



## Minnesota Investment Fund (MIF) Program Application *State Funds*

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### APPLICATION PROCEDURES

The Minnesota Investment Fund (MIF) Program provides loans to businesses that create or retain high-paying, full-time permanent jobs, and invest in machinery or real property acquisition or improvements. The program is available statewide for manufacturing, distribution, warehousing, and other eligible business activities. Applications are accepted on a year-round basis as funds are available.

To receive funds, a business must work in conjunction with the local or county government where the business will be located. A MIF application must be completed and submitted to the Department of Employment and Economic Development (DEED). Step-by-step instructions are listed below and applications may be submitted by mail or email to the Loan Officer for the appropriate region of the state.

**Please consult with your DEED loan officer before completing this application.**

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### COMPLETING THE APPLICATION

In consultation with DEED, the local government will make a preliminary determination about whether a business meets the minimum program requirements. Use the [MIF Eligibility Checklist](#) on the program website for guidance. If a business is potentially eligible, the following steps are completed:

1. The business provides the information to the local government needed to complete the MIF Application. The local government must submit the completed application to DEED.
2. DEED evaluates the application and notifies the local government and business of approval or denial. If approved, DEED will determine a maximum funding amount and job creation requirements.
3. Jobs created and/or capital investment expenditures may be counted after the business is formally notified by DEED that an award has been made. If hiring needs to begin sooner, please discuss the business needs with your DEED Loan Officer.
4. DEED will draft a Contract specifying the details of the award and job creation requirements. The local government and the DEED commissioner sign the Contract.
5. After the Contract is fully executed, the local government will enter into a Loan Agreement with the business. MIF funds will be paid on a reimbursement basis after required documentation verifying expenditures is submitted.
6. The local government will submit required annual progress reports, payment request documentation, and other information requested by DEED.

# MINNESOTA INVESTMENT FUND (MIF) PROGRAM APPLICATION

## SECTION 1 - LOCAL GOVERNMENT APPLICANT INFORMATION

|                             |  |
|-----------------------------|--|
| Local Government Applicant: | Local Government Contact Name and Title: |
| Email:                      | Telephone:                               |
| Address:                    | City/State/Zip:                          |

### PART A – Local Resources & Financing Request

|   |
|---|
| Does local government have a Revolving Loan Fund? <input type="checkbox"/> Yes <input type="checkbox"/> No<br><b>*A copy of the Local Government’s Revolving Loan fund Policies must be submitted with this application</b> |
| If yes: What is the balance of the revolving loan fund?   |
| What is the local government committing to this project (please provide specifics)?   |
| Is the applicant up to date with the filing of Minnesota Business Assistance Forms? <input type="checkbox"/> Yes <input type="checkbox"/> No  |
| Is the applicant up to date with the filing of MIF Revolving Loan Fund annual reports? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A  |
| What is the requested MIF loan amount?  |
| What rate and term is the local government proposing for the new MIF loan funds?  |
| What collateral will be pledged for the MIF loan?   |
| What will the MIF funds be used for (attach estimates)?   |

### PART B – Community Needs

Include a project narrative which addresses the following areas as appropriate. Describe your community and economic development needs in detail and identify priorities and strategies for resolving these needs based on the following criteria:

1. Economic vulnerability of the community (Examples: need to diversify industrial base, underemployment of labor pool, labor pool needs);
2. Events contributing to a unique situation (Examples: recent loss of large employer, labor pool dependent upon one sector or industry, seasonality of employment, natural disaster );
3. Out migration due to lack of jobs (provide data showing a recent population decline due to lack of employment);
4. Project will support the economic viability of underserved businesses (e.g. veteran, minority, disabled, or women owned);
5. Tax Base: An increase in the value of the parcel(s) of land that will be directly assisted by the project (Provide a letter from the county/city assessor).

**PART C – Citizen Participation**

1. A public hearing is required to provide citizen notification and involvement prior to submitting the application. Submit a copy of the public hearing minutes, a copy of the public notice and affidavit of publication, and the Local Government Resolution.
2. Samples of the public hearing notice and the Local Government Resolution are attached as Exhibits A & B.

**PART D – Business Credit Check**

1. The following information searches on the business and owners holding 10 percent or more of the business must be acquired and reviewed prior to passing the Local Government Resolution: lien/judgment, criminal record, pending lawsuit, credit status, bankruptcy. Provide a short narrative describing the steps completed for due diligence.
2. Attach a narrative describing the local governments’ ability to manage the grant, revolving loan fund, state and local compliance requirements, and the implementation of the project.

**PART E – Financial Analysis**

1. Please conduct a financial underwriting analysis of project/business financials for the proposed project.
2. What were the findings of your financial analysis?

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3. Please attach a copy of the lead lender’s loan write-up with this application.

**PART F – Project Compliance with State Statutes & Rules**

All businesses receiving a MIF loan must abide by the following statutes and rules:

1. Minnesota Statutes, Section 181.59. Prohibits discrimination in contracts.
2. Minnesota Statutes, Section 363A.08. Prohibits unfair discrimination practices related to employment or unfair employment practices.
3. Minnesota Statutes Chapter 363 Minnesota Human Rights Act. Requires that all public services be operated in such a manner that does not discriminate against any person in the access to, admission to, full utilization of or benefit from such public service.
4. Minnesota Statutes, Sections 176.181 – 176.182. Requires recipients and subcontractors to have worker’s compensation insurance coverage.
5. Minnesota Statutes, Sections 290.9705. Requires that 8 percent of payments made to out-of-state contractors be withheld once cumulative payments made to the contractor for work done in Minnesota exceed \$50,000 in a calendar year, unless a waiver is granted by the Department of Revenue.
6. Minnesota Statutes, Section 116J.871. Requires recipients of \$500,000 or more of state loan funds to be used for construction to ensure that prevailing wages are paid to laborers and mechanics at the project construction site.
7. Minnesota Statutes Sections 471.87 and 471.88. Forbids public officials from engaging in activities which are, or have the appearance of being, in conflict of interest.
8. Minnesota Statutes 116J.993-995. Business Subsidy laws apply to this project.
9. Minnesota Statutes, 116J.8731. Minnesota Investment Fund laws apply to this project.
10. Minnesota Investment Fund, Rules Chapter 4300.
11. Minnesota Statutes, Chapter 13. The Minnesota Government Data Practices Act provides guidance on data privacy related to this project.

**LOCAL GOVERNMENT CERTIFICATION:**

If an award is provided for the project, the information contained in the application will become a matter of public record with the exception of those items protected under the Minnesota Government Data Practices Act found in Minnesota Statutes, Chapter 13. I also certify compliance with the appropriate State Statutes and Rules as stated in the accompanying Local Government Resolution.

I have read the above statement and I agree to supply the information requested to the Minnesota Department of Employment and Economic Development, Office of Business Finance with full knowledge of the information provided herein. I certify the information contained herein is true and accurate.

Name/Title of Local Government Official: \_\_\_\_\_

Signature of Local Government Official: \_\_\_\_\_ Date: \_\_\_\_\_

**SECTION 2 – BUSINESS INFORMATION**

|           |                      |                                  |
|-----------|----------------------|----------------------------------|
| Business: | Business Legal Name: | Name of Borrower (if different): |
|           |                      |                                  |

|                                     |                                      |
|-------------------------------------|--------------------------------------|
| Business Mailing Address:           | Street Address for MIF Project Site: |
| Business City/State/Zip:            | City/State/Zip for MIF Project Site: |
| Primary Business Contact and Title: |                                      |
| E-mail:                             | Telephone:                           |
| Website:                            | FEIN:                                |
| NAICS Code:                         | Minnesota Tax ID:                    |

**PART A – Business Description.** Describe the business and its major activities. Please attach a narrative and include the following information:

1. Business overview and company history and ownership
2. Product or industry outlook for the MIF project
3. Markets (local, statewide, national, international) and competitive advantage
4. Attach three years historical financials (profit & loss/balance sheets) and 2 years financial projections, and year to date internally generated financials

Indicate type of business & provide verification:

- Corporation: Articles of Incorporation, By-Laws, Certificate of Incorporation
- Partnership: Partnership Agreement
- LLC: Articles of Organization, Operating Agreement, Member Control Agreement, Certificate of Organization
- Proprietorship or operates under a name other than the businesses legal name: Assumed Name Certificate, Affidavit of Publication

Proprietorship, partners, officers, directors, holders of outstanding stock of 10 % or more of business ownership must be accounted for, and holders over 20% - personal financial statements must be submitted.

| Name | Title | % of Ownership |
|------|-------|----------------|
|      |       |                |
|      |       |                |
|      |       |                |
|      |       |                |

List Officers / Key Employees and include resumes (President, Vice President, etc.):

| Name | Title | Years at Company |
|------|-------|------------------|
|      |       |                  |
|      |       |                  |
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|---|
| Does the property or the business have any outstanding local, state or federal tax liabilities? <input type="checkbox"/> Yes <input type="checkbox"/> No<br>If yes, describe:   |
| Are there current or unsatisfied judgments or injunctions against the business or owners? <input type="checkbox"/> Yes <input type="checkbox"/> No<br>If Yes, describe:   |
| Is there current or pending litigation involving the business? <input type="checkbox"/> Yes <input type="checkbox"/> No<br>If yes, attach summary and disposition.  |
| Within the past five years, has there been any violation(s), citation(s), or complaint(s) of discrimination filed against the company in a state or federal court or before any state, federal or local government agency?<br><input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, attach a copy of the violation(s), citation(s), or complaint(s) and the disposition of each. |
| Have there been any current or past bankruptcies on the part of the business, or on the part of any current (or prospective) officer, principal, owner or in any business dealings of current (or prospective) officers, principals, or owners of the applicant entity? <input type="checkbox"/> Yes <input type="checkbox"/> No  |

### SECTION 3 - PROJECT OVERVIEW

**PART A – Project Description.** Describe the project for which MIF funds are being requested. Please attach a narrative and include the following information:

1. Provide details for the project for which MIF funds are being requested. Discuss topics such as square footage, lease versus ownership, new construction versus renovation, or leasehold improvements, etc.
2. Is this a new facility/site, expansion and/or acquisition?
3. Will the business purchase/lease/or construct the facility? Who will own the facility?
4. Explain why MIF financing is necessary for this project.
5. Describe how the MIF project will strengthen and/or diversify the local or Minnesota economy.
6. Describe any local government assistance for the MIF project (e.g., city loan, abatement, TIF, etc.).
7. Attach a commitment letter from each financing source, including a letter of commitment for any business equity.

**PART B – Project Sources & Uses**

*Do you acknowledge that Personal Guaranties are required as a condition of the MIF loan?*  Yes

|                              | MIF | Bank | Equity<br>(describe below) | Local<br>Government | Other<br>(describe below) | Total |
|------------------------------|-----|------|----------------------------|---------------------|---------------------------|-------|
| Property Acquisition         |     |      |                            |                     |                           |       |
| Site Improvement             |     |      |                            |                     |                           |       |
| New Construction             |     |      |                            |                     |                           |       |
| Renovation of Existing Bldg. |     |      |                            |                     |                           |       |
| Purchase of M & E            |     |      |                            |                     |                           |       |
| Other                        |     |      |                            |                     |                           |       |
| <b>Total Project Cost</b>    |     |      |                            |                     |                           |       |
| Term (years)/ interest rate  |     |      |                            |                     |                           |       |
| Collateral                   |     |      |                            |                     |                           |       |
| Lien Position                |     |      |                            |                     |                           |       |

Description of equity/other: \_\_\_\_\_

**PART C – Detailed job & wage information.**

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|---|
| Current number of employees company-wide:   |
| Current number of permanent, FTE employees in Minnesota:  |
| Current number of permanent, FTE employees at proposed MIF project site:<br><b>*Provide a most recent payroll report to document current employment levels. Social security numbers and other sensitive information should be redacted.</b>   |
| Will any jobs be relocated from another Minnesota site to the proposed MIF site? <input type="checkbox"/> Yes <input type="checkbox"/> No<br>If yes, which location(s) will the employees be relocated from?<br><b>*For jobs relocated from another Minnesota location, a letter in support of the move from the city where the jobs will be moving from must be attached</b> |
| Number of new FTE jobs to be created within 2 years in Minnesota:<br><b>*Full-time equivalent (FTE) permanent jobs based upon expected work hours of 2080 annually</b>  |
| Will non-mandated benefits be provided? <input type="checkbox"/> Yes <input type="checkbox"/> No  |
| Which non-mandated benefits will be provided?<br><input type="checkbox"/> Health <input type="checkbox"/> Dental <input type="checkbox"/> Retirement <input type="checkbox"/> Life <input type="checkbox"/> Profit Sharing/Bonuses  |

**JOB CREATION FORM – LIST ALL PERMANENT JOBS TO BE CREATED**

| POSITION TITLE<br>(List permanent FTE positions only)* | HOURLY RATE<br>WITHOUT<br>BENEFITS | HOURLY VALUE<br>OF BENEFITS ** | TOTAL HOURLY<br>WAGE INCLUDING<br>BENEFITS *** |
|--|------------------------------------|--------------------------------|--|
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**Total jobs to be Created:** \_\_\_\_\_      **Average hourly Wage:** \_\_\_\_\_      **Average hourly benefits:** \_\_\_\_\_

\*For the purposes of the Minnesota Investment Fund program, jobs considered must be non-contract, non-seasonal, permanent full-time (or part time that add to 2080) equivalent positions working at least 2080 hours per year.  
 \*\* Only non-mandated benefits to the employee. Social security tax, unemployment insurance, workers compensation insurance and other benefits mandated by law *must be excluded*.  
 \*\*\* Total compensation including base wage and benefits must be at least 110% of the federal poverty income level for a family of four (verify current wage levels with loan officer at the time of application).

**PART D - Environmental**

1. Are there any environmental risks associated with the site, building, or the business itself?  Yes  No  
If yes, please describe:

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2. Have state environmental review requirements been met, if applicable?  Yes  No

**SECTION 4 - BUSINESS ACKNOWLEDGMENT AND CERTIFICATION**

**DATA PRIVACY ACKNOWLEDGMENT:**

**Tennessee Warning Notice:** per MN Statutes 13.04, Subd.2, this data is being requested from you to determine if you are eligible for assistance from the Minnesota Department of Employment and Economic Development. You are not required to provide the requested information, but failure to do so may result in the department’s inability to determine your eligibility for assistance. The data you provide that is classified as private or non-public and will not be shared without your permission except as specified in state and federal laws.

**Data Privacy Notice:** per MN Statutes 13.591, Subdivision 1, certain data provided in this Application is private or non public data; this includes financial information about the business, including credit reports, financial statements, net worth calculations, business plans; income and expense projections; balance sheets; customer lists; income tax returns; and design, market, and feasibility studies not paid for with public funds. Per MN Statutes 116J.401, Subd. 3., certain data provided in this application is private data; this includes data collected on individuals pursuant to the operation of business finance programs.

**BUSINESS CERTIFICATION:**

**Financial Assistance Certification:** I hereby certify that the Minnesota Investment Fund program is necessary to my business start-up or expansion and that without the Minnesota Investment Fund my business start-up or expansion project would not happen to the extent outlined in the Minnesota Investment Fund Application. I certify that I will not count any existing positions or employees moved or relocated from another of Minnesota facility where my business conducts operations as new permanent full-time employees for the purposes of fulfilling requirements of the Minnesota Investment Fund Program. I certify I will not terminate, lay-off, or reduce the working hours of an employee for the purpose of hiring an individual to fulfill the requirements of the Minnesota Investment Fund Program.

I have read the above statements and I agree to supply the information requested to the MN Department of Employment and Economic Development, Office of Business Finance with full knowledge of the information provided herein. I certify that all information provided herein is true and accurate and that the official signing this form has authorization to do so.

Name/Title of Business Official: \_\_\_\_\_

Signature of Business Official: \_\_\_\_\_ Date: \_\_\_\_\_



**NOTICE OF JOB LISTING AGREEMENT**

*Businesses receiving an award from the State of Minnesota of at least \$200,000 must complete this certification which explains the job listing requirements for this project.*

This Job Listing Agreement is designed to help you find new employees by providing a free and simple method of recruiting and hiring qualified candidates.

Businesses receiving an award from the State of Minnesota in excess of \$200,000 must enter into a Job Listing Agreement and list any vacant or new positions on the state’s job posting website [www.MinnesotaWorks.net](http://www.MinnesotaWorks.net).

You are also encouraged to use your Workforce Center Business Services Specialist to help you recruit job candidates.

If you are required to enter into a Job Listing Agreement, these are the steps that are followed:

1. We will notify a MinnesotaWorks.net Help Desk Specialist of your business’ name, contact person’s name, address, phone number, and the number and type of jobs to be created as a result of the award.
2. A representative from your local Workforce Center will schedule a meeting with you to discuss and sign the Job Listing Agreement.
3. When you have a job opening related to the project for which the award was granted, you must:
  - a) notify the Workforce Center of the opening at least 15 days prior to the anticipated hiring date, and
  - b) post the opening on [www.MinnesotaWorks.net](http://www.MinnesotaWorks.net) at least 15 days prior to filling the position.

*Your Workforce Center Business Services Specialist is available to assist you with these requirements.*

4. Job openings for internal promotions, managerial positions or positions that require unusual skills are not required to be posted under a Job Listing Agreement.
5. Job applicants apply for the open position by following the instructions on your job posting. You make all decisions regarding which candidates you interview and hire.

If you have questions, please contact the MinnesotaWorks.net Help Desk at (651)259-7500.

I HAVE READ THIS NOTICE AND, IF MY BUSINESS IS RECEIVING AN AWARD IN EXCESS OF \$200,000, WILL EXECUTE A JOB LISTING AGREEMENT.

Name/Title of Business Contact: \_\_\_\_\_

Signature of Business Contact: \_\_\_\_\_ Date: \_\_\_\_\_

Telephone Number: \_\_\_\_\_ Email Address: \_\_\_\_\_

**PREVAILING WAGE CERTIFICATION**

*Businesses receiving an award from the State of Minnesota of at least \$500,000 must complete this certification which explains the prevailing wage requirements for this project.*

I certify as follows:

- 1. I have the following relationship with the business named below, which is a Recipient of benefits from the Minnesota Investment Fund, and am authorized to act on behalf of the business:

Relationship to Recipient business (i.e., President, Vice President, owner, partner, etc.):

\_\_\_\_\_

Name of Recipient business:

\_\_\_\_\_

- 2. The Recipient business intends to  construct,  make improvements or  purchase equipment to its Project at the following address:

Facility address:

\_\_\_\_\_

\_\_\_\_\_

- 3. The construction, improvements or installation of equipment directly financed with \$500,000 or more of state loan funds for the Recipient’s Project at the address in Paragraph 2 will involve the employment of laborers, workers, or mechanics for erection, construction, installation, remodeling or repair activities.
- 4. Because the Recipient is receiving an award under the Minnesota Investment Fund and because the construction or improvements referenced above will involve the employment of laborers, workers, or mechanics for erection, construction, installation, remodeling or repair activities, the Recipient:
  - a) Agrees all such persons will be paid the prevailing wage rate, as defined in Minn. Stat. § 177.42, subd. 6, as required under the laws of the State of Minnesota, and
  - b) Understands that failure to pay prevailing wage is a misdemeanor and that each day of violation is a separate offense.

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Printed Name

If you have questions about these requirements, please visit <http://www.dli.mn.gov/LS/PrevWage.asp> or call Michelle Dreier at the Minnesota Department of Labor and Industry at 651-284-5293.

## Attachments Checklist

### **Section 1**

#### PART A

- A copy of the Local Government's Revolving Loan Fund Policies
- Estimates for use of funds

#### PART B

- Community Needs Narrative
- Letter from assessor

#### PART C

- Public hearing minutes, a copy of the public notice and affidavit of publication, and the Local Government Resolution
- Government Resolution

#### PART D

- Verification of due diligence
- Narrative describing local government's ability to manage the grant

#### PART E

- Copy of lead lender's loan write-up

### **Section 2**

#### PART A

- Business description
- Financial statements
- Verification of business type
- Personal financial statements for proprietorship, partners, officers, directors, and holders of outstanding stock of 10 % or more of business ownership, and holders over 20%
- Resumes of Officers / Key Employees (President, Vice President, etc.)

### **Section 3**

#### PART A

- Project description
- Commitment letters

#### PART C

- Most recent payroll report for current FTE employees located at the MIF project site
- Relocation letter (if applicable)

**LOCAL GOVERNMENT RESOLUTION EXAMPLE  
MINNESOTA INVESTMENT PROGRAM**

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

BE IT RESOLVED that *(Applicant)* act as the legal sponsor for the project contained in the Minnesota Investment Fund Application to be submitted on or about *(Date)* 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 administer the proposed project.

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)* may enter into a Grant Contract with the State of Minnesota for the approved project, and that *(Applicant)* certifies that it will comply with all applicable laws, statutes, regulations and rules as stated in the Grant Contract and described in the Project Compliance Certification of the Application.

AS APPLICABLE, BE IT FURTHER RESOLVED that *(Applicant)* has obtained credit reports and credit information on *(Name of Business)* and *(Name of Owners)*. Upon review by *(Applicant)* and *(Applicant's Legal Counsel)*, no adverse findings or concerns regarding, but not limited to, tax liens, judgments, court actions, and filings with state, federal and other regulatory agencies were identified. Failure to disclose any such adverse information could result in revocation or other legal action.

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 the Grant Contract and amendments, thereto, as are necessary to implement the project on behalf of the *(Applicant)*.

I CERTIFY THAT the above resolution was adopted by the *(City Council or County Board)* of *(Applicant)* on *(Date)*.

SIGNED: \_\_\_\_\_  
(First Authorized Official)

WITNESSED: \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Title) (Date)

\_\_\_\_\_  
(Title) (Date)

SIGNED: \_\_\_\_\_  
(Second Authorized Official)

\_\_\_\_\_  
(Title) (Date)

**PUBLIC HEARING NOTICE EXAMPLE**

## Notice of Public Hearing

Notice is hereby given that on (date/time) at (location details) the (local unit of government) will hold a public hearing concerning submittal of an application to the Minnesota Department of Employment and Economic Development for a grant under the Minnesota Investment Fund (MIF) program.

The (local unit of government) is requesting approximately \$ (amount of MIF funds to be requested) to assist with the (start-up or expansion) of (name of business). The funds will be used for the creation of jobs.

All interested parties are invited to attend the public hearing at which time you will be given the opportunity to express comments on the project.

Written testimony will also be accepted at the public hearing. Written comments must be received by (date) at (address). Specific questions can be directed to (contact name and phone number).

The (local unit of government) makes reasonable accommodation for any known disability and to meet the needs of non-English speaking residents that may interfere with a person's ability to participate in this public hearing. Persons needing an accommodation must notify (contact person, phone number) no later than (date) to allow adequate time to make needed arrangements.