

**Community Energy Transition Grant Program**

**Application Packet**

**SFY 24**

Minnesota Statute 116J.55

# **Authorizing Legislation**

The Energy Transition Office is accepting applications for grant funding for energy transition projects through the Community Energy Transition grant program under [Minnesota Statutes 116J.55](https://www.revisor.mn.gov/statutes/cite/116J.55).

# **Funds Available**

Approximately $10 million is available for distribution for the Community Energy Transition grant program.

SFY 24 - $4,750,000 million

SFY 25 - $4,750,000 million

A portion of State Fiscal Year 24 funding has been awarded. Call DEED if interested and a current amount funds available will be provided.

# **Background/Purpose**

The Department of Employment and Economic Development, through its Office of Energy Transition, is seeking proposals/applications from qualified responders, as defined in [Minnesota Statutes 116J.55](https://www.revisor.mn.gov/statutes/cite/116J.55), to assist eligible communities to address the economic dislocation and social impact associated with the closing of a local electric generating plant.

# **Eligible Applicants**

A County, Municipality (including township), or Tribal government located in Minnesota in which an electric generating plant owned by a public utility, as defined in section 216B.02, that is powered by coal, nuclear energy, or natural gas:

(1) is currently operating and (i) is scheduled to cease operations or, (ii) whose cessation of operations has been proposed in an integrated resource plan filed with the commission under section [216B.2422](https://www.revisor.mn.gov/statutes/cite/216B.2422), or (iii) whose current operating license expires within 15 years of the effective date of this section; or

(2) ceased operations or was removed from the local property tax base no earlier than five years before the date an application is made for a grant under this section.

# **Eligible Projects**

An eligible community awarded a grant under this section may use the grant to plan for or address​ the economic and social impacts on the eligible community of the electric generating plants cessation of​ operations, including but not limited to **land use studies, economic planning, researching, planning, and implementing activities, capital costs of public infrastructure necessary for economic development, and impact studies and other planning activities enabling communities to become shovel-ready and support the transition from power plants to other economic activities to minimize the negative impacts of power plant closures on tax revenues and jobs** designed to:​

1. assist workers at the plant find new employment, including worker retraining and developing small​ business start-up skills.
2. increase the eligible community's property tax base; and​
3. develop alternative economic development strategies to attract new employers to the eligible​ community.

### **Collaboration**

Partnership, collaborations, and community engagement are required between entities with similar strategies, linked to comprehensive plans, to address the impacts of plant closure in the community. Joint agreement and letters of support provide evidence of strong partnerships toward a common goal. Impacted communities must engage with stakeholders (for example: regional planning councils, economic development organizations, educational institutions, organizations representing workers, sovereign nations, non-profits, etc.). Successful applications will also include minutes from at least one public meeting that allowed for public input, with public discussion, of the proposed use of the Community Energy Transition Grant funds and how it relates to the community’s transition planning.

# **Max Grant Amount**

The maximum award is up to $1m per fiscal year. All applications will be scored based on the Scoring Methodology outlined in the Proposal Evaluation and Selection section. Based on the number of eligible applications, funding availability and award amounts will be determined solely by DEED.

**Public Infrastructure** means publicly owned physical infrastructure, including, but not limited to, wastewater collection and treatment systems, drinking water systems, storm sewers, utility extensions, telecommunications infrastructure, streets, roads, bridges, parking ramps, facilities that support basic science technology and clinical research, and research infrastructure. Funds may also be used to acquire and prepare land on which public infrastructure required to support an eligible project will be located, including demolition of structures and remediation of any hazardous conditions on the land, or to predesign, design, acquire, construct, furnish, and equip public infrastructure required to support an eligible project.

**Capital Costs** are defined as an expenditure associated with the improvements to the land, (land costs can be capital costs) made as part of the activities for which application funds are being requested. Capital Costs cannot include feasibility studies, platting, or project administration.

# **Match Requirement**

The Community Energy Transition Grant does not have a match requirement.  However, it is important for the grant program and for public education to know all the work and investments that the community has completed and will be investing and completing for this project.  This is an opportunity to educate and explain the work your community/county has done to get to this point and to propel you forward.  Other resources/investments can include but are not limited to in-kind time; cash; work and costs associated to other studies and planning to support this project; surveys; developer work including platting, environmental work, easement acquisition, topos, design work; and other that you have worked on not listed.

# **Application Requirement/Timetable**

Applications will be accepted and awarded on a rolling application basis until all funds are committed. Eligible applicants must email their application to [CETGP.DEED@state.mn.us](mailto:CETGP.DEED@state.mn.us). Application for State Fiscal Year 24 is open until June 30, 2024. Application for State Fiscal Year 25 will open on July 1, 2024. Application format should meet the following requirements:

* One PDF file for application and attachments
* All pages in application should be 8.5” x 11”
* Separate PDF file of the Pre-Award Risk Assessment
* 12-point font (Arial or Calibri preferred)

Applicants will get an email confirmation the application was received. If you do not get a confirmation, assume your application was not received.

# **Resolution**

A resolution indicating applicant eligibility, and approval of the project must be completed and submitted with the application. (A sample resolution has been provided in the application). You may choose to re-format this resolution but make sure to include all the statements that appear in the sample resolution.

# **Application Evaluation Criteria**

The review committee will be reviewing each proposal on a 100-point scale. The scoring factors and weight that applications will be judged on are:

1. *Project Scope: 10 points*
2. *Timing: 10 points*
3. *Financing/Budget: 10 points*
4. *Economic Impact: 25 points*
5. *Community Impact: 25 points*
6. *Partnership, Collaboration and Community Engagements: 20 points*

***Total points – 100 points.***

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| **Section 1: Executive Summary** | | **Total points: 0** |
| Provide a summary of your proposal/plan (limit to one page). Include your organization’s history, purpose, and mission as well as your organizational structure, unique strengths, and capacity to deliver services to the impacted community. | | |
| **Section 2: Project Scope** | | **Total points: 10** |
| ***Clearly Defined Statement***  Provide a summary of your organization’s plan, base your summary on the following:   1. Is the plan clearly defined, relevant, and attainable? 2. Are the outcomes detailed, relevant and attainable? 3. Is there a clear correlation between the plan and the plant closing? 4. Anticipated impact of the project on the community, including workers. 5. Map of the project location, if applicable. | | |
| **Section 3: Timing** | | **Total points: 10** |
| ***Plants scheduled to close soonest or are closed are highest priority.***   1. Date plant closed/will close. 2. Date project is scheduled to begin. 3. Date project is scheduled to be completed or plan implemented. 4. Is the timeline and project schedule logical? 5. Will the activities be completed within the grant term. 6. Is the project/plan ready to begin (financing, partnership, agreements)? | | |
| **Section 4: Financing/Budget** | **Total points: 10** | |
| ***Project with comprehensive budgets and full financing are highest priority* (5 points)**   1. Is the budget detailed, clear, and logical? Is there a bid proposal included with costs broken out? 2. Are the costs reasonable and necessary for the implementation of the plan? 3. Is the project fully financed? 4. What other funding sources are being leveraged? By whom? How much? | | |
| **Section 5: Economic Impact** | | **Total points: 25** |
| ***Project with the highest tax and job loss are highest priority.***   1. Provide the dollar amount of tax loss from plant closure. 2. Impact of tax loss on the community. 3. Effect of project on tax base. 4. Job loss from plant closure. 5. County unemployment rate. 6. Impact of job loss on the community. 7. Project’s effect on job loss. 8. Other economic impacts. | | |
| **Section 6: Community Impact** | | **Total points: 25** |
| ***Projects that effectively address challenges are highest priority.***   1. Provide relevant challenges to community due to plant closure. 2. Challenges to community outside of plant closure. working together with others – neighboring communities, Tribal government, etc. 3. How does the plan address these challenges? | | |
| **Section 7: Partnership, Collaboration and Community Engagements** | | **Total points: 20** |
| ***Projects with greatest partnerships and collaboration are high priority.***   1. List other partnerships or collaborations within the community, region, etc. Include non-profits, education, utility, unions, sovereign nations, neighboring governmental entities, disenfranchised groups in the community and outside the communities that will/ feel the impact of the closure List them. 2. Are joint agreements or letters of support attached to the proposal? If so, from whom and how many letters? How current are the letters? 3. Is the project consistent with the community’s comprehensive plan? City &/or County Comprehensive Economic Development Strategy (CEDS) plan? Other regional planning and economic development efforts? If so, educate on how. How current is the planning? Who was involved in the planning efforts? 4. Describe the public engagements with the community? Proposed public engagements? 5. What strategies are being used AND will be used to strength partnerships and collaboration? 6. If applicable, do you have control of the subject property? If so, please attach proof. If not, what is the plan to ensure that the property owner will cooperate with the proposed project? Documentation to the fact shall be attached. | | |

All applications should address the evaluation criteria. A detailed narrative corresponding to the evaluation criteria listed above should be attached to the application form. All portions and questions in the application form should be completed and answered fully.

# **Conflict of Interest Disclosure Form**

The “Conflict of Interest Disclosure Form” provided in the application form must be completed, signed, and submitted. The form can also be found here: [Conflict of Interest Disclosure](https://mn.gov/deed/assets/applicant-conflict-of-interest-2021_tcm1045-451110.docx)

# **Pre-award Risk Assessment**

All applicants must complete the Pre-Award Risk Assessment for local units of government. The risk assessment should be submitted with the completed application. The Pre-Award Risk Assessment is available on the DEED website. <https://mn.gov/deed/assets/pre-award-risk-assessment-bdpi_tcm1045-606210.pdf>

# **Program Requirements**

Successful applicants will be required to:

* Prior to the contacts being signed, an implementation meeting will be scheduled in the community. The meeting will cover the terms, conditions, and scope of the project among other items.
* Annual monitoring (on-site) visits during the grant period on all grants of $250,000 and higher
* Conducting a financial reconciliation of grantee’s expenditures at least once before final payment on grants of $50,000 and higher. For this purpose, the grantee must make expense receipts, employee timesheets, invoices, and any other supporting documents available upon request by the State.
* Submit quarterly progress reports (with photos etc.). The quarterly narrative should describe progress of the grant (due the 30th of the month following the end of the quarter).
* Submit end of year report (due at the end of the State Fiscal Year). Submit monthly Reimbursement Payment Request Forms (RPRs) or Financial Status Reports (FSRs) with receipts and invoices to designated contact within DEED. RPRs or FSRs must accurately reflect actual grant expenditures and obligations consistent with rates which grant administrators will be able to track.

# Checklist: Application Content and Instructions

* **Executive Summary**

Provide a one-page overview of the proposed project.

* **Application Form**
* **Work Plan/Work Schedule and Timeline**

Describe the goals for the funding. The plan MUST include measurable outcomes.

* **Budget Information Summary**

Provide a summary of the budget of the proposal/plan.

* [**Conflict of Interest Disclosure**](https://mn.gov/deed/assets/applicant-conflict-of-interest-2021_tcm1045-451110.docx)
* **Resolution from local government in support of the project**
* **Pre-award Risk Assessment**

# **Contacts**

For technical assistance in interpreting instructions and to submit questions, please email, Mike McCrownsey email, [mike.mccrownsey@state.mn.us](mailto:mike.mccrownsey@state.mn.us) or Carla Vita, [carla.vita@state.mn.us](mailto:carla.vita@state.mn.us) Questions can also be submitted through the Community Energy Transition Grant Program email box [CETGP.DEED@state.mn.us](mailto:CETGP.DEED@state.mn.us).

Individuals with disabilities who need alternative formats can contact DEED at 651-802-2238.