

MINNESOTA DEPT. OF EMPLOYMENT & ECONOMIC DEVELOPMENT

BUSINESS DEVELOPMENT PROGRAMS

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South East Representative

<http://mn.gov/deed/>

Financing Programs

- Minnesota Investment Fund
- Job Creation Fund
- State Small Business Credit Initiative
- Urban Initiative Loan Program
- Small Business Development Loan Program
- Innovation Voucher Program
- Minnesota Reservist and Veteran Business Loan Program
- Indian Business Loan Program

Tax Credit Programs

- Minnesota Angel Investment Tax Credit
- Greater MN Job Expansion Program
- Minnesota Research & Development Tax Credit
- Data Center Tax Incentives
- Border-Cities Enterprise Zones
- Historic Rehabilitation Tax Credit
- SEED Capital Investment Credit

Necessary or Excess Baggage?

- A generic Consulting Group
- A Site Selection & Incentives Practice
- A Location Incentives Representative
- A Brokerage Services (Industrial) person
- Managing Director of Business and Economic Incentives
- Whatever!

Incentive Package Summary

The Financial Assistance Programs Assembled for the SAGE Electrochromics, Inc. Expansion Project are outlined below.

CITY PROPOSAL

State MIF Loan (\$1,000,000 forgiven -- City does not retain any proceeds)	
Local MIF Loan (\$100,000 @ 3%)	\$100,000
JOBZ through 2015*	\$8,630,023
JOBZ through 2020*	\$1,685,112
Tax Abatement (10 year PAYG-to follow JOBZ sunset; City only)*	\$777,258

STATE PROPOSAL

State MIF Loan (Forgivable)	\$1,000,000
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COUNTY PROPOSAL

County Loan for Land Write Down (0% over 10 years)	\$1,000,000
100% Tax Abatement (5 Year PAYG-to follow JOBZ sunset)	\$393,000
Employee Training Loan (Forgivable)	\$100,000

OTHER LOANS AND GRANTS

DEED Small Business Development Loan	\$500,000
Faribault Industrial Corporation Loan (3% interest)	\$100,000
GRE LEED Loan (0% interest over 10 years)	\$1,000,000
SWCE/USDA Rural Economic Development Loan Program (0% interest over 10 years)	\$740,000
SWCE Revolving Loan	\$326,000
SMIF Grant	\$20,000
EDA Grant for Billboard Removal Reimbursement	\$25,000
MJSP Training Grant	\$350,000

TOTAL PROPOSALS*	\$16,746,393
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*Estimate

Local Success –WinCraft Winona



WinCraft

WinCraft, founded in Winona as a modest promotional products business in 1961, has grown into one of the leading manufacturers of licensed and promotional products in the world employing over 400 people in the area.

Winona and a location in Wisconsin received serious consideration for the expansion.

WinCraft will expand into a 125,000 square foot state of the art manufacturing and distribution facility in Winona and their current 11 facilities will be cut about in half.

Cytec - Winona

- Project Cytec investment:
\$10-12 million
- Job Creation: minimum of 60 jobs
- Wages: \$14-21 per hour
- 7\$ per hour benefit pkg.
- Composite Manufacturer

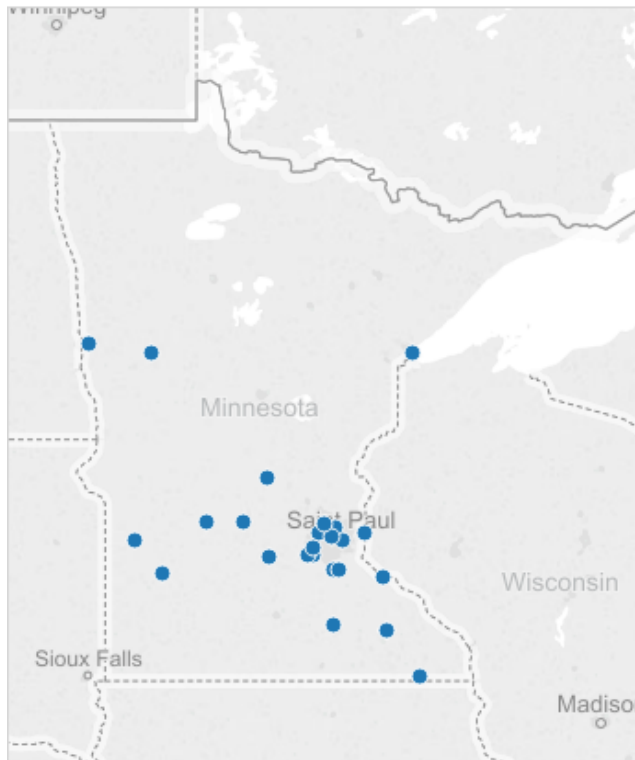
Cytec - Incentives

- MIF - \$500,000 with \$300,000 forgivable the rest at 3% over 10 yrs
- Winona Revolving Loan Fund would provide \$75,000 with \$50,000 forgivable the rest at 3%
- Minnesota Job Skills Partnership \$400,000 in assistance for training.
- Special Training grant for travel and expenses for specialized training.

Job Creation Fund Awards July 1, 2013 - February 28, 2015

Totals

JCF Award	\$14,004,832
Projected Project Costs	\$262,348,562
Projected Eligible Costs	\$111,243,728
Projected New Jobs	1,414



Find more details about these projects by selecting individual points on the map or table, or click and drag to select multiple projects. Selected projects are automatically summed at top left.

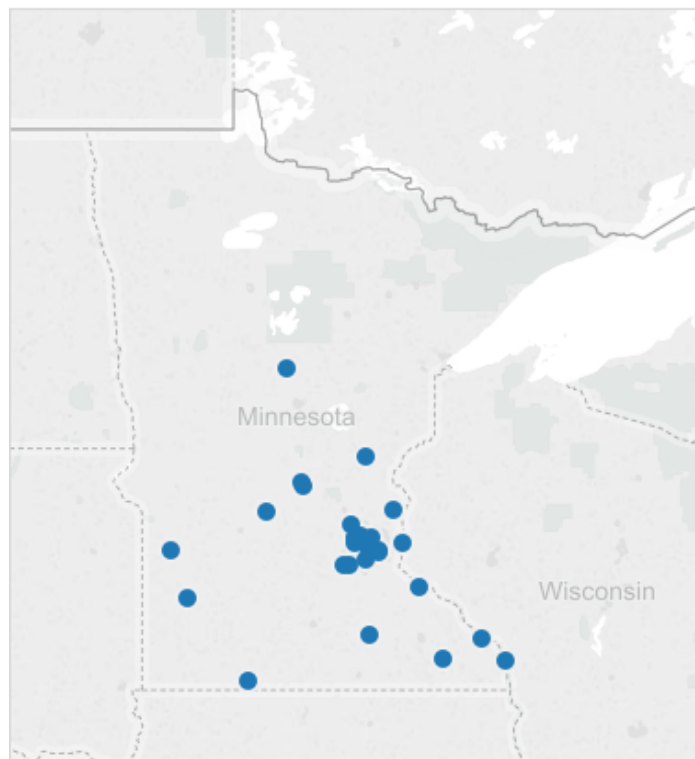
All data is provided by the Department of Employment and Economic Development, Office of Business Finance. Please contact Bob Isaacson with any questions at 651-259-7458 or bob.isaacson@state.mn.us.

Business Name	Location	JCF Award	Projected Project Costs	Projected Eligible Costs
Cardiovascular Systems, Inc	New Brighton	\$1,900,000	\$30,676,000	\$19,900,000
Rosemount, Inc	Shakopee	\$905,000	\$26,345,000	\$0
Andersen Corporation	Bayport	\$626,900	\$17,800,000	\$2,538,000
Axis Clinicals, LLC	Dilworth	\$778,988	\$11,000,000	\$3,719,840
Capital Safety	Red Wing	\$750,000	\$11,750,000	\$4,462,249
Polaris Industries Inc	Plymouth	\$800,000	\$22,200,000	\$6,000,000
Unison Comfort Technologies	Minneapolis	\$400,000	\$626,883	\$626,883
Bluegrass Proteins, Inc	Dawson	\$650,000	\$18,200,000	\$2,000,000
Heraeus Medical Components	St. Paul	\$498,100	\$7,762,000	\$2,762,000
Daikin Applied Americas	Owatonna	\$880,000	\$8,437,552	\$6,230,552
Federal Package Network Inc	Chanhassen	\$147,161	\$7,175,000	\$1,063,225
Cardio3 BioSciences SA	Rochester	\$357,000	\$1,500,000	\$650,000
DC Group	Minneapolis	\$535,516	\$6,200,000	\$5,950,320
Custom Products of Litchfield, Inc	Litchfield	\$188,684	\$2,151,126	\$729,126
Super Radiator Coils	Chaska	\$287,500	\$3,000,000	\$2,550,000
Design Ready Controls, Inc.	Brooklyn Park	\$460,744	\$9,519,501	\$7,934,882
Park Industries Inc	St. Cloud	\$624,266	\$5,980,218	\$3,510,218
Ikronics Corporation	Duluth	\$508,500	\$4,300,000	\$3,100,000
Miller Manufacturing Company	Glencoe	\$185,018	\$2,026,900	\$2,026,900

Minnesota Investment Fund Awards July 1, 2013 - June 30, 2015

Totals

MIF Loan	Private Funds Leveraged	Projected Jobs
\$14,104,600	\$415,417,744	1,917



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Company	City	MIF Loan	Private Funds Leveraged	Projected Jobs
Action Manufacturing	Marshall	\$240,000	\$1,160,000	10
AGCO Corporation	Jackson	\$375,000	\$42,250,000	75
American Mfg. dba Ice Castle Fish Houses	Pine River	\$107,500	\$107,500	20
Andersen Corporation	Bayport	\$500,000	\$17,300,000	100
Beckman Coulter, Inc.	Chaska	\$700,000	\$4,697,000	106
Bluegrass Proteins, Inc.	Dawson	\$1,000,000	\$17,050,000	56
C4 Welding	Sauk Rapids	\$200,000	\$428,000	32
C4 Welding (Second Award)	Sauk Rapids	\$200,000	\$1,300,000	40
Cardiovascular Systems, Inc.	New Brighton	\$750,000	\$32,776,000	204
Crest Precast Concrete, Inc.	La Crescent	\$192,000	\$941,650	8
Cytec Engineered Materials, Inc.	Winona	\$500,000	\$8,460,000	60
Daikan Applied Americas, Inc.	Owatonna	\$600,000	\$7,837,552	40
DB Industries dba Capital Safety USA	Red Wing	\$500,000	\$4,300,000	40
ET Manufacturing Corp.	Sartell	\$399,000	\$4,122,309	42
EZ Fabricating, Inc.	Chatfield	\$408,000	\$1,000,000	17
FedEx Ground Package System, Inc.	Rogers	\$270,000	\$62,112,100	54
Gyrus ACMI, Inc. dba Olympus Surgical Tec	Brooklyn Park	\$1,000,000	\$36,168,552	100

Recent Statewide Success

- **Arctic Cat Inc.** will invest \$26 million in a new production line at its Thief River Falls, Minn., factory and hire 40 new workers. Arctic Cat also announced a \$400,000 investment in engine manufacturing equipment at its St. Cloud facility. That investment is expected to create 10 new jobs.
- **Andersen Corp.** is planning to add more than 300 jobs as part of a \$45 million expansion project at its manufacturing facilities in Cottage Grove and North Branch, Minn.

Recent Statewide Success

- **Cirrus Aircraft** - \$10 million effort to build out a 60,000-square-foot aircraft painting facility in Duluth. 250 new jobs.
- **Amazon.com** plans to invest \$220 million in Shakopee for an 820,000-square-foot distribution center. The company plans to hire more than 1,000 full-time, year-round employees with compensation that averages at least \$35,000 per year.

- Amazon.com's plans to build a huge distribution center with more than 1,000 jobs was clearly a big win for Shakopee, which already was booming. The project came on the heels of other recent economic development wins, including new facilities for Entrust DataCard (680 jobs), Emerson Process Management (500), Shutterfly (300) and SanMar (300)

Fortune 500 Companies

- Minnesota – 17
- Wisconsin – 10
- Iowa – 2

Budget Forecasts

- **Minnesota** - Increase FY 2016-17 Balance to \$1.869 Billion
- **Iowa** - surplus reserves - from \$411 million at the close of the current fiscal year to \$250 million in fiscal 2016.
- **Wisconsin** - projecting a \$2.2 billion deficit heading into the 2015-17 budget cycle.

Questions or Comments?



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