

**Economic Development Incentives**

Program Name	Benefit	Eligibility (not comprehensive)
<b>Brownfield Program</b>	The Brownfield Program uses tax increment financing to reimburse Brownfield related costs incurred while redeveloping contaminated, functionally obsolete, blighted or historic properties that are former industrial, commercial, residential or public property. It is also responsible for managing the Single Business Tax and Michigan Business Tax Brownfield Credit legacy programs (SBT/MBT Brownfield Credits).	<ul style="list-style-type: none"> <li>• Site must either be, or apply for, in the City's Brownfield Plan</li> <li>• Site must be at least ONE of the following:               <ul style="list-style-type: none"> <li>○ Environmental Hazard</li> <li>○ Functionally Obsolete</li> <li>○ Blighted</li> </ul> </li> </ul>
<b>Capital Access Program</b>	The CAP uses small amounts of public resources to generate private bank financing, providing small Michigan businesses access to capital that might not otherwise be available.	<ul style="list-style-type: none"> <li>• CAP loans are available to most businesses located and legeally authorized to do business sin Michigan that satisfy the bank's criteria</li> <li>• No more than 500 employees</li> <li>• Must be for profit institutions</li> </ul>
<b>Certified Business Parks</b>	Certified business parks are areas designated by municipalities to halt property value deterioration, to increase tax valuation in the business park, to eliminate the causes of deterioration, and to promote economic growth.	<p>Eligible developments must have a set of protective covenants in place that address:</p> <ul style="list-style-type: none"> <li>• Compatible zoning uses allowed</li> <li>• Type and style of building, building materials</li> <li>• Landscaping</li> <li>• Parking</li> <li>• Screened outdoor storage</li> <li>• Location of loading docks</li> <li>• Setback specifications</li> <li>• Sign control</li> <li>• Continuous management of park by municipality, major property owners within park or developer of park</li> </ul>
<b>Commercial Redevelopment Act (PA 255 of 1978)</b>	Encourages the replacement, restoration, and new construction of commercial property by abating the property taxes generated from new investment for a period of up to 12 years.	<p>Business must be either:</p> <ul style="list-style-type: none"> <li>• Commercial</li> <li>• Office</li> <li>• Engineering</li> <li>• Research and development</li> <li>• Warehousing parts distribution</li> <li>• Retail sales</li> <li>• Hotel or motel</li> <li>• Other commercial facilities</li> </ul>
<b>Commercial Rehabilitation Act (PA 201 of 2005)</b>	Encourages the rehabilitation of commercial property by abating the property taxes generated from new investment for a period up to 10 years.	Property is a qualified facility that includes a building or group of contiguous buildings of commercial property that is 15 years or older, of which the primary purpose of the operation of a commercial business enterprise or multifamily residential use (five or more units). May also include vacant property.
<b>Community Development Block Grant (CDBG) Business Development Initiatives</b>	Federal funds administered by the City and State to provide financial assistance to private and for-profit businesses. There are three subcategories of projects eligible for direct assistance: machinery and equipment, job training, and rail enhancement. Additionally, infrastructure improvements can be financed with CDBG dollars for the location, expansion, and/or retention of a specific firm.	Private and for-profit businesses

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<b>Corridor Improvement Authority</b>	Designed to assist communities with funding improvements in commercial corridors outside of their main commercial downtown area. TIF funding can be used within these corridors to assist business development.	Private and for-profit businesses located within the designated corridor.
<b>Downtown Development Authority</b>	Designed as a catalyst in the development of a community's downtown district. TIF funding can be used for improvements to the downtown and for business development.	Private and for-profit businesses located within the DDA.
<b>Energy Efficiency and Renewable Energy (EERE) Loans</b>	Financial assistance to small businesses currently located in Michigan for energy efficiency upgrades and renewable energy project implementation.	Michigan businesses with 500 employees or less.  Businesses must have projects that: <ul style="list-style-type: none"> <li>• Are ready to go no later than 30 calendar days of the loan agreement effective date;</li> <li>• Reduce energy consumption by at least 20% (through building retrofits);</li> <li>• Equipment purchases for general and advanced manufacturing of commercially available products (retooling); and</li> <li>• Contribute to the reduction in greenhouse gas emissions.</li> </ul>
<b>Historic Neighborhood Tax Increment Financing Authority (HNTIF)</b>	An HNTIF may use its funds, including TIF, to fund residential and economic growth in local historic districts. An authority may also issue bonds to finance these improvements.	Private and for-profit businesses located within the authority.
<b>Industrial Property Tax Abatement (PA 198 of 1974)</b>	Incentive to Michigan businesses to build new plants, expand existing plants, renovate aging plants, or add new machinery and equipment. High technology operations are also eligible for the abatement.	Private and for-profit businesses operating as industrial or high technology.
<b>Local Development Financing Act (LDFA) (PA 281 of 1986)</b>	Designed to promote economic growth and job creation in manufacturing, agricultural processing, and high technology operations.	Private and for-profit businesses whose primary use is either manufacturing, high technology, value added agricultural processing, or energy production.
<b>Emerging Technologies Fund</b>	The ETF expands funding opportunities for Michigan technology companies in federal research and development by providing matching dollars to support commercialization of Small Business Innovation Research/Small Business Technology Transfer (SBIR/STTR) projects.	<ul style="list-style-type: none"> <li>• Must be a Michigan company or have its principal place of business in Michigan prior to the disbursement of an ETF award;</li> <li>• Must submit a SBIR/STTR proposal in at least one of the Four Technology Sectors;</li> <li>• May not have more than two (2) SBIR/STTR Phase II federal grants within the previous five years; and</li> <li>• May receive no more than two (2) ETF awards per twelve month period.</li> </ul> <p>Four Technology Sectors:</p> <ul style="list-style-type: none"> <li>• Live Sciences</li> <li>• Homeland Security and Defense</li> <li>• Advance Automotive, Manufacturing and Materials</li> <li>• Alternative Energy</li> </ul>

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<b>MI Manufacturing Technology Centers (MMTC)</b>	Provides Michigan’s small- and medium-sized manufacturers and food processors with operational assessments, process improvement training, mentoring services, website technical assistance and market diversification tactics.	Private and for-profit businesses whose primary use is manufacturing.
<b>Michigan Skills Enhancement Fund</b>	Grant funding may be used as a financial incentive to provide assistance to companies for expenses related to skills enhancement of an existing or newly hired workforce. Funding consideration will focus on those projects that demonstrate a significant economic impact and provides transferable skills to trainees. The talent or training gap can be the primary business case for incentive need.	Grants to reimburse eligible costs are performance-based.
<b>MI SmartZone Network</b>	This network connects universities, research organizations and corporations to stimulate the growth of technology-based businesses and jobs.	New and emerging businesses in SmartZone technology clusters are primarily focused on commercializing ideas, patents and other opportunities surrounding corporate, university or private research institute R&D efforts.
<b>MI Technical Education Centers (M-TEC)</b>	Eighteen state-of-the-art centers are associated with Michigan’s community college system. They provide educational, training, and workforce development infrastructure for Michigan’s businesses.	Private and for-profit businesses located in Michigan.
<b>Michigan Collateral Support Program</b>	Supplies cash collateral accounts to lending institutions to enhance the collateral coverage of borrowers. This is a gap financing program intended to cover all or a portion of the collateral shortfall as described by the lending institutions.	To qualify, a business must be engaged with a private lender for the purpose of acquiring a commercial extension of commercial credit and must exhibit a collateral shortfall according to the lender’s analysis.  Borrower must have no more than 750 employees, and otherwise comply with all state and federal requirements for the program.
<b>Michigan Loan Participation Program</b>	The intent of the MBGF-LPP is to participate with lenders to finance expansion and diversification projects when faced with borrowers whose projected cash flows are considered speculative by the lender. The MBGF-LPP will purchase a portion of a loan from the lender and has the option to offer a grace period on the program’s portion of the loan for up to 36 months. This limits the project exposure of lenders and offers borrowers “free cash flow” during the grace period allowing full coverage on the lender’s portion of the loan.	To qualify, a business must be engaged with a private lender for the purpose of acquiring a commercial extension of commercial credit for a diversification or expansion project.  Borrower must have no more than 750 employees, and otherwise comply with all state and federal requirements for the program.
<b>Neighborhood Enterprise Zone</b>	The Neighborhood Enterprise Zone Program provides a tax incentive for the development and rehabilitation of residential housing in communities where it may not otherwise occur.	A rehabilitated facility with a true cash value of \$80,000 or less per unit that has or will have as its primary purpose residential housing consisting of between 1 – 8 units.  A new facility that has as its primary purpose residential housing consisting of one or two units, one of which will be owner occupied as a principal residence.
<b>Neighborhood Improvement Authority</b>	Allows the use of TIF to fund residential and economic growth in a residential neighborhood.	<ul style="list-style-type: none"> <li>• Development within the NIA boundary</li> <li>• Improvements to residential housing, streets, plaza or pedestrian mall, park, parking facility, recreational facility, right-of-way, structure, waterway, bridge, lake, pond, canal, utility line or pipe or building, including access routes designed and dedicated to use by the public generally, or used by a public agency.</li> </ul>

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<b>Obsolete Property Rehabilitation Act (OPRA)</b>	Provides for a tax incentive to encourage the redevelopment of obsolete buildings that are contaminated, blighted or functionally obsolete. The goal is to rehabilitate older buildings into vibrant commercial and mixed-use projects.	OPRA tax abatements may be given for those eligible projects that take place on an obsolete property and result in a commercial or mixed-use building project.
<b>Procurement Technical Assistance Centers</b>	PTACs assist companies in getting government contracts. They assist throughout the entire procurement process from pre-award to post-award.	Businesses located in Michigan interested in securing government contracts.
<b>Pure MI Business Connect</b>	This public/private program is focused on partnering Michigan businesses to help them grow. Developed by the Michigan Economic Development Corporation, PMBC helps companies find resources to expand their supply chain, discover new business opportunities, access a business-to-business network and provides services like legal and accounting assistance at little or no cost.	Private and for-profit businesses located in Michigan.
<b>Redevelopment Liquor License (PA 501 of 2006)</b>	The Liquor Control Commission may issue new public on-premises liquor licenses to local units of government for businesses located in either a Business District or City Redevelopment Area. These licenses are in addition to those quota licenses allowed by the Michigan Liquor Control Code.	<p>A business must be located in either a Business District listed below or in a City Redevelopment Area</p> <ul style="list-style-type: none"> <li>• Tax Increment Financing Authority</li> <li>• Corridor Improvement Authority</li> <li>• Downtown Development Authority</li> <li>• Principal Shopping District</li> </ul> <p>Be a business engaged in dining, entertainment or recreation and be open to the public.</p> <ul style="list-style-type: none"> <li>• Have a seating capacity of at least 25 people.</li> <li>• Have spent at least \$75,000 for the rehabilitation or restoration of the building where the license will be housed over a period of the preceding five years or a commitment for capital investment of at least \$75,000 that will be spent before the issuance of the license.</li> <li>• Show that the total amount of private and public investment in real and personal property in a District listed above was at least \$250,000 in the period covering the preceding five years.</li> </ul>
<b>Small Business Administration Loan Programs</b>	Several loan and loan guarantee programs made available through the US Small Business Administration	See specific loan program requirements
<b>Taxable Bond Financing</b>	Taxable Bond Financing provides small-and medium-sized companies access to public capital markets normally available to larger companies.	Project must be compatible with the Michigan Strategic Fund’s (MSF) economic development mission.