2008 Greater Minnesota Business Development Public Infrastructure Grant Program Biomass Energy Application

Minnesota Department of Employment and Economic Development Business and Community Development Division 1st National Bank Building 332 Minnesota Street, Suite E200 Saint Paul, MN 55101-1351

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Program Concept

Program Goal
To provide funding to Eligible Applicants in Greater Minnesota to build infrastructure improvements that use Minnesota biomass energy products to conserve energy and reduce reliance on electricity, oil and natural gas.

Background/Program Purpose
In accordance to Laws 2008, Chapter 179, Section 21, Subd. 2, and pursuant to Minnesota Statutes 116J.431, the Minnesota Department of Employment and Economic Development (DEED) received a capital bonding appropriation of $1,750,000 from the Minnesota state legislature for the Greater Minnesota Business Development Infrastructure (BDPI) Grant Program to award grants specifically targeted to build infrastructure improvements that use Minnesota biomass energy products to conserve energy and reduce reliance on electricity, oil and natural gas.

Funding
The Minnesota Department of Employment and Economic Development (DEED) will make available to Eligible Applicants $1.75 million on an open application process.

Applications will be accepted and awards made until all funds are committed. 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 their website when funds are committed.

Eligible Applicants
Statutory home rule or charter cities and Minnesota school districts located outside of Hennepin, Ramsey, Dakota, Anoka, Washington, Scott and Carver counties and the cities bordering those counties that are not within the jurisdiction of the Metropolitan Council, which include the cities of Northfield, Hanover, Rockford, and New Prague.

Eligible Projects
DEED may provide up to 50% of the total project costs to assist Eligible Applicants to build infrastructure improvements that use Minnesota biomass energy products to conserve energy and reduce reliance on electricity, oil and natural gas.

Type of Funds Available
DEED will provide funds in the form of a Grant.

Matching Requirement
Eligible Applicants must provide matching funds equal to or exceeding 50% of the total project costs.

The Applicant receiving the grant can provide for the remainder of the projects costs either in cash or in kind. In kind contributions may include the value of the cost of site preparation, but not the cost of land acquisition.
**Maximum Award**
A general funding award limit has been established at $250,000 with a minimum local match of 1 to 1. DEED will consider proposals requesting funds in excess of this limit (not to exceed $500,000) provided the local match exceeds 1 to 1.

**Disbursement Requirements**
DEED funds can only be requested for up to 50% of incurred eligible costs. Supporting documentation for the entire incurred eligible costs must be included with each request in order for DEED to process the request.

**Application Requirements**
The appropriation must be committed within 120 days of April 8th, 2008, so Applications must be received by DEED on or before 4:30 pm, Thursday, June 26th, 2008. Faxed or e-mailed Applications will not be accepted.

Applicants will be notified of their award status no later than July 25th, 2008. For awarded projects, signed and executed contracts must be returned to DEED by August 5th, 2008.

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 Resolution certifying that:
- The government body certifying that the required local match is available;
- Has the legal authority to submit an Application;
- Authorized individual(s) to sign grant agreements;
- A completed Declaration (Attachment I) and Legal Description (Attachment II).

**Timetable for Completion**
Projects must be completed within 2 years upon execution of the funding agreement. If the project has not proceeded in a timely manner (i.e. 6 months from scheduled start date), DEED reserves the right to cancel the award.

**Reporting Requirements**
A report on the project will be due to DEED within 120 days of the final drawdown.

**Approving Authority**
Minnesota Department of Employment and Economic Development
Small Cities Development Program
1st National Bank Building
332 Minnesota Street, Suite E200
St. Paul, Minnesota 55101-1351

**Program Contact**
Reed Erickson, Director, Small Cities Programs, 651.259.7456 or reed.erickson@state.mn.us
BDPI Biomass Energy Application Cover Sheet

Applicant: __________________________  Project Contact Person: __________________________

Project Title: ___________________________________________________________

Address:
City: _______________________  MN  ZIP  _____________________
Phone: ________________________ Fax: _____________________

Minnesota Tax Identification Number: __________________________
Federal Tax Identification Number: __________________________

E-Mail Address: __________________________________________________

House District: _____________  Congressional District: _____________

Amount Requested: $ ______________     Total Project Costs: $ __________________

PAYMENT/DISBURSEMENT INFORMATION (Required if different from above)

Mailing Address: __________________________________________________

Contact Person: __________________________________________

Telephone Number: __________________________
Fax Number: __________________________
Great MN Business Development Public Infrastructure (BDPI)
2008 Biomass Energy Application

Eligible Applicants may apply for assistance to the Greater Minnesota Business Development Public Infrastructure (BDPI) Grant Program – Biomass Energy Application that addresses the following goal:

- Projects that build infrastructure improvements that will use Minnesota biomass energy products to conserve energy and reduce reliance on electricity, oil and natural gas.

DEED will analyze all Applications and base their funding decision on how well the proposal addresses the Program goal, the leveraging of other resources and documented energy savings. DEED may contact appropriate parties during the review process.

The following Criteria will be used to evaluate Biomass Energy Applications:
- Projects must enhance process performance of Minnesota’s renewable energy industry;
- Projects must provide measurable outcomes in reducing usage of electricity, oil and/or natural gas;
- The transfer of efficient new and/or retrofit renewable energy technology to publicly owned facilities or systems is accelerated;
- The production of distributed (locally based) renewable energy products is increased and the dependence upon non-renewable fuel and energy is reduced.

Project Information

I. Provide a summary of the project that, at a minimum, includes:
   - How the project will address the goal of the Biomass Energy Program.
   - How the project meets the criteria of the Program.
   - Documented energy savings.

II. Provide evidence of community support/approval. This would include, but is not limited to, city council, government board, school board approval, etc.

III. Provide a timeline, including, but not limited to, construction start/end dates and any other steps necessary for the project to commence within 12 months.

IV. Project Budget/Leveraged Resources

   Provide a detailed budget for the proposed project, specifying which improvements will be funded with Biomass Energy Program funds.

   For each of the leveraged resources listed in the budget, indicate the source of funds, whether the funds are committed and if not committed at the time of application, when letters of commitment will be obtained; whether the leveraged funds are in the form of a grant or loan, if loan, indicated terms and conditions.

   For all leveraged resources the Application must include the contact persons name, address, phone number and email.

V. Resolution: A resolution indicating city approval and the commitment of local matching funds from the governing body of the municipality in which the site is located. (A blank resolution has been attached for your convenience). You may choose to re-format this resolution but make sure
to include all of the statements that appear in the resolution, including authorization to submit the Application and authorization of individual(s) to sign the grant agreement.

VI. **Declaration:** A legal description of the site where Biomass Energy Program funds will be used. The Program requires a recorded Declaration be provided to DEED.
Attachment I

DECLARATION

The undersigned has the following interest in the real property legally described in Attachment II attached and all facilities situated thereon (cumulatively referred to as the "Restricted Property"): (Check the appropriate box.)

☐ a fee simple title,
☐ a lease, or
☐ an easement,

and as owner of such fee title, lease or easement, does hereby declare that such interest in the Restricted Property is hereby made subject to the following restrictions and encumbrances:

A. The Restricted Property is bond financed property within the meaning of Minn. Stat. § 16A.695 that exists as of the date of this Declaration and as such may subsequently be amended, modified or replaced from time to time, is subject to the encumbrance created and requirements imposed thereby, and cannot be sold or otherwise disposed of by the public officer or agency which has jurisdiction over it or owns it without the approval of the Minnesota Commissioner of Finance, which approval must be evidenced by a written statement signed by the Commissioner of Finance and attached to the deed or instrument used to sell or otherwise dispose of the Restricted Property; and

B. The Restricted Property is subject to all of the terms, conditions, provisions, and limitations contained in that certain General Obligation Bond Proceeds Grant Agreement Construction Grant for __________________________ project between the City of ______________ and the Department of Employment and Economic Development, dated __________, 2007.

The Restricted Property shall remain subject to such restrictions and encumbrances until it is released there from by way of a written release in recordable form signed by both the Department of Employment...
and Economic Development and the Minnesota Commissioner of Finance, and such written release is recorded in the real estate records relating to the Restricted Property.

PUBLIC ENTITY:

City of ___________________,
a ________________ city

By: _______________________________

Its: Mayor________________

Dated: ____________________, 2007

And: _______________________________

Its ____________________________

Executed on the _____ day of ______________, 2007

STATE OF MINNESOTA )
COUNTY OF __________ ) ss.

This Department of Employment and Economic Development Declaration was executed and acknowledged before me on the ___ day of __________, 2007, by _________________________ the ____________________, and __________________, the ________________________, of _________________, a _______________________, on behalf of said _______________________

________________________________
Notary Public

This Declaration was drafted by:

Office of Attorney General
Suite 300
400 Sibley Street
St. Paul, MN 55101-1996
Attachment II

LEGAL DESCRIPTION
LOCAL GOVERNMENT RESOLUTION
GREATER MINNESOTA BUSINESS DEVELOPMENT PUBLIC INFRASTRUCTURE GRANT
Biomass Energy Program

Applicants must adopt and submit the following resolution. This resolution must be adopted prior to submission of the forms package.

BE IT RESOLVED that _______________________________ (Applicant) act as the legal sponsor for project(s) contained in the Greater Minnesota Business Development Public Infrastructure Grant – Biomass Energy Application to be submitted on ____________ and that ____________________________ (Title of First Authorized Official) and ______________________________ (Title of Second Authorized Official) are hereby authorized to apply to the Department of Employment and Economic Development for funding of this project on behalf of ______________________________ (Applicant).

BE IT FURTHER RESOLVED that ______________________________ (Applicant) has the legal authority to apply for financial assistance, and the institutional, managerial, and financial capability to ensure adequate construction, operation, maintenance and replacement of the proposed project for its design life.

BE IT FURTHER RESOLVED that ______________________________ (Applicant) has not violated any Federal, State, or local laws pertaining to fraud, bribery, kickbacks, collusion, conflict of interest or other unlawful or corrupt practice.

BE IT FURTHER RESOLVED that upon approval of its application by the state, ______________________________, (Applicant) will enter into an agreement with the State of Minnesota for the above-referenced project(s), and;

BE IT FURTHER RESOLVED that upon approval of its application by the state, ______________________________, (Applicant) will commit $_______________ towards the local match requirement.

____________________________(Applicant) certifies that it will comply with all applicable laws , regulations, and rules of the Greater Minnesota Business Development Public Infrastructure Grant – Biomass Energy Program.

NOW, THEREFORE BE IT RESOLVED that ____________________________ (Title of First Authorized Official) and ______________________________ (Second Authorized Official), or their successors in office, are hereby authorized to execute such agreements, and amendments thereto, as are necessary to implement the project(s) on behalf of the applicant.

I CERTIFY THAT the above resolution was adopted by the ________________________________ (City Council) of ______________________________ (Applicant) on ________________(Date).

SIGNED: WITNESSED:

(First Authorized Official) (Signature)

(Title) (Date) (Title) (Date)

SIGNED: WITNESSED:

(First Authorized Official) (Signature)

(Title) (Date) (Title) (Date)

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