

Site Preparation Grant Program

Alabama Act No. 91-635, as amended by Act. No.'s 97-645, 99-590, and 99-591; authorizes the State Industrial Development Authority to sell bonds to make grants to counties, municipalities, local industrial development boards or authorities or economic development councils or authorities, airport authorities, port authorities or public corporations or certain state agencies or departments to pay for site preparation for land owned or possessed by lease by these entities.

To qualify for a site grant, a company must be a process or treatment facility which recycles, reclaims or converts materials to a reusable product, or is headquarters (national, regional, or state investing company serving as the principal office of the principal operating officer) or manufacturing facility of a company described in Standard Industrial Classification Major Groups 20 to 39, inclusive, Major Groups 50 and 51, Industrial Group 737, and Industry Numbers 0724, 8371, 8733, 8734. These categories of businesses include most manufacturers and wholesalers, as well as computer, research, development, and testing service providers.

The size of the grant depends upon the amount of capital investment:

Capital Costs	Size of Grant = % of Project Cost
Less than \$200,000	5.0%
\$200,000 to \$499,999	3.5% (minimum of \$10,000)
\$500,000 to \$999,999	2.5% (minimum of \$20,000)
\$1,000,000 to \$1,999,999	1.5% (minimum of \$28,000)
\$2,000,000 to \$9,999,999	1.0% (minimum of \$32,000)
\$10,000,000 to \$24,999,999	.75% (minimum of \$100,000) (maximum of \$150,000)
\$25,000,000 or greater	Maximum of \$150,000

Grants are available for accessing, excavating, surveying, clearing and grubbing, and draining the site, providing reasonable rehabilitation of buildings and other structures, and other necessary and appropriate site preparation.

Pursuant to Act 99-351, entities seeking an Industrial Development Grant of other incentives must notify the Director of the Alabama Development Office of the general parameters of the Qualifying Project. The Act requires the Director to transmit a letter acknowledging receipt of the notification to the entity. For more information, please contact the Alabama Development Office.