

STATE PROGRAMS

Type	Name	Sponsor Organization	Provided To	Purpose	Program Requirements
Tax Abatement	Brownfield Redevelopment Authorities	Michigan Department of Environmental Quality (MDEQ)	LUG	Organizes brownfield redevelopment efforts to take advantage of the financial tools made available by the Brownfield Redevelopment Financing Act (Public Act 381 of 1996) and Amendments to the Single Business Tax Act (Public Act 382 of 1996).	Act 381 gives a BRA the authority to develop and implement brownfield redevelopment financing plans that use captured property taxes to cover specific costs associated with the redevelopment. Act 382 provides a credit against the single business tax for eligible investments, to the developer.
Grants	Pre-remedial Brownfield Site Assessment	MDEQ	LUG	Provides pre-remedial assessments of brownfield sites to encourage their economic development.	Grants issued by MDEQ may cover up to 100% of pre-remedial assessment costs.
Loans	Revitalization Revolving Loan Fund	MDEQ	LUG	Loan program making loans to municipalities for site assessments and response activities to prepare sites for cleanup and redevelopment.	Revitalization Loans are not required to be used at sites with an identified economic developer, but must be used to promote economic development.
Grants	Site Reclamation Program Grants	?	LUG	Provides money to local municipalities who wish to investigate and remediate known brownfields for economic development. A grant may be used for additional environmental investigation, interim responses (such as putting up a fence around the facility), and remediation.	Several limitations. A grant provides up to \$2 million per project, with a limit of one grant per community per fiscal year. Communities are not limited in the number of applications submitted yearly.
Loans	Certified Business Park Loans and Loans to Business Facilities	Michigan Economic Development Corporation (MEDC)	LUG	Economic development loans are available to local governments for development of certified business parks and buildings. Activities may include: property acquisition, site preparation, public infrastructure construction, building construction, and other CDBG eligible activities directly related to business parks and buildings.	Loan amounts, terms, conditions, repayment schedules, job creation credits converting a portion of the loan to a grant, loan amounts per jobs created, collateral, and selection guidelines will be determined and tailored for each specific project proposal.
Loans	Revitalization Loans	MDEQ	LUG	Loans provide funds to local governments for investigation, demolition and other interim environmental response activities at eligible properties.	Loans must be secured by the applicant's full faith and credit pledge with a current interest rate of 2.25 percent. Repayment of the loan must be in equal annual installments, with interest accrual and payment beginning 5 years from the date of the loan. The loan may be repaid with taxes captured from the eligible (contaminated) property. The property may be either a contaminated facility or believed to be a facility based on its current or historic use (such as a gas station or abandoned paint factory). There is no limit on the amount a loan applicant may borrow.

Grants	Community Development Block Grant (CDBG) Economic Development Infrastructure Program	Michigan Economic Development Corporation (MEDC)	LUG	Grants for public infrastructure improvements needed for the location, expansion, or retention of a specific for-profit business.	Eligible public infrastructure uses include public water and sanitary sewer lines and related facilities, streets, roads, bridges, and public utilities. Projects must result in job creation where at least 51% of the jobs will be held by or made available to long moderate income people.
Grants	Community Development Block Grant (CDBG) Economic Planning Grant	Michigan Economic Development Corporation (MEDC)	LUG	Grants help municipalities accomplish project-specific public planning and design work which is likely to lead to an eligible economic development implementation project.	Maximum grant amount is \$50,000 and must be matched with a local cash contribution equal to at least ten percent of the CDBG funds provided. The matching requirement may be waived based on financial hardship.
Tax Abatement	Tax Free Renaissance Zones	Michigan Economic Development Corporation (MEDC)	Local Businesses	Renaissance zones exist in the state and are designated as virtually tax-free to encourage redevelopment and attract businesses or residents.	Renaissance Zones waive the following local and state taxes: Michigan Single Business Tax, Michigan Personal Income Tax, Michigan's 6 mil State Education Tax, Local Personal Property Tax, Local Real Property Tax, Local Income Tax and Utility Users Tax.
Loans	Urban Land Assembly	MEDC	LUG	Provides municipalities with loans for land acquisition, building demolition, relocation, and site improvement.	Funds are provided to purchase at least ten acres of contiguous land where a severe shortage of adequate land exists. The loan is repaid by the proceeds of the sale of the land.
Grants and Loans	Discretionary Economic Development Grants and Loans	MEDC	LUG	Special grants and loans are available for special and/or unique needs or situations requiring innovation program approaches not specifically provided for in regular economic development infrastructure grants, certified business park loans, and loans to business facilities, or economic development grants. This may include: Brownfield site redevelopment; downtown development; general public infrastructure activities; CDBG Section 108 loan guarantees; and projects associated with the State funded Core Communities Initiatives.	Selection guidelines, project periods, and grant amounts will be determined and tailored for each specific project proposal.
Grants and Loans	Clean Michigan Initiative	MDEQ	?	Bond provides funding for cleanup projects to promote redevelopment, brownfield grants and loans, waterfront development grants, cleanup of contaminated sediments, nonpoint source pollution prevention, retired engineers technical assistance program, and small business pollution prevention assistance revolving loan.	Loan and grant amounts vary.
Tax Abatement	Michigan Economic Growth Authority (MEGA)	MEDC	Local Businesses	Offers tax credits directed at financially viable businesses that are engaged in manufacturing, research and development, wholesale and trade, or office operations.	Businesses may receive Single Business Tax (SBT) credits for the incremental SBT liability attributable to an expansion, new location project, and/or tax credits for the amount of personal income tax attributable to new jobs being created at the project site.
Loans	Taxable Bond Program	MEDC	Local Businesses	Provides small and medium sized companies access to public capital markets normally available to larger companies.	The taxable bond program can provide financing for up to 100 percent of the cost of a project including fixed assets, cost of issuance and working capital for all eligible projects.

Loans	Industrial Development Revenue Bond (IDRB) Program	MEDC	LUG	IDRBs provide profitable firms with capital cost savings stemming from the difference between taxable and tax-exempt interest rates.	The maximum size of bonds is limited to \$1,000,000 free of any restriction on capital expenditures or \$10,000,000 subject to the condition that the company's total capital expenditures in the locality over the period of three years before and three years after the date of issuance do not exceed \$10,000,000. There is no limit on the size of bond issues to finance solid waste disposal facilities or nonprofit corporations. There is no limit on the size of bond issues to finance solid waste disposal facilities or nonprofit corporations.
Tax Abatement	Single Business Tax Credit (SBT)	N / A (Legislative Relief)	Eligible Businesses	Brownfield credit towards SBT is available for eligible businesses including demolition, construction, restoration, alteration, renovation, or improvement of buildings or site improvements on eligible property and the addition of machinery, equipment and fixtures.	If the total of all credits for a project is \$1,000,000 or less, the credit is based on 10% of the eligible investment. If the total of all the credits for a project is greater than but not more than \$30,000,000, a credit is available for percentage of eligible investment to be determined by MEGA, but not to exceed 10% of the eligible investment.

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