MICHIGAN ECONOMIC
DEVELOPMENT CORPORATION

MiGROW

Eligible and Ineligible Expenses and Projects

PROGRAM OVERVIEW

The MiGROW program provides financial assistance to support eligible business growth and expansion projects in Michigan. Program funds may be used for a variety of project-related expenses, including real estate, construction, equipment, infrastructure, and certain professional services. The following lists provide guidance on eligible and ineligible expenses and projects but are not exhaustive. All expenses must be directly related to the proposed project, reasonable, and consistent with program requirements. MEDC will determine final eligibility of expenses and projects, and applicants are encouraged to discuss proposed expenses with MEDC staff before making financial commitments.

ELIGIBLE EXPENSES

Eligible expenses may include:

- **Real Estate Acquisition:** Purchase of real property necessary for the project.
- **Demolition:** Demolition, removal, or disposal of existing buildings, structures, machinery, equipment, or fixtures necessary for the project.
- **Construction and Renovation:** Construction of new buildings and improvements, or alteration, renovation, rehabilitation, or improvement of existing facilities.
- **Site Preparation and Infrastructure:** Project-related site improvements, including utilities, roads, parking, sidewalks, landscaping, lighting, clearing, grading, and earthwork.
- **Machinery, Equipment, and Fixtures:** Purchase, installation, removal, modification, or relocation of machinery, equipment, special tooling, furniture, and fixtures necessary for the project.
- **Software and Technology**: Software and technology directly related to project production, operations, or delivery, excluding general administrative or basic business-function software.
- **Professional Services:** Project-related architectural, engineering, environmental, surveying, and other professional services necessary to implement the project.
- **Specialized Training:** Third-party training on new project-specific equipment and third-party job-training certifications necessary to make the project operational, excluding associated meals and travel.
- **Fees and Permits:** Project-related utility connection fees, permits, zoning fees, inspection fees, and similar charges imposed by governmental or utility entities.
- **Other Project Costs:** Other expenses directly related to project implementation, as determined eligible by MEDC and consistent with the program's purpose.

INELIGIBLE EXPENSES

Program assistance may not be used for:

- **Routine Operating Expenses:** Payroll, rent, utilities, supplies, marketing, routine maintenance, and other costs associated with maintaining existing operations rather than supporting the proposed growth or expansion project.
- **Existing Debt:** Repayment or refinancing of existing indebtedness, unless specifically approved as part of an eligible project financing structure.
- **Previously Committed Expenses:** Costs incurred or contractually committed before the date established by MEDC, unless specifically approved.
- **General Employee Training:** Training expenses not directly related to making the proposed project operational.
- **Related-Party Transactions:** Payments to affiliates or other related parties unless fully disclosed, determined reasonable, and specifically approved by MEDC.
- **Other Ineligible Costs:** Expenses that MEDC determines are unrelated to the project, unreasonable, insufficiently documented, or inconsistent with program requirements.

INELIGIBLE PROJECTS AND ACTIVITIES

Program assistance may not support:

- Projects primarily focused on maintaining existing operations without business growth, creation of New Jobs, or Private Investment.
- Projects for which other reasonably available financing or program resources are sufficient to address the identified financing gap or competitive gap.
- Development of stadiums or arenas for professional sports teams.
- Development of casinos or properties associated or affiliated with casino operations.
- Projects intended to induce a business to relocate outside Michigan.
- Activities that contribute to violations of internationally recognized workers' rights outside the United States.
- Entities incorporated in tax haven countries.