

INDUSTRY REPORT

# MANUFACTURING IN WEST MICHIGAN



**THE  
RIGHT PLACE**

Advancing the West Michigan Economy



# INCENTIVE PROGRAMS

## **BROWNFIELD REDEVELOPMENT AUTHORITY (PA 381)**

Brownfield Redevelopment Authority (BRA) can be used to develop and implement Brownfield projects. A BRA is a resource that may use Tax Increment Financing (TIF) as a tool for property redevelopment.

## **COMMUNITY DEVELOPMENT BLOCK GRANT**

The Community Development Block Grant (CDBG) program is a federal grant program utilizing funds received from the US Department of Housing and Urban Development (HUD). Each year, Michigan receives approximately \$30 million in federal CDBG funds, out of which various projects are funding through the state.

## **INDUSTRIAL PROPERTY TAX ABATEMENT (PA 198)**

Industrial property tax abatements provide incentives for eligible businesses to make new investments in Michigan. These abatements encourage Michigan manufacturers to build new plants, expand existing plants or renovate aging plants. High technology operations are also eligible for the abatement.

## **MICHIGAN BUSINESS DEVELOPMENT PROGRAM**

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 or other economic assistance to businesses for highly competitive projects in Michigan that create jobs and/or provide investment.

## **MICHIGAN BUSINESS GROWTH FUND LOAN PARTICIPATION PROGRAM**

The Michigan Loan Participation Program participates with lenders to finance diversification projects when faced with eligible borrower companies whose projected cash flows are considered speculative by the lender.

## **MICHIGAN COLLATERAL SUPPORT PROGRAM**

The Michigan Collateral Support Program supplies cash collateral accounts to lending institutions to enhance the collateral coverage of borrowers. 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.

## **MICHIGAN COMMUNITY REVITALIZATION FUND**

The Michigan Community Revitalization Program (CRProgram) is designed to promote community revitalization that will accelerate private investment in areas of historical declining values, contribute to Michigan's reinvention as a vital, job generating state, foster redevelopment of functionally obsolete or historic properties, reduce blight, and protect natural resources of this state. The program is designed to provide grants, loans, or other economic assistance for eligible investment projects in Michigan.

## **PERSONAL PROPERTY TAX RELIEF IN DISTRESSED COMMUNITIES (PA 328)**

Personal Property Tax Relief in Distressed Communities allows distressed communities, county seats and certain border county communities to abate personal property taxes on new investments made by eligible businesses.

## **PURE MICHIGAN BUSINESS CONNECT**

Pure Michigan Business Connect (PMBC) is a public-private initiative that introduces Michigan companies to opportunities that help them grow and expand. By participating in the program, companies receive: business assistance at little to no cost; access to a new business-to-business (B2B) network; and find new customers while also leveraging procurement resources to increase their supply chain.

## **SKILLED TRADES TRAINING FUND (STTF)**

The STTF provides competitive awards for employer responsive-training that enhances talent, productivity, and employment retention, while increasing the quality and competitiveness of Michigan's businesses. The STTF ensures Michigan's employers have access to the talent they need to compete and grow, and individuals have the skills they need for in-demand jobs.

## **SESA EXEMPTION PROGRAM**

Under the State Essential Services Assessment (SESA) Exemption Program, companies may qualify for a SESA exemption or alternative SESA when investing more than \$25 million in personal property. SESA exemptions are equal to 100% of the SESA amount for a period of years. Alternative SESAs are equal to a 50% exemption for a period of years. Terms will be determined by a formal review, including: level of investment, amount of jobs created, level of wages, and connection to Michigan suppliers



THE RIGHT PLACE, INC.

125 Ottawa Avenue NW, Suite 450

Grand Rapids, MI 49503

**p** 616.771.0325

**f** 616.771.0555

**e** [info@rightplace.org](mailto:info@rightplace.org)

[www.rightplace.org](http://www.rightplace.org)

 [facebook.com/TheRightPlaceGrandRapids](https://facebook.com/TheRightPlaceGrandRapids)

 [twitter.com/TheRightPlaceGR](https://twitter.com/TheRightPlaceGR)

 [linkedin.com/company/the-right-place](https://linkedin.com/company/the-right-place)



THE RIGHT PLACE, INC.

125 Ottawa Avenue NW, Suite 450

Grand Rapids, MI 49503

**p** 616.771.0325

**f** 616.771.0555

**e** [info@rightplace.org](mailto:info@rightplace.org)

[www.rightplace.org](http://www.rightplace.org)



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