The Minnesota Climate Innovation Finance Authority supports our state's clean energy economy by expanding financing options for clean energy projects. The purpose of MnCIFA is to accelerate deployment of clean energy projects through innovative green financing.

We make strategic use of public funds through innovative financing mechanisms in order to leverage existing public and private sources of capital. Our flexible financing serves to reduce upfront and total costs of clean energy projects, especially in low-income communities, ensuring that all Minnesotans share the benefits of clean and renewable energy.

CLIMATE

Tackling challenges of our changing climate by:

- Building our state's clean energy economy
- Helping communities prepare for more extreme weather
- Transitioning Minnesota to a future where energy is more affordable and reliable, safer and cleaner

INNOVATION

Innovative financing that:

- Fills the gaps in financing for clean energy projects
- Leverages private, public and nonprofit investments
- Emphasizes capital for underserved markets and communities most challenged by our changing climate
- Overcomes barriers to finance projects, offers innovative financing and flexible interest rates

FINANCE AUTHORITY

Lending for projects that qualify under statute and financial requirements:

- Loans (not grants) with financial ability to repay
- Minimum $250,000 loan, with option for intermediaries
- Site jobs paid prevailing wage
- Demonstrated benefits

Loans approved by the MnCIFA Board of Directors encompass a range of projects, including:

- Energy systems: Geothermal energy district, geothermal system, geothermal integrated with solar
- Energy efficiency: Net-zero new construction; high-efficiency HVAC plus windows and roofing
- Revolving loans and multi-project portfolio loans for energy efficiency and solar projects
- Innovative energy technology: patented technology for carbon reduction and carbon sequestration

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Green Financing for Innovative Minnesota Projects

MnCIFA is acting to fulfill our statutory purpose and mission. Our lending is repeatedly proving that we are filling the gap in financing for small commercial projects in clean energy that, but for MnCIFA, would not move forward. These projects are saving energy, saving money and delivering reliable, renewable energy for nonprofits, small businesses and local governments. As our statute requires, MnCIFA has been consistently investing in communities that have historically faced challenges in accessing capital, that are least able to afford clean energy, and that are most likely to suffer the impacts of Minnesota's changing climate. We are growing Minnesota's clean energy economy and building for the future.

LENDING PROCESS AND LOAN MONITORING

STAFF

Engage with project developers

Conduct due diligence

Determine collateral

In-depth reviews

BOARD OF DIRECTORS

Credit Committee detailed finance review and approval

Board assesses and votes

STAFF

Final due diligence

Negotiate terms to close loan

STAFF + BOARD

Portfolio monitoring

Quarterly performance reviews

Annual loan reviews

Portfolio reporting to Board

FEDERAL INVESTMENT TAX CREDITS ARE STILL AVAILABLE

- Projects started in 2026 would need to meet new Foreign Entity of Concern requirements in order to qualify for ITCs.
- Solar and wind projects started after HR1 enactment (July 4, 2025), but prior to July 4, 2026 (one year after HR1), must be placed into service before the end of 2027 in order to qualify for ITCs.
- Geothermal (ground-source) and energy storage continue to be eligible for federal Investment Tax Credits.

HELP MnCIFA EVOLVE

MnCIFA welcomes and values your ideas and creative solutions to adapt to changes in clean energy financing. Contact us to share your ideas. Participate in roundtable discussions at our quarterly public meetings.

We're here to serve Minnesota. We look forward to serving more Minnesotans to grow our clean energy economy.

MnCIFA.mn.gov

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