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## Solar on Public Buildings Report

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Minn. Stat. § 216C.377 Subd. 13

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## **REPORT PREPARED BY**

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## Program Basics

In 2023, the Minnesota Legislature established the Solar on Public Buildings (SPB) Grant Program. Minn. Stat. § 216C.377. The purpose of this program is to provide grants to stimulate the installation of solar energy systems on public buildings. The Minnesota Department of Commerce (Commerce) was originally tasked with administering \$5 million in grants to local governments in Xcel Energy's electric service territory through at least two funding rounds. In 2025, the program received \$14.55 million from the State Competitiveness Fund to leverage federal tax incentives for the installation of solar projects on public buildings across the state.

## Eligible Applicants

Eligible applicants for this grant program include local units of government such as counties, statutory or home rule charter cities, towns, and other local government jurisdictions. School districts that qualify for financial assistance under section 216C.375 (Solar for Schools) are excluded. Federally recognized Indian Tribes in Minnesota are also eligible. Minn. Stat. § 216C.377, subd. 1.

## Award Allocation

Grants may cover up to 70% of project costs (dependent on the local government's financial capacity) for a solar array installed on or adjacent to a public building. Each solar array must be the lesser of 40kW system capacity or 120% of the building's annual energy consumption.

For Rounds 1-3, Commerce used a tiered system of financial capacity for counties, cities, and townships, assessed by the Adjusted Net Tax Capacity/Capita (ANTC/Capita), determined with data from the Minnesota Department of Revenue. Other local government jurisdictions, such as Watershed Districts and Housing Authorities, were assessed using the ANTC/Capita of their respective counties or cities. Tribal Nations, designated as "disadvantaged communities" by the federal government, are eligible for a Tier 1 grant of up to 70% system costs. Table 1 shows the award tiers based on financial capacity.

For the Statewide Round (Round 4), local units of government outside of Xcel territory must meet the definition of "Low-income area" as defined in Minn. Stat. § 116M.14 to be eligible.

*Table 1: Round 1-3 award tiers based on financial capacity of the local unit of government*

Tier	Adjusted Net Tax Capacity/Capita	Up to % System Cost	Not to Exceed
Tier 1	Under \$1,000	70%	\$84,000
Tier 2	>\$1,000	60%	\$72,000
Tier 3	>\$2,000	50%	\$60,000
Tier 4	>\$3,500	40%	\$48,000
Tier 5	>\$4,500	30%	\$36,000
	Tribal Nations	70%	\$84,000

## Program Progress

In 2024, the Solar on Public Buildings grant program completed its first round of grants, awarding \$1,302,416.23 to 24 projects. In 2025, the program completed Round 2 while launching the overlapping Rounds 3 and 4. As of December 3, Commerce has executed \$3,884,897.64 in grant agreements across all rounds in 2025, with millions more in grants in the contracting process.

## Application Round 2

Full applications for the second round of the program were due on April 21, 2025. Commerce awarded \$1,136,180.30 across 19 projects from 15 applicants. The individual projects and award amounts are listed in Table 2.

## Application Round 3

The Readiness Assessment for the third round of applications closed on June 30, 2025. Projects with approved Readiness Assessments were then required to submit full applications by December 1, 2025. Commerce received 11 full applications from nine applicants in Round 3 for a total of \$558,366.96. As of December 3, one application for \$59,270.00 had been fully awarded, while the other 10 remained under review or in the contracting process.

## Application Round 4 (Statewide Round)

For the Statewide Round, Commerce streamlined the application process, replacing the previous two-stage application process with a single stage. The application window was open from July 31 through December 1, 2025. Applications were reviewed on a rolling basis in the order in which they were submitted. Additionally, the maximum grant was increased from \$84,000 to \$112,000, though grants remained capped at 70% of eligible project costs.

The remaining \$1,464,090 from the original program appropriation was made available in this round for eligible buildings in Xcel Energy's service territory. To serve eligible buildings across the state, the program utilized \$14,550,000 from the State Competitiveness Fund on the condition that awarded projects must also apply for federal solar tax credits. As of December 3, 2025, the results of the Statewide Round are:

- 207 submitted applications from 65 applicants, requesting a total of \$17,410,440.71.
  - \$1,375,774.95 in requests came from Xcel territory.
  - \$16,034,665.76 came from outside of Xcel territory.
- 36 projects executed grant agreements totaling \$2,689,446.94.
- 81 additional projects for \$7,391,215.60 are approved and in the contracting process.
- 90 projects remain under review.

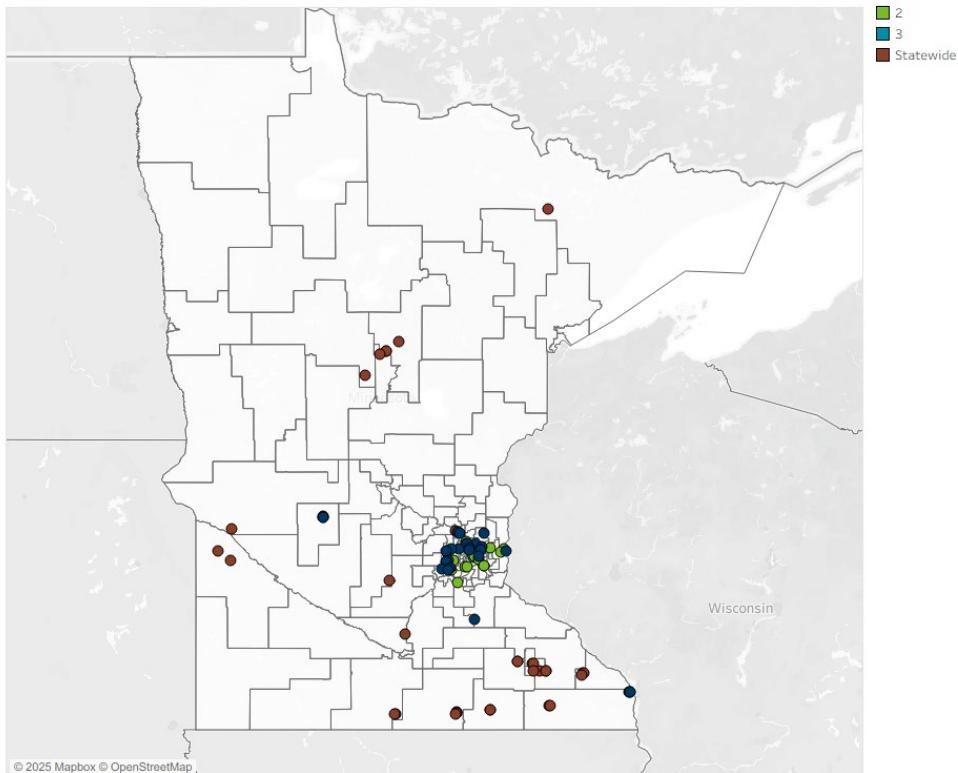
Table 2: 2025 Grant Awards with Executed Contracts as of December 3, 2025

Local Government	Public Building	Award	Round	Senate District	House District
Baytown Township	Baytown Community Center	\$8,712.00	2	41	41A
City of Eden Prairie	Eden Prairie Liquor Store #2	\$49,993.00	2	49	49B
City of Falcon Heights	Falcon Heights City Hall	\$59,203.00	2	66	66A
City of Fridley	Fridley Public Works Building	\$72,000.00	2	39	39A
City of Fridley	Fridley Commons Park Community Building	\$48,678.00	2	39	39A
City of Hopkins	Hopkins Water Treatment Facility	\$72,000.00	2	46	46B
City of La Crescent	Stoney Point Well House	\$46,200.00	2	26	26B
City of Mahtomedi	Mahtomedi Public Works Building	\$57,751.50	2	33	33A
City of Minnetonka	Minnetonka Ice Arena B	\$57,779.00	2	45	45B
City of Plymouth	Plymouth City Hall	\$60,000.00	2	42	42B
City of Richfield	Richfield Ice Arena	\$67,064.00	2	51	51A
City of Richfield	Richfield Public Works	\$68,785.00	2	51	51A
City of Roseville	Roseville Booster Station	\$61,739.00	2	40	40B
City of Saint Paul	Saint Paul Fire Station #3	\$72,000.00	2	65	65B
City of Saint Paul	Saint Paul Animal Services	\$72,000.00	2	66	66A
City of Savage	Savage Water Treatment Plant 2	\$64,310.80	2	55	55A
City of South St. Paul	South St. Paul City Hall	\$72,000.00	2	53	53B
City of South St. Paul	Nan McKay Building	\$72,000.00	2	53	53B
Washington County	Washington County Emergency Housing Services Building	\$53,965.00	2	33	33B
City of Saint Paul	Saint Paul Hamline Midway Library	\$59,270.40	3	65	65A
Blue Earth Light and Power	Blue Earth Light and Power Power Plant Building	\$100,629.75	Statewide	22	22A
Blue Earth Light and Power	Blue Earth Light and Power Utility Warehouse	\$104,813.32	Statewide	22	22A
City of Albert Lea	Albert Lea City Hall	\$90,945.00	Statewide	23	23A
City of Albert Lea	Albert Lea Fire Station	\$94,725.00	Statewide	23	23A
City of Albert Lea	Albert Lea Main Lift Station	\$102,760.00	Statewide	23	23A
City of Albert Lea	Albert Lea City Garage	\$89,055.00	Statewide	23	23A
City of Anoka	Anoka Cannabis Dispensary	\$76,230.00	Statewide	35	35A
City of Appleton	Appleton Wastewater Treatment Plant	\$83,359.00	Statewide	12	12A
City of Dawson	Dawson Sewer Treatment Plant	\$109,765.49	Statewide	15	15A
City of Fifty Lakes	Fifty Lakes City Hall	\$49,500.00	Statewide	06	06A
City of La Crescent	Wieser Park Pavilion	\$58,100.00	Statewide	26	26B
City of Lewiston	Lewiston City Hall	\$104,020.00	Statewide	26	26A
City of Lewiston	Lewiston Wastewater Treatment Plant	\$98,350.00	Statewide	26	26A
City of Lewiston	Lewiston Public Safety Building	\$102,514.00	Statewide	26	26A

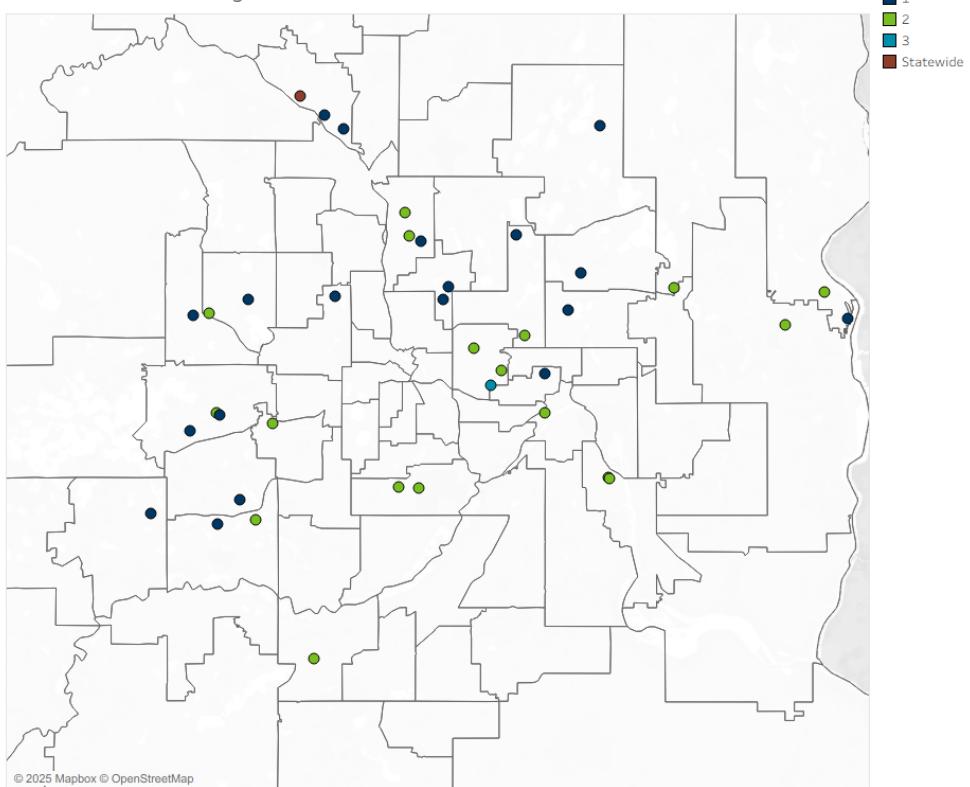
Local Government	Public Building	Award	Round	Senate District	House District
City of Rochester	Rochester North Precinct	\$95,827.00	Statewide	25	25A
City of Saint Peter	Saint Peter City Hall	\$100,926.00	Statewide	18	18A
City of Wykoff	Wykoff Waste Water Treatment Plant	\$92,988.00	Statewide	26	26B
City of Wykoff	Wykoff Well House	\$56,597.00	Statewide	26	26B
Glencoe Light and Power Commission	Glencoe Power Plant	\$111,300.00	Statewide	17	17A
Housing and Redevelopment Authority of Austin	HRA of Austin Courtyard Apartments	\$106,635.20	Statewide	23	23B
Housing and Redevelopment Authority of Austin	HRA of Austin Chauncey Apartments	\$110,541.20	Statewide	23	23B
Ideal Township	Ideal Town Hall	\$66,920.00	Statewide	06	06A
Ideal Township	Ideal Fire Station Two	\$20,265.00	Statewide	05	05A
Ideal Township	Ideal Maintenance Garage	\$18,060.00	Statewide	06	06A
Ideal Township	Ideal Transfer Station	\$17,150.00	Statewide	06	06A
Lac qui Parle County	Lac qui Parle County Government Center	\$93,835.78	Statewide	15	15A
Olmsted County	Olmsted County Public Works Service Center - Main Building	\$75,999.00	Statewide	20	20B
Olmsted County	Olmsted County Public Works Service Center - Cold Storage Building	\$20,811.00	Statewide	20	20B
Olmsted County	Olmsted County Public Works Service Center - Wash Bay Building	\$62,433.00	Statewide	20	20B
Olmsted County	Graham Park Exhibition Center	\$93,660.00	Statewide	24	24B
Olmsted County	Chester Woods Office	\$10,659.60	Statewide	20	20B
Olmsted County	Oxbow Park Nature Center	\$91,140.00	Statewide	24	24A
Olmsted County	Chester Woods Caretaker House	\$10,264.80	Statewide	20	20B
Olmsted County	Oxbow Park Caretaker House	\$15,792.00	Statewide	24	24A
Rochester Public Utility	Rochester Public Utility Service Center	\$91,336.00	Statewide	25	25A
Tower Economic Development Agency	Vermillion Country School	\$61,539.80	Statewide	03	03A

## Maps of Solar on Public Building awards with executed contracts:

Solar on Public Buildings House Districts



Solar on Public Buildings House Districts



## **Remaining Balance**

Applications from Round 3 and Round 4 remain under review. If Commerce awards full funding based on the submitted grant requests, approximately \$88,000 will remain of the original Solar on Public Buildings appropriation. There will be \$0 remaining from the State Competitiveness Fund allocation, with a waitlist of approximately 15 projects.