

Delaware Strategic Fund

FACT SHEET

Purpose

To support business expansion, retention, and relocation through grants and low-interest loans to projects that grow Delaware's economy in a significant way. To facilitate the development of new programs or technologies that retain, expand, and attract employment opportunities within the state.

Function

Companies that are considering Delaware as a potential location for the expansion or retention of their operations, and whose operations will have a significant positive impact on the state's economy, may consider applying for a Strategic Fund Grant or Loan from the Delaware Division of Small Business. Applicants should first contact the Delaware Prosperity Partnership to determine if their project meets program qualifications. Projects that qualify may receive a financial incentive to expand operations in Delaware, the amount of which will be determined by the project's positive economic impact on the state.

Fund Disbursement

Funds are disbursed according to terms to be established in a fully executed grant or loan agreement between the Delaware Economic Development Authority and the Applicant. Typically, funds are disbursed as a reimbursement of expenses that have been incurred and paid by the Applicant. Applicants will be required to maintain targeted annual employment levels for an agreed upon period of time in order to retain funds.

Examples of projects that **do not** qualify for assistance:

- Private speculative real estate ventures
- Projects which do not attract or retain employment opportunities
- Restaurants, retail, residential and professional office buildings
- Refinancing of existing debt
- Projects located outside the state

Examples of projects that **may** qualify for assistance:

- New or expanding manufacturing facility
- New or expanding distribution center
- New or expanding corporate headquarters
- New or expanding research facility

MINIMUM REQUIREMENTS CHECKLIST

- Project must be located in the State of Delaware.

- To be eligible for grant funds, a Project must serve a public purpose by maintaining or expanding employment in Delaware, by maintaining, attracting, or diversifying business and industry in Delaware and by maintaining or increasing its tax base.

- Applicant must be able to demonstrate to the satisfaction of the Authority that financial assistance from Delaware is necessary to effectuate the outcome of the Project.

- Applicant must be in good standing in the State of Delaware, and in every other jurisdiction in which its conduct of business requires such qualifications.

- Applicant must establish that the proposed improvement will create a significant number of direct, quality, full-time jobs.

- Applicant must demonstrate financial stability by providing three most recent years of audited financial statements or tax returns (if newly formed entity, must provide a guarantor capable of providing such documents).

- Applicant must provide Articles of Incorporation/Formation and Certificate of Good Standing.

- Applicant must provide a valid State of Delaware Business License. Exempt businesses must provide exemption certificate issued by the IRS.