Minnesota Investment Fund (MIF)

Supporting Business and Job Creation in Greater Minnesota

Minnesota needs proven tools that will attract businesses to our state and create jobs for the middle class. That's why Governor Dayton's budget invests $30 million of ongoing funding in the Minnesota Investment Fund (MIF), an initiative that will help Minnesota compete with other states and nations for new manufacturing and high-tech jobs. This new investment increases the size of MIF tenfold, and will help create thousands of new jobs in Minnesota.

MIF is a Critical Incentive Tool for Minnesota

MIF is one of the state's key job creation tools. It helps encourage Minnesota firms that have options outside the state to expand here, and provides incentives for firms outside Minnesota to locate in our state. Awards are generally less than incentives offered by other locations, but this funding can often be enough to keep Minnesota competitive and allow our other assets to be considered.

How Does MIF Work?

The MIF loan program provides financing to create and retain high-quality jobs. MIF funds are disbursed to local governments and then provided as a loan to the business. The loans are attractive to businesses because they are offered up front and can be used to offset capital expenditures – often equipment purchases. All projects must meet minimum requirements for private investment, jobs created, and wages paid. Some loans are forgiven, depending on the transaction requirements.

A Track Record of Success

Between 1985 and 2005, the program received an average of $5.2 million per year. But since 2005, resources have dwindled and the entire program has only received a total of $7 million; an 86 percent decline from previous levels. Nonetheless, the program continues delivering results.

» MIF Creates Jobs. Over the last 8 years, the program has funded 53 projects, creating thousands of new, good-paying jobs across Minnesota that support and maintain a strong middle class. The program has also retained more than 800 jobs.

» A Huge Return on Investment. DEED leverages over $33 in private investment for every $1 in MIF funding they award. Over the last 8 years the MIF program has turned a $7 million public investment into over $587 million in private economic development. The Governor's new investment in MIF will leverage an estimated $800 million.

Some businesses that have benefited from MIF include:

- Gerringhoff
- Arctic Cat
- Polaris
- Gerdau Long Steel
- Prime Theraputics