**Instructions for Start Up and Implementation**

**of DEED General Obligation (GO) Bonding Funding**

*(11/13/15)*

Instructions Include funds from the:

* Greater Minnesota Business Public Infrastructure Program (BDPI)
* Innovative Business Development Public Infrastructure Program
* Transportation Economic Development (TED) Program
1. **Grant Agreement-** A PDF file of the BDPI Grant Agreement between the State of Minnesota, Department of Employment and Economic Development (DEED) and your community should be emailed to you within two weeks of being awarded. Please review, print three copies of the agreement and have the authorized individual who was designated in the local government resolution sign, date and return the three copies as will be instructed in a cover letter to the agreement.

It is important that you and your attorney review the Grant Agreement to ensure that all aspects of the contract and state law are followed. This includes proper procurement of goods and services and ensuring that **state prevailing wages** will be properly paid by all contracted for the project. Producing a system to collect the amount and types of **jobs created** during the construction of the project will also need to be created as reporting the amount and types of jobs will also be required.

1. **Full Project Funding** – in addition to the GO Grant it has available, the community will have to provide documentation to DEED staff that sufficient funds have been committed to fully pay for the project as required by Minn. Stat. Sec. 16A.502.

Examples of acceptable full funding documentation include local government resolutions or resolutions from funding sources, award letters from funding sources, and grant agreements from funding sources. DEED staff will then provide the acceptable documentation to the Minnesota Management and Budget office (MMB) for final approval.

1. **Real Property Declaration** – For projects located on land that is owned by the community (treatment plants and ponds, lift stations, buildings, etc.), the community must record a Real Property Declaration that identifies the project as “state bond financed property,” and which places limitations on the use of the property. The declarations are filed at the County Recorder’s office.

**Please only record land where the improvements are being made**. For industrial park projects, do not include lots in the property description or DEED and MMB will need to release the lots when they are sold. This is a difficult process that requires extensive time and labor. The declaration template is included in the funding application and the Grant Agreement.

* 1. **Waiver From the Filing Requirements of the Real Property Declaration** – Some projects are located within rights-of-way or utility corridors (streets, water and sewer lines, etc.) When a real property declaration cannot be filed because obtaining a legal description is “unduly onerous or impracticable,” the Borrower can formally request a waiver from the filing requirements from Minnesota Management and Budget (MMB).

b. **Provide the Following Information for MMB’s Waiver Evaluation**:

1. A formal request to the Commissioner of MMB and justification by the City for waiver of Real Property Declaration requirement in accordance with Section 7.02 (b) of the Order.
2. Identify the DEED program (Greater Minnesota Business Development Public Infrastructure, Innovative Business Development Public Infrastructure, Transportation Economic Development, etc.) that is expected to finance the project.
3. A project description as described within the funding application.
4. A map reflecting actual location of property to be improved.

A waiver example can be found on another sub-link in the “Application and Forms” section of the Greater Minnesota Public Infrastructure Program link of the DEED website.

The request may be submitted electronically to Jennifer Hassemer, Capital Bonding Coordinator at Jennifer.Hassemer@state.mn.us (651-201-8079) at MMB for review and response.

MMB’s mailing address is:

Commissioner of Minnesota Management and Budget

c/o Ms. Jennifer Hassemer

Minnesota Management and Budget

State Program Administrative Coordinator, Capital Projects

400 Centennial Office Building

658 Cedar Street

Saint Paul, MN 55155

1. **Disbursement of Funds** – DEED will need to receive a properly executed Grant Agreement, properly executed and recorded Real Property Declaration (or approved waiver from MMB), and full-funding approval from MMB. DEED will then e-mail a Disbursement Request Form, Disbursement Request Form instructions, and payment calendar. Each payment request should include:
	1. Disbursement Request Form – Signed by authorized official
	2. Summary worksheet of project expenses and grant payments
	3. Invoices and canceled checks for the amount requested and the required match. All expenses must be capital costs.
2. **Closeout Report** – The grantee must complete a Closeout Report within 30 days of the completion of the project. The closeout report is also located as a sub-link in the “Application and Forms” section of the Greater Minnesota Public Infrastructure Program link of the DEED website. This report is in addition to the jobs report referenced in Section 1. The jobs report form will be provided separately by DEED staff.

If you have any questions about the implementation of your grant, please contact the DEED Regional Representative assigned to your project.