The Michigan Economic Development Corporation (MEDC), on behalf of the Michigan Strategic Fund (MSF), administers the economic and community development portions of the Community Development Block Grant (CDBG) program. CDBG is a federal grant program utilizing funds received from the U.S. Department of Housing and Urban Development (HUD).

Each year, Michigan receives approximately $30 million in federal CDBG funds, out of which various projects are funded through the state.

**WHO IS ELIGIBLE?**
Funds are used to provide grants to eligible counties, cities, villages, and townships, usually with populations under 50,000, for economic development, community development, and housing projects. This fact sheet provides a broad overview of the business development portions of the program that the MEDC administers, including direct assistance to business and infrastructure: business development. More specific information, including match and program requirements, can be found within the most recent CDBG application guide approved by the Michigan Strategic Fund.

**Direct assistance to business**
Eligible under this activity would be financial assistance to private and for-profit businesses. There are three subcategories of projects eligible for direct assistance to private and for-profit businesses: machinery and equipment, job training, and rail enhancement.

**Infrastructure: Business development**
Communities may request grants to provide public infrastructure improvements necessary for the location, expansion, and/or retention of a specific, for-profit business firm(s) which is engaged in an economic base activity (e.g., manufacturing, point-of-destination tourism, headquarters operations, major multi-state distribution facility). This program is restricted to infrastructure improvements tied to development activities that require additional infrastructure to create new economic opportunities and will result in the creation of full-time equivalent (FTE) positions, of which at least 51 percent of the created positions will be held by persons living in a LMI household.

All projects will be evaluated on the following criteria: national objective, minimum leverage ratio, job position creation, minimum local participation, economic impact, and financial viability, as further defined within the CDBG application guide.

**CONTACT**
In order to receive consideration for CDBG approval, initial contact should be made with the appropriate business development manager. For more information, contact the MEDC customer contact center at 517.373.9808 or visit our website at [www.michiganbusiness.org](http://www.michiganbusiness.org).