Michigan Talent Partnership Program Guidelines

Program Overview

The Michigan Talent Partnership Program ("MTP") is a grant program that aims to invest state funding in public space development projects in central city neighborhoods or concentrated districts designed to increase density, walkability, and vibrancy in Michigan's central cities to attract and retain talent and create business ownership opportunities for local residents. Administered by the Michigan Economic Development Corporation ("MEDC") and supported by the Department of Labor and Economic Opportunity ("LEO"), this program provides access to grant funding for transformational public space development projects in each of four cities identified in Section 528(13)(a)(i-iv) of Public Act 121 of 2024. Two cities in the Upper Peninsula and two cities in the Lower Peninsula with four-year public universities have also been identified to apply. Awards may be based on individual application and/or based on funding rounds as determined by the MEDC.

Program Goals

Through the MTP Program, the MEDC partners with local communities to support talent attraction and retention by investing in transformational placemaking projects that create high-density, high-amenity, and vibrant street life neighborhoods/districts, with business ownership opportunities for residents.

Eligible Applicants

Eligible applicants must be a consortium of entities that must include the local unit of government where the project funding will be expended. Eligible applicant consortiums may also include:

- Local governments
- Local economic development organizations
- Nonprofit entities
- Business entities
- Other partner entities

Consortiums must appoint a lead applicant, which may be one of the consortium entities or a nonprofit organization to serve as fiduciary and project manager for the consortium.

An eligible applicant may partner with the following to submit and implement an approved local plan:

- Government agencies
- Consortiums
- Authorities
- Community anchor or nonprofit entities

No consortium may submit more than one (1) local plan. No prosperity region may receive more than one (1) grant.

Eligible Activities

"Eligible Activities" are at least one, or any combination, of the following expenditures:

1. Planning, engineering, permitting review, and other local assessments to support implementation of a local talent plan;

- 2. Demonstrated community engagement, stakeholder support, or commitment to the local talent plan. As applicable, stakeholders may include, but not be limited to: Neighborhood associations, city councils, planning committees, or other local government agencies, including public safety agencies, economic development organizations or local businesses or business organizations, local anchor institutions, local nonprofits, foundations, or community organizations, regional planning organizations or consortiums, public transit organizations, faith-based organizations, and tribal governments;
- 3. Plans for the redevelopment of existing housing stock;
- 4. Plans to improve utilization of mixed-use and commercial property, including, but not limited to, the conversion of commercial space for affordable housing;
- 5. Road repairs and other surface improvements that will increase walkability, access to green space, dedicated nonmotorized transportation, and access to rapid transit or high-speed rail;
- 6. Costs associated with site improvements such as access (including ADA improvements) and streetscaping elements such as lighting, fencing, street furniture, etc.;
- 7. Small business and emerging entrepreneurs support, including access to credit and professional development;
- 8. Plans to enhance parks, green space, community recreation, promotion of local artists or art installations, and outdoor social spaces;
- 9. Activities to pursue other sources of funding to directly support the proposed local plan, including other governmental funds or private resources.

Local Talent Plan Requirements

In addition to at least one of the eligible activities above, local talent plans must include all the following:

- 1. A defined area such as a neighborhood, district, or corridor in which a local talent plan will be implemented. Unless identified as a supporting part of a local talent plan, funds allocated to plans must only be used within the plan's defined area.
- 2. A description of how local plan activities directly support the MTP goals.
- 3. A description of how grant funds, and any other funds or resources that will be provided, will be used to ensure a plan meets all MTP goals.
- 4. Identification of stakeholders that were engaged in the development and committed to the implementation of local talent plan.
- 5. In addition to any state or federal resources, identification of local or private match funds or resources that will be committed.
- 6. A proposed implementation timeline and demonstration of a plan's sustainability after any state or federal funds are exhausted.
- 7. Identifiable goals and measurable outcomes to be used to monitor progress.

Additionally, the following may be considered:

- 1. The likelihood of the plan to achieve the goals of the MTP.
- 2. The comprehensive nature of the plan.
- 3. The strength of the consortium supporting proposal and the local support identified.

Project Considerations

In evaluating each application, objective criteria will be considered including the following:

- 1. The extent to which a proposed plan will support the creation and ongoing success of locally owned businesses.
- 2. The extent to which a proposed plan will create dense, walkable, vibrant spaces that will attract and/or retain talent.

- 3. The extent to which zoning and code restrictions have been, or will need to be, modified to support high-density residential development.
- 4. The extent to which the proposed plan supports facilities and walkways that house or present cultural arts programs, performances, and exhibitions.
- 5. The extent to which the proposed plan provides mixed-income housing.
- 6. The likelihood of successful implementation of a proposed plan and its sustainability.

Competitive proposals will clearly include:

- 1. Match: In addition to any state or federal resources, identification of local or private match funds or resources that will be committed. A minimum of fifty percent (50%) local or private match funds is required. Matching dollars must be specific to the defined project area, rather than general operating funds or organizational support, and must have been committed in the twelve (12) months prior to the date of proposal submission. Grant match sources may include, but are not limited to:
 - a. Other state programs
 - b. Federal funding derived directly from local funds
 - c. Local government
 - d. Philanthropy
 - e. Private investment including from donors or companies
- 2. Location: Local plans must include a defined area such as a neighborhood, district, or corridor in which a local talent plan will be implemented. Unless identified as a supporting part of a local talent plan, funds allocated to approved plans must only be used within the plan's defined area.
- 3. Objectives: A description of how local plan activities directly support the objectives listed above, with emphasis on increasing Michigan's population of talented workers by creating transit-rich, high-density, walkable districts.
- 4. Financial Viability: A description of how state funds will be used and any other funds or resources that will be provided to ensure a plan meets the MTP goals.
- 5. Stakeholders: Identification of stakeholders that were engaged in the development and committed to the implementation of an approved plan.
- 6. A proposed implementation timeline and demonstration of a plan's sustainability after any state or federal funds are exhausted.
- 7. Identifiable goals and measurable outcomes to be used to monitor progress.
- 8. The transition of roadway usage from cars to alternative transportation spaces, including, but not limited to, walking, biking, and transit.
- 9. Commercial corridor activation, including innovations to fill vacant retail space with locally owned businesses.
- 10. Mixed-use development that contributes to dense, walkable areas.
- 11. A plan to do all the following:
 - a. Support greater density.
 - b. Increase access to affordable or middle-income housing, preferably in concert with the MSHDA-supported Regional Housing Partnership.
 - c. Improve direct access to multi-modal transportation.
 - d. Improve quality of life through increased parks, green spaces, outdoor recreation, and arts and cultural amenities.
- 12. A letter of support from the chief administrator or executive of the local unit of government where the project funding will be expended.

Award Structures and Funding

Funding availability is based on corporate income tax revenue deposited into the Revitalization and Placemaking Fund and appropriated for this program in accordance with Section 695 of the income tax act of 1967, 1967 PA 281, MCL 206.695.

All awards will be structured as performance-based grants with milestones and reporting requirements.

Only one project shall be awarded in each of the following cities and grant awards must have a minimum request of \$500,000 (for a total project budget of at least \$1,000,000) up to a maximum request of \$17,460,000. Any one applicant may request up to that amount, but all final award amounts are subject to local talent plan and project competitiveness.

- 1. A city with a population greater than 500,000 according to the most recent federal decennial census.
- 2. A city with a population between 198,000 and 199,000 according to the most recent federal decennial census.
- 3. A city with a population between 112,000 and 113,000 according to the most recent federal decennial census.
- 4. A city with a population between 123,000 and 124,000 according to the most recent decennial census.

Only one project may be awarded in each of two (2) successful applicant cities and grant awards must have a minimum request of \$500,000 (for a total project budget of at least \$1,000,000) up to a maximum request of \$6,790,000. Any one applicant may request up to that amount, but all final award amounts are subject to local talent plan and project competitiveness. It is the intent to award one (1) project in the Upper Peninsula and one (1) project in the Lower Peninsula.

- 1. A city in the Upper Peninsula with a population between 8,000 and 9,000 that is home to a four-year public university according to the most recent federal decennial census.
- 2. A city in the Upper Peninsula with a population between 20,000 and 21,000 that is home to a four-year public university according to the most recent federal decennial census.
- 3. A city in the Lower Peninsula with a population between 21,000 and 22,000 that is home to a four-year public university according to the most recent federal decennial census.
- 4. A city in the Lower Peninsula with a population between 73,000 and 74,000 that is home to a four-year public university according to the most recent federal decennial census.

Award Disbursement

Awards will be disbursed in multiple tranches. An initial twenty-five percent (25%) disbursement of the total grant funds shall be made to grantees. The remaining seventy-five percent (75%) of grant funds shall be disbursed to grantees on a quarterly reimbursement basis after MEDC satisfaction that the initial disbursement has been fully expended.

All MTP awards shall be memorialized by final written agreement with terms and conditions in accordance with these MTP Guidelines, and any applicable laws. These terms and conditions shall otherwise be satisfactory to the MEDC, and shall include, without limitation, performance-based milestones governing disbursements, repayment provisions, and periodic reporting to facilitate the MEDC's report to the Michigan Legislature. The MTP agreements shall also include a provision for repayment due to breach of the written agreement.