



**MICHIGAN ECONOMIC
DEVELOPMENT CORPORATION**

CD OVERVIEW & POST COVID-19 PRIORITIES

AUGUST 13, 2021

COMMUNITY DEVELOPMENT
Michigan Economic Development Corporation

MEDC IS COMMITTED TO ENABLING LONG-TERM ECONOMIC OPPORTUNITY FOR ALL MICHIGANDERS



MISSION

Achieve long-term economic prosperity for Michiganders by investing in communities, enabling the growth of good jobs and promoting Michigan's strong image worldwide



VISION

Make Michigan's economy the nation's fastest growing, most equitable and most resilient by:

Achieving 'Top 10' status for:

- Job growth in targeted sectors
- Equitable job growth
- Real median household income growth

Attaining the largest net gain of talent in the Midwest.

GUIDING PRINCIPLES



Sustainable, long term growth

Catalyze long-term job growth. Ensure resilience of Michigan's economy against downturns and automation potential.



Regional impact

Empower and support every region – from rural areas to urban cores – in improving economic outcomes.



Equitable, high-wage growth

Drive equitable pathways toward high-wage growth by enabling industries, communities and businesses that provide opportunities for all.



Customer focus

Ensure a customer (businesses, communities, entrepreneurs) and partner orientation in all we do.

STRATEGIC FOCUS AREAS



Attract, retain and support businesses

Aggressively work to attract and retain companies in target industries that support growth in jobs, wages and investment



Foster high-wage skills growth

Collaborate on efforts to produce, attract and retain the skills needed for in-demand and high growth occupations in focus industries



Develop attractive places

Attract talent through innovative placemaking and streamlining development processes at the community level to transform underutilized properties into vibrant areas



Catalyze entrepreneurship

Strengthen the ecosystem that enables more entrepreneurship, commercialization and new business creation



Market the state

Promote Michigan's image as a world-class business location and travel destination



Community Development

Supporting the growth of vibrant, diverse
and sustainable communities across Michigan





FUNDING PRIORITIES

COMMUNITY DEVELOPMENT GOALS

Impact

- Project located downtown or traditional commercial district
- Project supports local plans
- Community financially supports
- Led by emerging developer

Place

- Building appropriate to neighborhood
- Creates density
- Promotes mixed income neighborhood
- Incorporates sustainable approaches to stormwater management

Financial Need

- Maximize all available debt
- All other sources have been explored
- Demonstrated financial commitment toward project by owner
- Financial need demonstrated

Community Development - MEDC

Technical Assistance

- Redevelopment Ready Communities®
- Michigan Main Street
- Redevelopment Services Team

Small Business Support

- Match on Main
- Community capital
- B-Corp education
- Michigan Small Business Development Center assistance

Development Tools

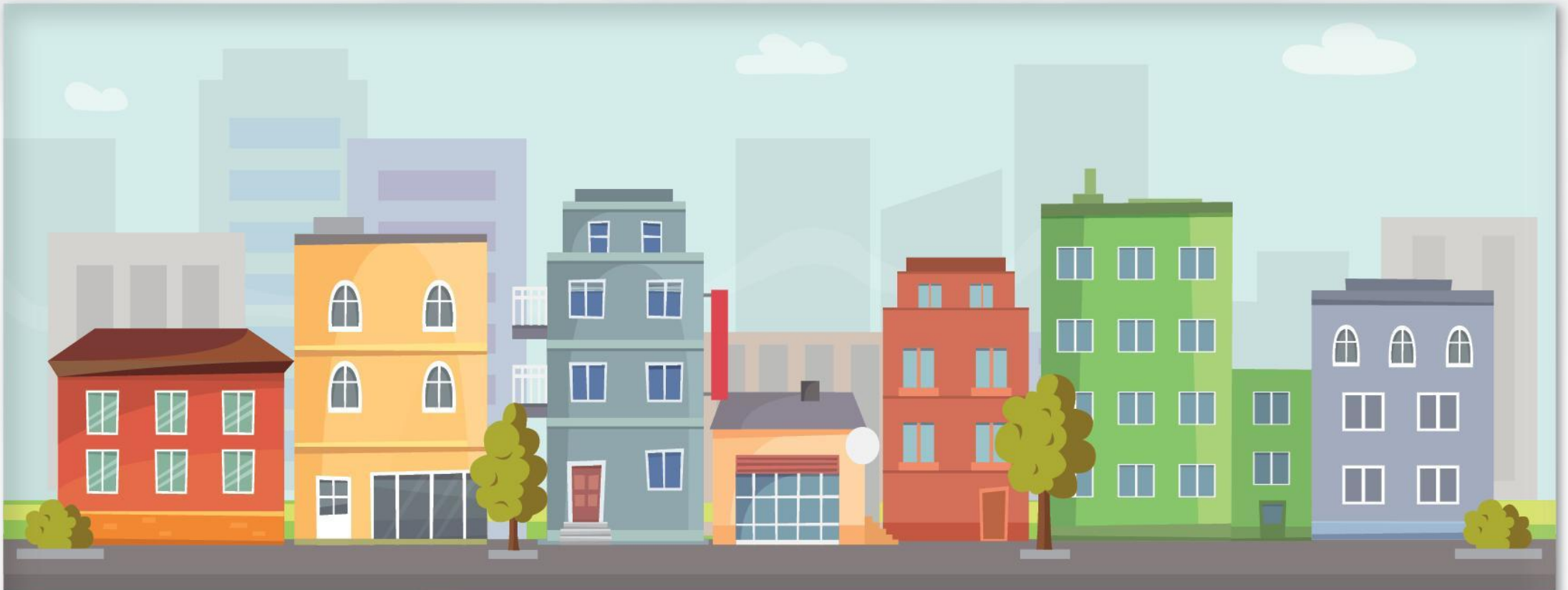
- Michigan Community Revitalization Program (CRP)
- State Brownfield Tax Increment Financing (Brownfield TIF)
- Public Spaces, Community Places (Patronicity)
- Community Development Block Grant (CDBG)

Historic Preservation

- Certified Local Governments (CLGs)
- Historic Preservation Tax Credits
- Local Historic Districts & Surveys
- Michigan Lighthouse Assistance Program



REDEVELOPMENT READY
COMMUNITIES®



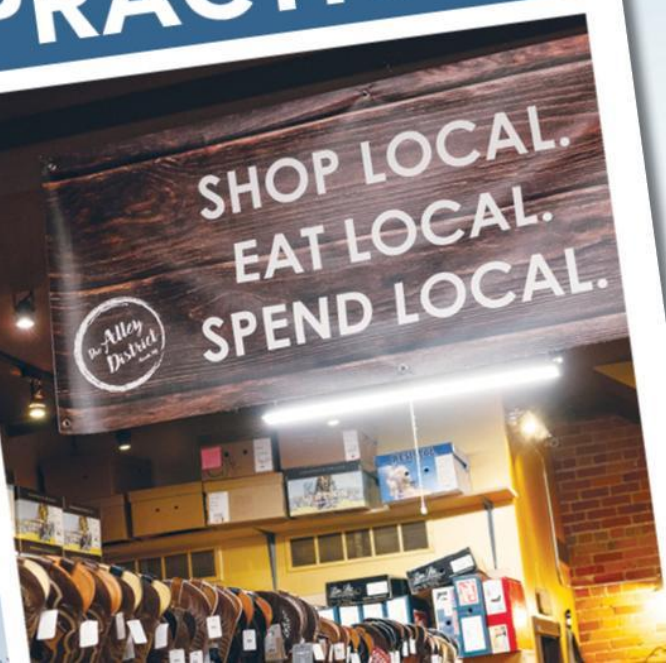
REDEVELOPMENT READY COMMUNITIES

RRC empowers communities to shape their future by building a foundation of planning, zoning and economic development best practices and integrating them into their everyday functions.



redevelopment ready
communities®

BEST PRACTICES



1. Plans & Public Engagement
2. Zoning
3. Development Review
4. Boards & Commissions
5. Economic Development & Marketing
6. Redevelopment Ready Sites®

RRC LEVELS: ESSENTIALS & CERTIFIED

RRC offers two levels: "Essentials" and "Certified." Communities can determine which level is most appropriate for their needs based on capacity, community goals and other local factors. Communities are encouraged to consult with their assigned RRC planner if they are unsure which level they would like to pursue.



Communities who have achieved Essentials status have all the key documents and practices in place to provide a predictable development experience and meet local planning and zoning responsibilities under Michigan law.

RRC Certified communities have integrated all the Best Practices into their local processes and proactively seek out community development opportunities while providing a predictable development experience.



Certification is the signal that your community is open for business



Technical assistance match funding

3rd party review



Continued technical assistance



On-going partnership



Prioritization for community development funding tools



REDEVELOPMENT SERVICES

Suite of Services



Baseline
Community Visits



Priority Site Identification &
Promotion



Predevelopment Assistance



Developer
Matchmaking



Design/Build Package



MICHIGAN MAIN STREET

OPEN



Michigan Main Street Program Levels



Learn:
Training
Series

Start:
Engaged
1-3 years

Progress:
Select
5 years

Maintain:
Master
At least 2 years

Michigan Main Street Communities 2021



REGION 1: Upper Peninsula

- ★ Sault Ste. Marie

REGION 2: Northwest

- ▲ Boyne City
- ▲ Charlevoix

REGION 3: Northeast

- ★ Cheboygan
- ▲ Grayling

REGION 4: West Michigan

- ★ Evert
- ▲ Grand Haven
- ▲ Otsego
- ▲ Wayland

REGION 6: East Michigan

- ★ Lapeer
- ▲ Owosso

REGION 7: South Central

- ★ Charlotte
- ★ Downtown Lansing Inc.
- ★ Eaton Rapids
- ▲ Old Town Lansing

REGION 8: Southwest

- ▲ Niles
- ▲ Three Rivers

REGION 9: Southeast

- ▲ Blissfield
- ▲ Howell
- ★ Milan
- ▲ Saline

REGION 10: Detroit Metro

- ★ Grosse Pointe
- ★ Historic North-End (Detroit)
- ★ Mexican-town Hubbard Communities (Detroit)

▲ Master Level communities

★ Select Level communities



Comprehensive Impact of Main Street

ECONOMIC VITALITY



DESIGN



PROMOTION



ORGANIZATION





SMALL BUSINESS SERVICES

Technical Assistance

- Business Retention Tools
- B Corp education & training

Access to Capital

- Match on Main
- Community Capital

Partnership / Referrals

- MI-SBDC
- National Main Street Center
- Local resource providers

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BUSINESS RETENTION TOOL

- Small businesses may access an online learning portal through a partnership with the MEDC & Northern Initiatives
- Training series for local units of government, DDAs and Main Street programs to support businesses within your district and how to navigate the available resources

Date	Contact	Business	Years in Business
1 Year Goal(s)			
3-5 Year Goal(s)			

Step 1: Use the self-assessment scores to identify support areas	This is something I need to learn.	I understand this but have not yet applied.	I understand and apply, but could improve.	I understand this and apply it effectively.
MONEY	1	2	3	4
Creating a Profit & Loss (Income Statement)				
Creating a Balance Sheet				
Using financial statements (Income Statement and Balance Sheet) to make business decisions				
Creating and using cash flow projections				
Reading and improving my credit score				
Understanding and implementing good bookkeeping practices				
Calculating break-even and profit needed to reach goals				
Understand and stay current on all of my business tax obligations (i.e., sales, payroll, income, etc.)				
MARKETING	1	2	3	4
Defining and reaching target market				
Communicating product/service features and benefits effectively				
Communicating my competitive advantage				
Aligning my marketing plan to support my revenue and profit goals				
Creating/utilizing a brand that represents my business clearly				
Increasing the effectiveness of my website				
Improving my social media marketing efforts				
Engaging customers through email marketing				
Identifying and understanding digital advertising				

Michigan Economic Development Corporation

miplace PROGRAMS REDEVELOPMENT READY SITES SMALL BUSINESS

Getting Started with Initiate

June 30, 2020 at 10 a.m. REGISTER NOW

In this training, we introduce you to Initiate, an online learning portal with more than 100 resources on money, marketing and management to support the launch and growth of small businesses. Also, we will share an assessment tool you can use with local businesses to help them evaluate their skills and align corresponding resources.

Who Should Attend:

- Downtown development authority executive directors, main street directors, and other downtown management organization or municipal staff who desire to support small businesses
- Financial institutions, CDFIs, and other resource providers who utilize MEDC's Capital Access program

Objectives:

- Learn how Initiate was developed and how it's being used to support small businesses in 31 states
- Walk through the Initiate platform and associated small business resources
- Tips to get started with the Initiate platform
- Recommended resources and preparation for the second training

DOING GOOD

- Through a partnership with Good For Michigan, offering support to businesses interested in making a positive impact on their employees, their local community and the natural environment.
- WHY? Resiliency, talent attraction, sustainability!



The Small Business Guide to B Corporations in Michigan

Brought to you by AMERICA'S SBDC MICHIGAN, POWERED BY SBA, MEDC

In partnership with GOOD FOR MICHIGAN

What you need to know about B Corporation Certification for small businesses in Michigan.

Companies who make a positive social, environmental, and economic impact are often considered "doing good." Some of these companies have gone on to become a certified B Corporation and explicitly use business as a force for good.

The Certified B Corporation designation is earned by companies that are focused on environmental and social change in addition to monetary profits (the triple bottom line). B Corps are certified by B Lab, a nonprofit organization that believes in unifying companies around the world with their goal of making high ethical standards for business practices the new norm.

Technical Assistance

- Business Retention Tools
- B Corp education & training
- ReopenMainStreet.org

Access to Capital

- Match on Main
- Community Capital

Partnership / Referrals

- MI-SBDC
- National Main Street Center
- Local resource providers

MATCH ON MAIN

- Small Business grant program administered in partnership with eligible communities including Michigan Main Street & Certified RRC communities
- Supports new and expanding businesses by providing up to \$25,000 for interior renovation and working capital for inventory, marketing and other eligible expenses.



COMMUNITY CAPITAL

Community capital is simply money that comes from the community and goes to the community. This can include donation-based crowd funding like PSCP to investment-based crowdfunding that is a potential tool for small businesses.

Michigan's First Investment Crowdfunding Campaign, Tecumseh Brewing Co., a Success

May 2, 2014



Tecumseh Brewing Co. Owners

Michigan's first Investment Crowdfunding campaign under the new Michigan Invests Locally Exemption - MILE - has successfully reached its maximum goal. The Tecumseh Brewing Company this week reached \$175,000 in local investments from Michigan residents.

The company is the first in Michigan to raise funds under MILE, also known as RA264 of 2013, which uses an investment model of crowdfunding rather than a rewards based model like Kickstarter. The difference between a Kickstarter campaign and a Michigan Investment Crowdfunding campaign is that supporters are also investors, and have the opportunity to receive a financial return on their investment" said Chris Miller, City of Adrian economic developer, who was intimately involved in the introduction and passage of the legislation.

The Detroit News

News Sports Autos Business Michigan Life + Home Entertainment Opinion Obituaries

BUSINESS

Detroit Soup, funding ideas one bowl at a time

Stephanie Steinberg The Detroit News
Published 11:46 p.m. ET May 25, 2016 | Updated 11:53 p.m. ET May 25, 2016

View Comments

Cracked ceilings and cement floors might bother some people, but for Detroit resident Amy Kaherl, the imperfect aesthetics of Ponyride are motivators.

"I love that there's drywall behind us because it always feels like there's something else that needs to happen," she says, wedged in her few feet of space on the second floor. "It makes me feel like the work's not done."



Kaherl's to-go cup from the Anthology coffee house downstairs hints that the 34-year-old former pastor, who deejays at Old Miami bar on the side, doesn't stop.



MICHIGAN ECONOMIC DEVELOPMENT CORPORATION

INVESTMENT-BASED CROWDFUNDING FIELD GUIDE



September 2016

Technical Assistance

- Business Retention Tools
- B Corp education & training
- ReopenMainStreet.org

Access to Capital

- Match on Main
- Community Capital

Partnership / Referrals

- MI-SBDC
- National Main Street Center
- Local resource providers

SBDC RESOURCES

- Business Counseling, Growth Team Consultants, and On-demand trainings
- CARES Act Plan
 - Contracted service providers to assist small businesses
 - Additional business consultants available
- Comeback Kit



HOW WE HELP



Business Consulting
Accounting
Budget Planning
Buy/Sell a Business
Cash Flow Management
Customer Relations
eCommerce
Franchising
Government Contracting
International Trade
Legal Issues
Managing a Business
Human Resources &
Organizational Development

Start-Up Assistance
Tax Planning
Technology/Computers
Market Research
Search Engine Optimization
(SEO) Analysis
Export Strategy
Transition Planning
Business Plan Development
Financial Management
Marketing Strategy
Cybersecurity
Loan Package Development

In-Person Training
Workshops
Live Online Training
On-Demand Online
Training
Technology
Roadmapping
Investor Readiness
Commercialization
Strategy
Business Accelerator
Fund
Emerging Technology
Fund
SBIR/STTR Proposal
Review



HISTORIC PRESERVATION



Identification

- Survey is the process for identifying and gathering data on a community's historic resources. It helps:
 - Communities to prioritize preservation projects for technical assistance, grant applications, and local funding
 - Property owners and developers to prepare National Register nominations, which enable use of historic preservation tax credits
 - Planners to develop land use policy and promote responsible decision-making
 - Community organizations to develop heritage tourism and educational programming





Designation

- Local Historic District (PA 169)
Enables communities to establish local historic district ordinances to protect historic properties and incorporate preservation into community planning
- National Register of Historic Places
Provides a tool that allows communities to recognize and honor important places and enables certain properties to access preservation incentives





Tax Credits


- 20% Federal Rehabilitation Tax Credit
 - Receive roughly 35 new applications per year
 - Approve approximately 25 Part 3 application per year
 - Representing an annual average of \$138M in direct investment
- 25% State Rehabilitation Tax Credit
 - Not yet actively accepting projects



Michigan Lighthouse Assistance Program (MLAP)

- Planning and Rehabilitation Grants
 - \$60,000 maximum award
 - 50% of grant award match required
 - Governmental units and non-profits
- Funded by the “Save Our Lights” license plate
 - Over \$2.4 million awarded since 2000
 - \$25 from each new plate and \$10 renewal to fund

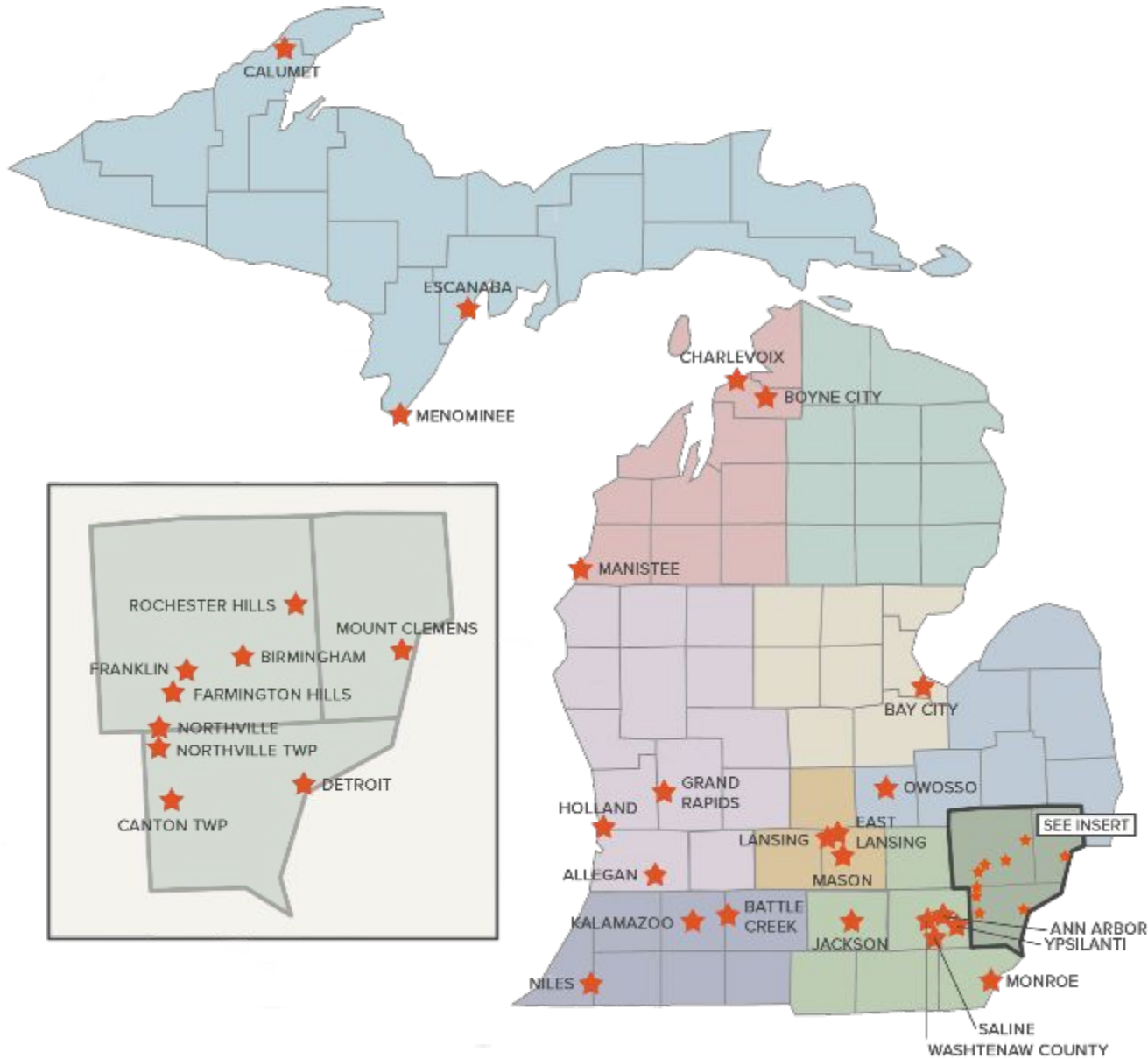




Certified Local Government (CLG) Program

- Federal-State-Local Partnership
- Any local unit of government—county, city, township, or village—willing to meet program requirements
- CLGs support and integrate preservation into master planning and community development processes
- CLGs are recognized as active partners in the national historic preservation program and gain special access to technical assistance, **grant funding**, and other benefits





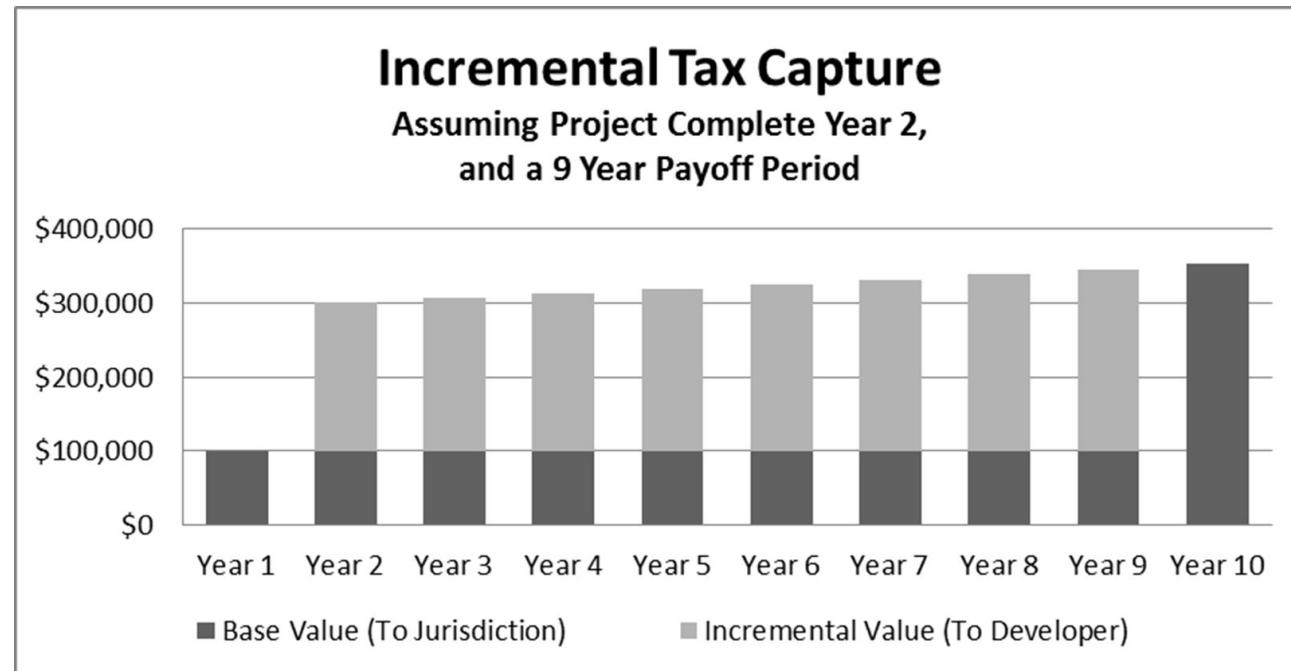
- Allegan
- Ann Arbor
- Battle Creek
- Bay City
- Birmingham
- Boyne City
- Calumet
- Canton Twp
- Charlevoix
- Detroit
- East Lansing
- Escanaba
- Farmington Hills
- Franklin
- Grand Rapids
- Holland
- Jackson
- Kalamazoo
- Lansing
- Manistee
- Mason
- Menominee
- Monroe
- Mount Clemens
- Niles
- Northville
- Northville Twp
- Owosso
- Rochester Hills
- Saline
- Washtenaw Co
- Ypsilanti



FUNDING PROGRAMS

BROWNFIELD TAX INCREMENT FINANCING

- Eligible Project: property or building that is contaminated, functionally obsolete, blighted, historic resource
- Adjacent and contiguous properties
- MEDC administers non-environmental activities
- EGLE administers environmental activities
- Industrial, commercial, residential, etc.
- Eligible Non-Environmental Activities:
 - Brownfield & Act 381 Work Plan preparation
 - Interest (case-by-case basis)
 - Demolition
 - Lead & asbestos study, abatement
 - Site preparation & infrastructure (CORE communities only)



Act 381 Brownfield TIF

The capture may include state taxes, both school operating and state education tax.

- Also includes local taxes
- Ratio of Local to State mills must be preserved.
- Debt millages cannot be captured.

Must occur on eligible property that is included in a locally approved Brownfield Plan.

- Plan must identify the eligible activities and their costs.

ACT 381: BROWNFIELD PLANS & WORK PLANS

Brownfield Plan establishes:

- “Eligible property” included in project/Plan.
- Why it’s eligible (costs).
- Indicates that the local jurisdiction is supportive of the tax increment revenue (TIR) capture.
- Sets the maximum amount of TIR that can be captured.

ACT 381 WORK PLANS : ELIGIBLE ACTIVITIES

Eligible Non-Environmental Activities:

- Brownfield Plan and Act 381 Work Plan Preparation
- Interest
- Demolition
- Lead and asbestos study and abatement

+ in Core Communities, these additional activities:

- Site Preparation
- Infrastructure

ACT 381 WORK PLANS : ELIGIBLE ACTIVITIES

Environmental Activities:

- Brownfield Plan and Act 381 Work Plan Preparation
- Environmental Assessment
- Due Care (based on contaminated conditions on site)

ACT 381 WORK PLANS : ELIGIBLE ACTIVITIES

Environmental Activities:

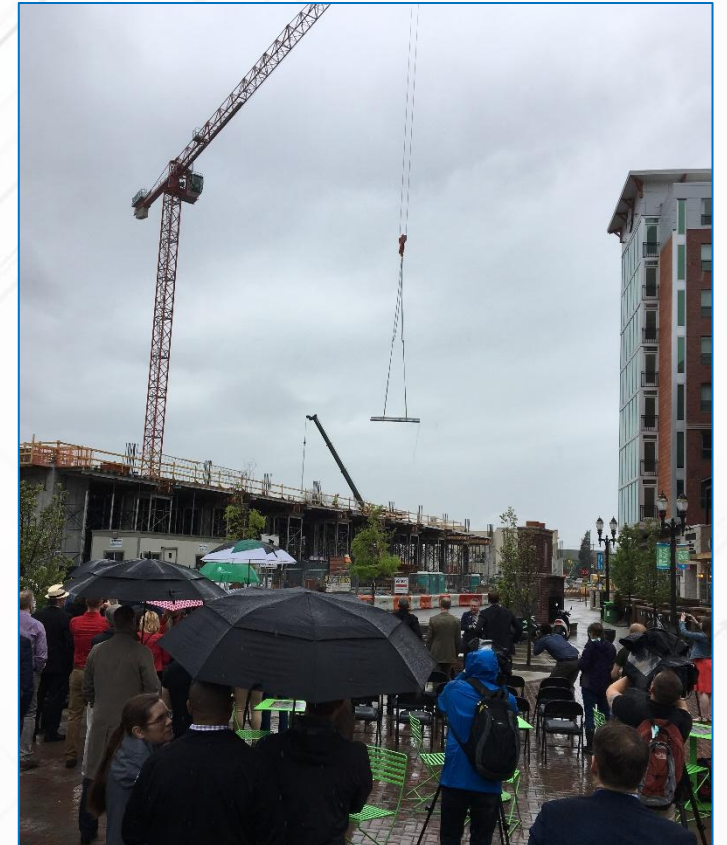
- Brownfield Plan and Act 381 Work Plan Preparation
- Environmental Assessment
- Due Care (based on contaminated conditions on site)

WORK PLAN SCOPING AND APPROVAL PROCESS

- Step 1: Identification of a potential Brownfield redevelopment project
- Step 2: Local BRA develops Brownfield Plan
- Step 3: Local BRA and Municipality (taxing jurisdiction) approve Plan via resolution
- Step 4: State review of the Work Plan (if seeking state mills)
- Step 5: MSF approval required for all Act 381 Work Plans with MSF activities seeking state capture
- Step 6: Project Initiation and Completion TIR

SO HOW LONG DOES IT TAKE?

- Answer: It Depends.
 - Local approval times vary.
 - MSF review and board action typically takes at least 8 weeks.
-
- Once MSF and/or DEQ approves, project and TIR are managed locally
 - BRAs submit annual reports to MEDC (activities and capture)



COMMUNITY REVITALIZATION PROGRAM (CRP)

State Gap Financing for Private Redevelopment Projects

- Competitive. Need-based.
Performance-based.
- Annual appropriation from Legislature
- Grants, direct loans, loan participation, equity investments
- Grants up to \$1.5M per statute (limited to \$750k per parameters). \$10M into any single project.

Property Eligibility: contaminated, blighted, functionally obsolete, historic resource

Eligible Investment: demolition/site improvements, rehabilitation, new construction, architectural/engineering, M&E, Furniture/fixtures



TYPES OF SUPPORT

MCRP CAN BE USED IN CONJUNCTION WITH OTHER COMMUNITY DEVELOPMENT INCENTIVES AND FEDERAL PROGRAMS SUCH AS:

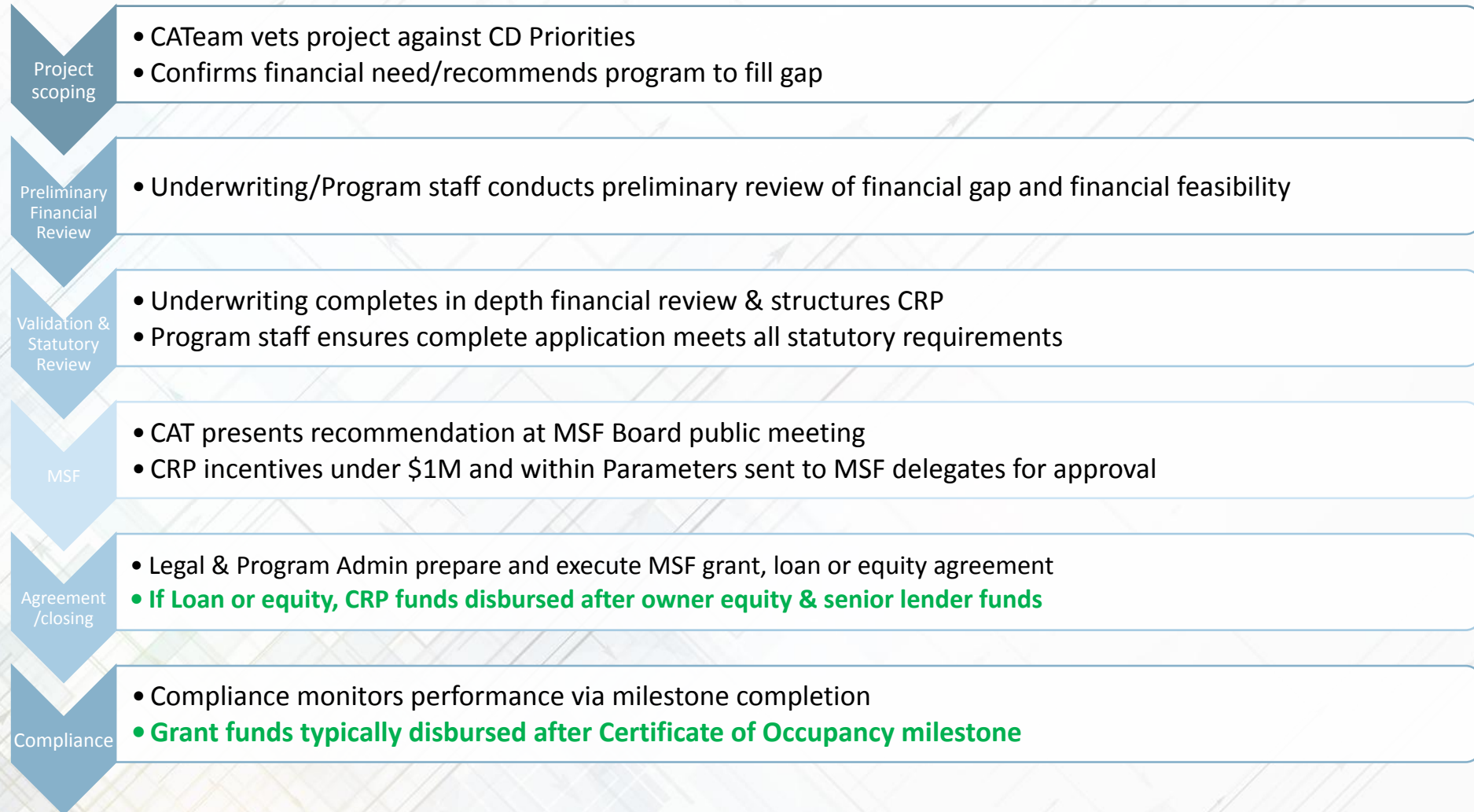
STATE PROGRAMS

- Brownfield Act 381 Tax Increment Financing (TIF)
- Brownfield Michigan Business Tax (MBT) Credits
- Community Development Block Grant (CDBG)

FEDERAL PROGRAMS

- Historic Tax Credits
- New Market Tax Credits
- Low Income Housing Tax Credits
- HOME
- HUD Loans and Guarantee Programs

Funding and Disbursement Process



THE OUT

INSIDE



COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

- US Department of Housing and Urban Development (HUD) allocates CDBG funding to the State, funds flow from MEDC to local municipality
- Eligible Projects must meet at National Objective and must have an Eligible Activity
- National Objectives:
 - Benefit persons of Low to Moderate Income: Job creation, Area benefit, Housing
 - Prevention or Elimination of Slum or Blight: Spot, Area wide, Historic preservation
 - Urgent Need
- Specific requirements related to prevailing wages, bidding, contracting
 - Work closely with your CATeam and CDBG program specialist to ensure compliance
- Currently funded incentives: rental rehab, water related infrastructure (WRI)

REACH OUT TO YOUR COMMUNITY ASSISTANCE TEAM SPECIALIST AS EARLY AS POSSIBLE!

CDBG FUNDED PROJECTS

BUILDING REHABILITATION
CDBG LOAN PROGRAM
DIRECT ASSISTANCE TO BUSINESS
FAÇADE IMPROVEMENTS
PLANNING
PUBLIC FACILITIES
PUBLIC IMPROVEMENTS
RENTAL REHABILITATION
SMALL BUSINESS
UNIQUE/INNOVATIVE

CDBG Process

Contact MEDC
Specialist (CAT or
BDM)

Intake/Application

Specialist presents
to team

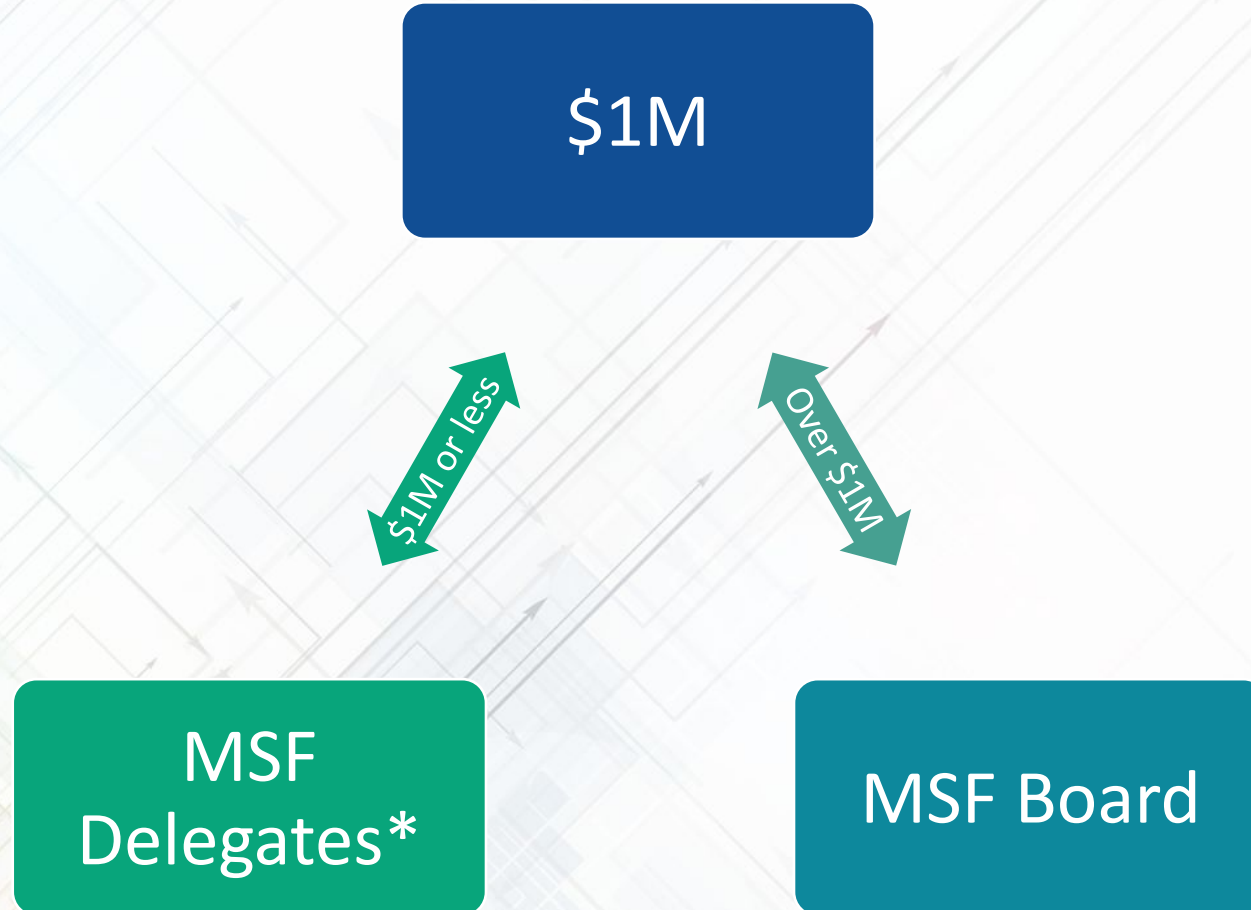
Environmental
Review

MSF pitch

Grant Agreement

Start Project!

APPROVAL – MICHIGAN STRATEGIC FUND (MSF)



FAÇADE IMPROVEMENTS

Negaunee, MI



RENTAL REHABILITATION



Sault Ste Marie, MI



PUBLIC SPACES **COMMUNITY PLACES**

- A simple and innovative way to raise funds to revitalize or create public spaces
- Engages public participation and community pride

The Program

- MEDC partnership with Patronicity and the MML
- Communities and non-profits apply with Patronicity for an online crowdfunding campaign
- Patronicity handles Project Administration

www.patronicity.com/puremichigan



Eligible Applicants

- Project located in a community which contains a **traditional downtown** and have a commitment to becoming more **redevelopment-ready**
 - Or located in a Certificated Redevelopment Ready Community®
- Submitted by **local communities** and **non-profit entities**



Evaluation Criteria

- A defined focused project
- Overall impact of the project on the community and placemaking efforts
- Project location
- Local financial commitment
- Current fundraising and marketing campaigns
- Project start and completion date



PSCP Process

1. Project Intake – First Blush
 - Community, Non-Profit
2. Engage w/ Patronicity
3. Build/Submit an online project profile
4. Patronicity application review
5. MEDC/MML application review
6. Patronicity “polishes” the project proposal
7. Crowdfunding goes live, money flies in, success!
8. Implementation of project





Keys to Success

- A Strong Network
- A Team behind the project
- The Groundwork (4-6 weeks)
- Strategic Marketing Plan
- Pitch, Creative Rewards, Engaging Video
- Many Small Donors- Few Large Donors
- Personal Touch- Connection matters
- **Never Quit!**



Successful Projects



📍 MARINE CITY, MI

River Rec Teen Zone

A Teen Driven Space in a Historic Place

\$34,010

of \$30,000

Project Closed

★ Matching Grant: MEDC

[VIEW](#)

⚡ SUCCESS!



📍 GRASS LAKE CHARTER TOWNSHIP, MI

Grass Lake Events Park

Help us complete our community park!

\$52,580

of \$50,000

Project Closed

★ Matching Grant: MEDC

[VIEW](#)

⚡ SUCCESS!



📍 SAULT STE. MARIE, MI

Sault Ste. Marie Power Canal Trail

Support the construction of a one-mile, multi-use trail connecting the Community along Michigan's only hydroelectric canal.

\$65,612

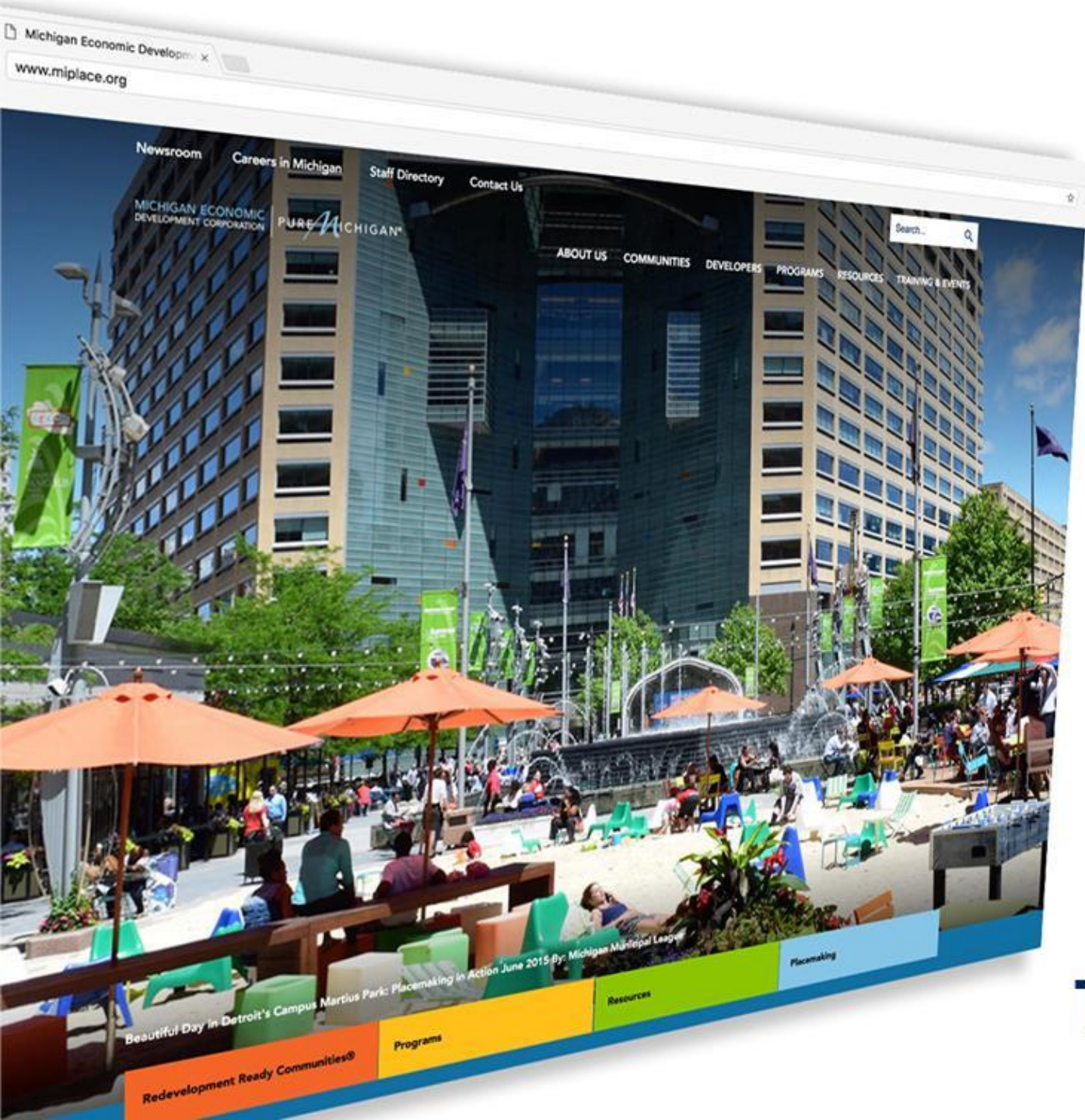
of \$50,000

Project Closed

★ Matching Grant: MEDC

[VIEW](#)

⚡ SUCCESS!



RESOURCES

www.miplace.org

LinkedIn:

MEDC Community
Development

Facebook:

@MiPlaceNews

Twitter: @MiPlaceNews

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MICHIGAN ECONOMIC
DEVELOPMENT CORPORATION

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Phone



Music



Safari



Camera

thank
you



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