirements

DEED funds can only be requested for up to 50% of incurred eligible costs.

Supporting documentation for all anticipated eligible costs must be included with an application in order for DEED to process the application.


Application Requirements

As the appropriation must be committed by June 30, 2009, Applications must be received by DEED on or before April 30, 2009. Faxed or e-mailed Applications will not be accepted.

Applicants will be notified of their award status no later than May 15, 2009. For awarded projects, signed and executed agreements must be returned to DEED by May 29, 2009.

Eligible Applicants must submit one original and one copy of the Application to the approving authority listed below. In addition, the Applicant must submit a signed local government body Resolution certifying that:

- The required local match is available;
- The applicant has the legal authority to submit an Application;
- The Authorized individuals have the authority to sign the grant or loan agreement.

Eligible applicants should complete and submit the [MIF Biomass Heating Program Application](#) .

Timetable for Completion

Projects must be completed by May 31, 2010. If the project is not proceeding in a timely manner (e.g., 3 months from scheduled start date), DEED reserves the right to cancel the award.

Reporting Requirements

A report on the project is due to DEED within 120 days of the final drawdown.

Approving Authority

Minnesota Department of Employment and Economic Development
Business and Community Development Division/ MIF Biomass Heating Program
1st National Bank Building
332 Minnesota Street, Suite E200
St. Paul, Minnesota 55101-1351

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