

BPEDA BUSINESS ASSISTANCE

Financial & Technical

TIF & Abatement

• Tax Increment

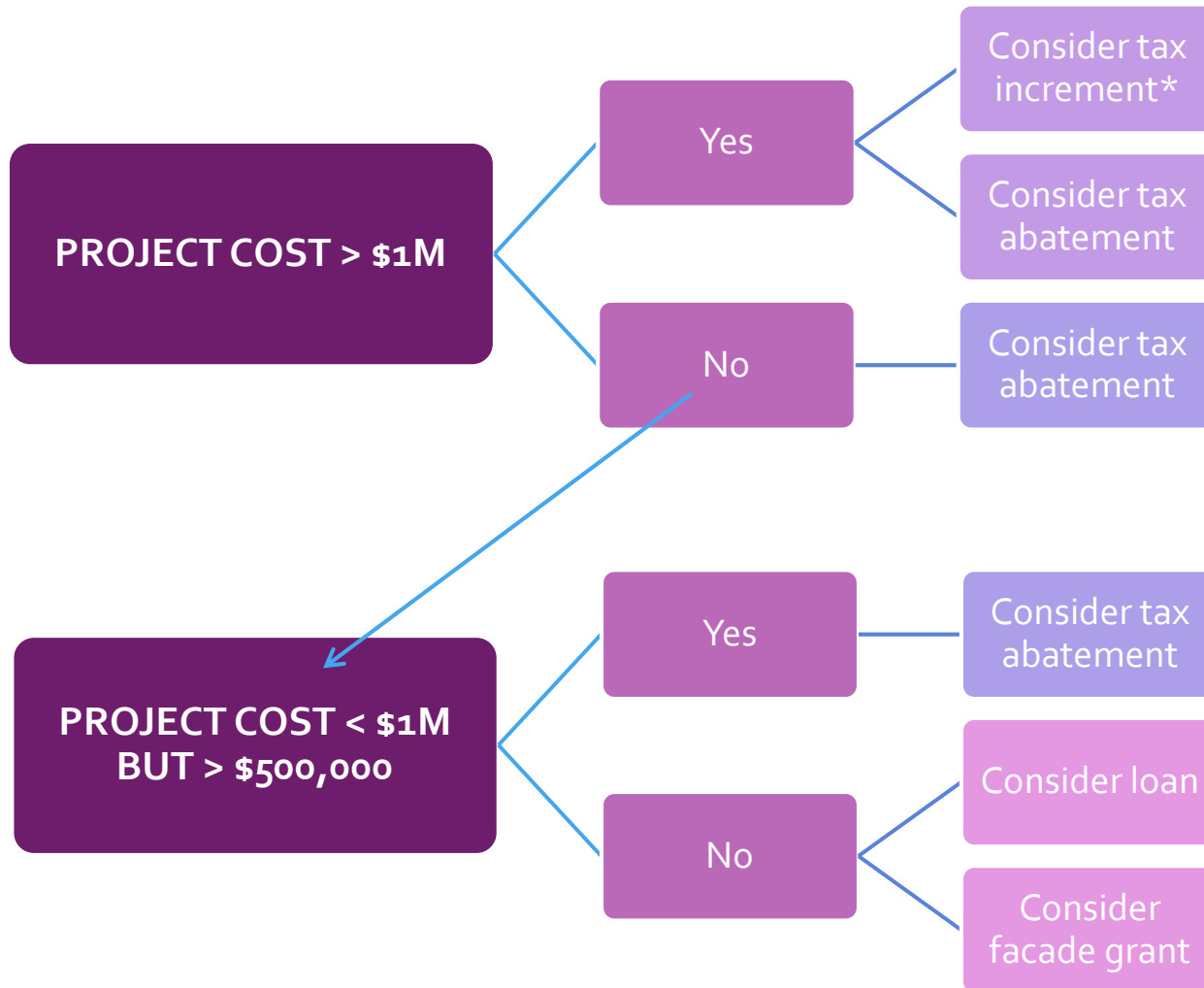
- ✓ Suitable for larger projects
- ✓ City, County, and School must participate
- ✓ Various types of districts: economic development, redevelopment, housing, soils correction, etc.
- ✓ Different district lengths
- ✓ Pay as you go vs. TIF bond
- ✓ City determines appropriate percentage of taxes rebated, term length, and whether or not to pay interest on the note
- ✓ May be stacked with abatement

• Tax Abatement

- ✓ Suitable for midsize projects
- ✓ County and School may participate (most often don't)
- ✓ Term is 15 to 20 years max
- ✓ Rebate of a portion of taxes paid
- ✓ City determines appropriate percentage of its taxes rebated and term length
- ✓ May be stacked with increment
- ✓ From developer perspective, less expensive upfront to 'get into' (not as paper intensive)

APPLICATION FEE & ESCROW REQUIRED

TIF & Abatement Decision Tree



* Tax increment not available for commercial projects on raw land (greenfield development)

BPEDA Loans

• Revolving Loan

- ✓ Suitable for smaller projects
- ✓ Lead lender and equity injection required
- ✓ “Gap” finance mechanism
- ✓ Microfinance mechanism
- ✓ Mostly small loans
- ✓ City determines appropriate loan value, term, and interest rate
- ✓ Typically only for real property and improvements

• FILP – ROSE

- ✓ Suitable for very small projects
- ✓ Provides opportunity to talk about other EDA programs and promote ‘good will’
- ✓ Forgivable loan/grant in exchange for public benefit
- ✓ May be matched with other incentives
- ✓ Available for commercial property in CBD, Highway Commercial, and I/C Commercial

BPEDA BUSINESS ASSISTANCE: FINANCIAL

Available through DEED (State)

Financial Assistance Available: DEED

• Business Financing

- ✓ Angel loan fund (end users)
- ✓ Capital access loan (lenders)
- ✓ Emerging entrepreneurs loan (very small business)
- ✓ Indian business loan
- ✓ Innovation voucher program (funds to access specialized technological resources & services)
- ✓ Minnesota investment fund (loan passed through City based on jobs and wages)
- ✓ Job creation fund ('grant' to industrial businesses)
- ✓ Veteran and Reservist business loan program
- ✓ Small business loan program

Financial Assistance Available: DEED

• Tax Credits

- ✓ Angel tax credit (investors in tech companies)
- ✓ Capital equipment exemption (state and local sales/use tax exemption for manufacturing machinery & equipment)
- ✓ (Large) data centers (sales tax exemptions on computer equipment & software; perpetual personal property tax exemption)
- ✓ R & D tax credit (business income tax credit)

• Community Financing

- ✓ Contaminated site redevelopment (grant and loan)
- ✓ Demolition loan (publicly owned property)
- ✓ Redevelopment grant program (public components of redevl projects)
- ✓ Innovative BDPI (Grant up to 50% of project public cost – technology companies)
- ✓ Small Cities Develop Program
- ✓ Workforce housing grant program
- ✓ Transport Econ Devl Program

BPEDA BUSINESS ASSISTANCE: TECHNICAL

Available through the City/County/State

Technical Assistance Available

• Business Counseling

- ✓ CDD (City)
- ✓ Open to Business (J. Endris)
- ✓ Scott Co CDA (Stacy Crakes, Joanne Foust)
- ✓ SCORE (Senior Corp of Retired Executives, South Metro Chapter)
- ✓ Small Business Development Centers (SBDC, Twin Cities)
- ✓ DEED industry experts
- ✓ U of M legal advice

• Business Development

- ✓ Made in Mn directory
- ✓ Locally Grown program
- ✓ STEP program – export assistance
- ✓ Minnesota marketing partnership
- ✓ Minnesota business first step program
- ✓ Minnesota Trade Office
- ✓ BPEDA utility insert ads
- ✓ USPS – Every Door Direct Mail

BPEDA BUSINESS ASSISTANCE: WORKFORCE

Available through the City/County/State

Workforce Development Assistance

• Training & Connecting

- ✓ ESL – Scott Co Library
- ✓ Belleplainemnjobs.com
- ✓ Scott Co. Workforce Center (employees in transition, employers seeking)
- ✓ Minnesotaworks.net (free jobs bank through DEED)
- ✓ Computer classes: Belle Plaine Community Ed and Scott County Library System
- ✓ Demographics Now – Library Market Analysis
- ✓ Minnesota Job Skills Partnership program
- ✓ SciTechsperience internship program
- ✓ Job training incentive program
- ✓ Dual training competency grants (manufacturing, IT, Ag, & healthcare services)
- ✓ Minnesota Jobs Skills Partnership (training for high demand occupation sectors)