



More About the Promise Act Grant Program

Round 2: Accepting Applications January 19, 2026 – February 20, 2026

This competitive program provides grants of up to \$50,000 from the [State of Minnesota Department of Employment and Economic Development](#) (DEED) to businesses in communities that have been adversely affected by lack of access to capital, loss of population or an aging population, structural racial discrimination, civil unrest, or lack of regional economic diversification. Funding and eligibility guidelines were established in law during the 2023 Minnesota legislative session.

Businesses may only receive a total of one grant. Businesses that received a grant in round 1 are not eligible to apply in round 2.

Who Can Apply?

Eligible applicants must meet all the following criteria:

- Currently operational businesses with annual revenues of more than \$10,000 but less than \$750,000 as documented in 2024 tax returns.
- Eligible nonprofit organizations may also apply provided they either:
 - Earn 30% or more of revenues on an ongoing basis through non-tax-deductible sales or dues in a fee-for-service model as documented on their Forms 990, or
 - Earn 10% or more of their revenue on an ongoing basis through a non-tax-deductible sales or dues in a fee-for-service model AND demonstrate they maintain ongoing customer-facing operations at a permanent physical location at which some of those sales take place.
 - Such revenue may include program service revenue, membership dues, or other business income but does not include contributions, gifts, grants, fundraising events, asset sales or investment income.
- Primary business operations located in **Aitkin, Carlton, Cook, Itasca, Koochiching, Lake, or St. Louis counties** or the **Tribal Nations of Bois Forte, Fond du Lac, Grand Portage, Leech Lake (District I), and Mille Lacs (District II)**. Businesses with primary locations outside these counties may apply for this program in the region in which they are headquartered, see [here](#) for a list of Minnesota Initiative Foundations in greater Minnesota that are also administering this program.
- Have primary business operations located in the state of Minnesota, defined as those with a physical presence in Minnesota and at least 50% of employees based in Minnesota.
- Home-based businesses are eligible for this program **ONLY** if they meet all other requirements **and** they took the home-office deduction in the prior tax year's Schedule C or Schedule K-1 OR filed form 8829 on your Schedule C or K-1.
- An application does not guarantee funding for this competitive program. See Application Scoring Criteria section below for more information.

Grant Award Details and Uses

- Grant awards will be made according to the 2024 gross revenue level of applicant:
 - \$10,000 for businesses with gross revenue of more than \$10,000 but no more than \$100,000.
 - \$25,000 for businesses with gross revenue of more than \$100,000 but no more than \$350,000.
 - \$50,000 for businesses with gross revenue of more than \$350,000 but less than \$750,000.
- Grants do not require a match.
- Promise Act Grants received by eligible recipients may be used for working capital to support payroll expenses, rent or mortgage payments, utility bills, equipment, and other similar expenses that occur in the regular course of business.
- Successful applicants must sign a subgrant agreement with the Northland Foundation prior to receiving funds.

Application Process

Applications are electronic and can be found using the link near the bottom of this document. Application questions in Microsoft Word are found at <https://northlandfdn.org/grants/special-grants.php> to help you think through your responses ahead of time if you wish. Elements required for the application include:

- Contact and business information.
- Description of financial hardship and plan for business success.
- Uploading the following documents:
 - Primary contact identification (unexpired Driver's License or ID card issued by a state or ID card issued by a federal, state, or local government agency or entity)
 - Proof of operating business address (property tax bill or current lease agreement if you rent)
 - 2021, 2023 and 2024 Business Tax Returns or Form 990 for nonprofit organizations. If the applicant was established in 2022 or later, the organization's earliest year of tax returns may be uploaded in lieu of 2021 returns.

Application Scoring Considerations

Applicants will be scored based on several preference criteria* outlined by the State, including:

- Financial Assistance: Businesses that did not receive previous pandemic-related assistance of more than \$10,000 cumulatively from the State under the Minnesota Small Business Emergency Loan Program, Minnesota Small Business Relief Grants, County Relief Grants to Local Businesses, or Minnesota Movie Theater and Convention Center Grant program. This will be verified based on financial assistance records from the State.
- Financial Hardship: Businesses able to demonstrate financial hardship as defined by a 10% decline in gross revenue between 2023 and 2024 or a decrease in net income between 2023 and 2024. This will be determined based on tax data you submit in the application process.
- Businesses that were in operation in 2021 based on the submission of 2021 tax returns. Businesses established in 2022 or later are eligible to apply but those in operation in 2021 will score more competitively.

****If qualified applications exceed funds available, a randomized sample will be used to select grant recipients.***

Technical Assistance

Confidential and no-cost technical assistance will be provided by the Northland Foundation in partnership with Northland SBDC (Small Business Development Center) to help organizations with the application process as needed. Schedule a no-cost virtual or in-person session and find other helpful Promise Act Grant Program resources on the Northland SBDC web page:

<https://northlandsbdc.org/promise-act/>.

- Review a recorded webinar that will walk you through each application question in detail.
- Find responses to Frequently Asked Questions about the program.
- Request to meet with a technical assistance provider to answer any remaining questions about the application process.

Program Timeline

January 19, 2026	Application period opens
February 20, 2026	Application period closes at 5:00 PM CDT
February 21 – April 24, 2026	Application evaluation period.
May 31, 2026	Final decisions will be made on applications by the end of May and applicants will be notified by email.

Questions? If, after reviewing this Information Sheet and [FAQs](#), you still have questions about the application process, please view [the technical assistance website](#).

For all other grant questions, email our Grant Program team at grants@northlandfdn.org.

[CLICK HERE TO START THE ONLINE APPLICATION](#)