

# MICHIGAN BUSINESS DEVELOPMENT PROGRAM (MBDP)

## OVERVIEW

The Michigan Business Development Program is an incentive program available from the Michigan Strategic Fund (MSF) in cooperation with the Michigan Economic Development Corporation (MEDC). The program is designed to provide grants, loans and other economic assistance to businesses for highly competitive projects in Michigan that create jobs and/or provide investment and results in a net-positive return to Michigan.

The program has three distinct thresholds and qualification criteria.

## ELIGIBILITY

The Michigan Business Development Program is available to eligible businesses that create qualified new jobs and/or make qualified new investment in Michigan. Qualified new jobs must be held by Michigan residents and be in addition to those maintained in Michigan prior to the project. Preference may be given to businesses in need of additional assistance for out-of-state competition, deal closing and second stage company gap financing. Additionally, the MSF may provide support for certain strategic business development growth opportunities that create fewer jobs than the requirements mentioned above.

## PROGRAM PROVISIONS & GUIDELINES

MSF support in the form of a grant will be performance based, with preference given to eligible businesses seeking to locate

or expand in Michigan rather than in another state. Grants will include flexible terms and conditions, and will include repayment provisions under circumstances approved by the MSF.

MSF support in the form of a loan will also be performance based, with preference given to qualified businesses needing assistance to expand in Michigan. Loans may include flexible terms and conditions, including below market interest rates, extended grace and repayment provisions, forgivable terms and flexible security requirements. Loans will also include provisions requiring repayment of loan funds under circumstances approved by the MSF.

A commitment of staff, financial or economic support by the local municipality is required for all projects. The MSF will not provide support under this program for retail or retention projects

## PROCESS

All projects are subject to an application and due diligence process conducted by the MEDC. Projects that receive MEDC support will require MSF approval and an agreement between the MSF and the qualified business.

To receive consideration for funding under the Michigan Business Development Program, initial contact should be made with your local economic development office or the MEDC business development manager assigned to your territory. You may also contact the MEDC customer contact center at 517.373.9808 or visit [www.michiganbusiness.org](http://www.michiganbusiness.org).

	Standard Michigan Business Development Program	High-technology and Rural Michigan Business Development Program	Micro Michigan Business Development Program
Qualified new jobs (minimum)	50	25	Less than 50
Company stage	Second	Second	Second
Other qualifications	None	County population less than 90,000* <b>OR</b> is a High-technology Activity <sup>^</sup>	<ul style="list-style-type: none"> <li>• City, township or village population less than 15,000* <b>OR</b> population of 25,000* or more, and unemployment greater than state unemployment**</li> <li>• Applicant is a Geographically-disadvantaged Business Enterprise***</li> <li>• MEDC target industry<sup>^^</sup></li> </ul>

\*Based on the most recent U.S. Census Bureau Decennial Census

\*\*Not seasonally adjusted and based on the most recent data available from the U.S. Bureau of Labor Statistics

\*\*\*As outlined in Executive Directive 2019-08. Includes businesses located in SBA HubZones or Michigan Opportunity Zones or businesses with more than half of employees living within Opportunity Zones

<sup>^</sup>Defined by the Michigan Economic Growth Authority Act, Public Act 24 of 1995

<sup>^^</sup>Automotive, aerospace, agribusiness, advanced manufacturing, cybersecurity, defense, mobility