

Modernization Investment Support Initiative (MISI)

FACT SHEET

Mission: To provide grant funds to qualified businesses that face regional, national, or global competitive forces that could disrupt or negatively affect local operations (employment and activity) unless investments are made that can update or 'modernize' the Delaware location. Support would increase the probability that a Delaware site remains operational and competitive within the company's current, and future, plans. Averting a downsizing or the closure of an existing company's operations is a primary goal.

PROGRAM PURPOSE – To ensure that Delaware-based operations (existing businesses) remain competitive by:

- Improving a facility's long-term viability in the state
- Supporting a company's current and future employment levels in the state
- Helping to ensure a company remains active in the state and contributes to the local tax base

FUND DISBURSEMENT

- Grant funds will reimburse approved applicants up to a maximum of 20% of the approved modernization project expenses, with a maximum state contribution of up to \$1 million per project.
- Grantees will have up to two years to complete the project and draw on grant funds.

Examples of Eligible Expenses:

- Equipment
- Machinery
- Engineering Services
- Construction and utility infrastructure needed to support equipment upgrades
- Other expenses needed to support modernization projects as approved by the Delaware Economic Development Authority

Examples of Ineligible Expenses:

- Vehicles, such as forklifts
- Furniture
- Permit Fees
- Regularly scheduled maintenance
- Regularly scheduled replacement of building systems or equipment
- Construction not related to modernization upgrades

MINIMUM REQUIREMENTS CHECKLIST

- The Applicant's Delaware facility should have an operational history of at least 10 years.

- The proposed modernization project budget must be at least \$1 million.

- Applicant must demonstrate a need to upgrade equipment to stay competitive within their company network and/or in the market segments they serve outside the State of Delaware.

- Applicant must provide scope of work and budget estimates for the proposed modernization project.

- Applicant must be in good standing under the laws of the State of Delaware and duly qualified to do business.

- Applicant must demonstrate financial stability and indicate the ability to fund the proposed project.

- Applicant must strive to maintain no less than 90% of its existing full-time employees through the grant reporting period. Any anticipated change in headcount would need to occur through normal attrition or retirement.

- Applicant should demonstrate that facility upgrades are above and beyond their normal course of business by providing an annual capital expense summary for the previous 5 years.

- Applicant must remain operating in the State of Delaware for 5 years following the disbursement of the grant.