



**MICHIGAN ECONOMIC
DEVELOPMENT CORPORATION**

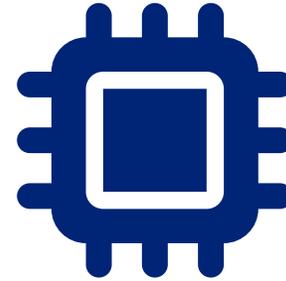
Michigan Economic Development Corporation Budget Recommendations

MARCH 14, 2024

FEDERAL FACTORS INFLUENCING NECESSITY OF A DIVERSE SET OF ECONOMIC DEVELOPMENT TOOLS



**Approximately \$370B
to accelerate clean
energy transition**



**Approximately \$100B
for semiconductor
industry**



**Acceleration of battery
technology and
advanced
manufacturing**



**External economic
factors: Inflation,
higher interest rates,
and geopolitical
tensions.**

THE MAKE IT IN MICHIGAN STRATEGY



People

Grow the Middle Class through empowerment and reducing barriers to increased incomes



Places

Invest in Michigan's communities with high quality infrastructure supporting quality of life for all



Projects

Support business through job growth in diverse sectors

MEDC'S FY23 IN REVIEW



PEOPLE

- Small business programs supported small businesses **10,508 times**.
- Provided **\$73 million** to **27** organizations to invest in Michigan's small business ecosystem via the **Small Business Support Hubs** program.
- MEDC and partners provided support to **high-tech entrepreneurs** to start **150** new innovation businesses, leverage **\$172.2 million** in follow-on funding, and helped commercialize over **1,000** new products.
- **You Can in Michigan** campaign launched nationally and driven more than **4,000 career portal sign-ups**, an average of **40 new sign-ups** per day.



PLACES

- Invested **\$70.4 million** for placemaking programs (CRP & RAP), leveraging **\$261.1 million** in private investment in **29 communities**.



PROJECTS

- Approved **67 BDP & CIP projects** that committed to creating **15,383 jobs** and over **\$9.3 billion** in investments.

OUR VISION: LEADERSHIP ACROSS THE BOARD

The **Michigan Economic Development Corporation** is in lockstep with the **Growing Michigan Together Council** on the need to become a **top state** in key segments that are commonplace across the most resilient, robust economies.



**Median Household
Income Growth**



Equitable Job Growth



Net Talent Migration



Midwest Innovation Hub



Job Growth in Targeted Sectors



Thriving Community Spaces



Post-Secondary Attainment



Build a Lifelong Learning System

CURRENT STATUS OF VISIONARY GOALS

Progress has been made in **achieving Top 10 status** in some sectors, but more work remains to be more resilient and robust.

MOST IMPROVED



Michigan is **#12** in job growth in targeted sectors, **#10** in overall job growth

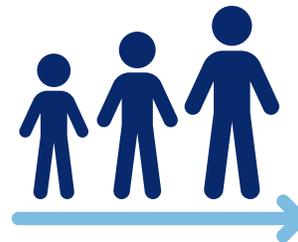


Michigan improved from **9.5%** in 2021 to **8.3%** in 2022 equitable job growth

WORK REMAINS



Michigan is **#35** median household income growth



Michigan currently ranked **27th** in net-migration in 2022



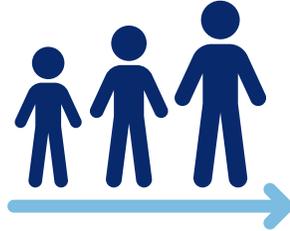
PEOPLE

Growing the middle class by empowering people and reducing barriers to increase incomes.

Goals:

- ✓ Largest net gain of talent in the Midwest
- ✓ Supporting pathway opportunities
- ✓ New business creation

FY25 Executive Recommendation Requests



\$20 million
for talent solutions

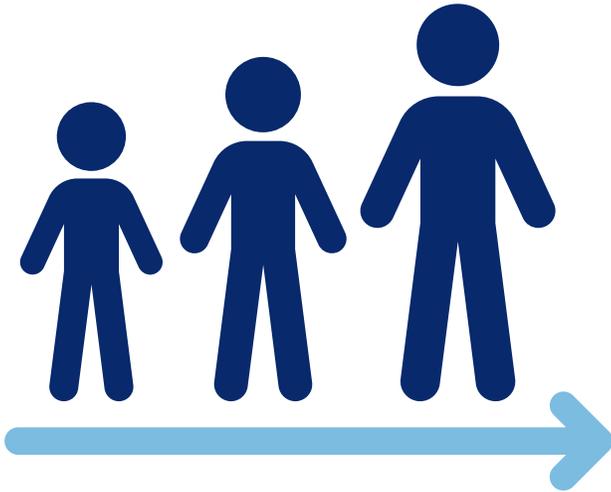


\$4 million
for the Michigan Growth Office



\$20 million
for marketing initiatives

PEOPLE: TALENT SOLUTIONS



\$20 million investment to continue support for training and placing individuals in high-demand industries, as well as exposure to those fields.

To date, the **Talent Action Team** program has:

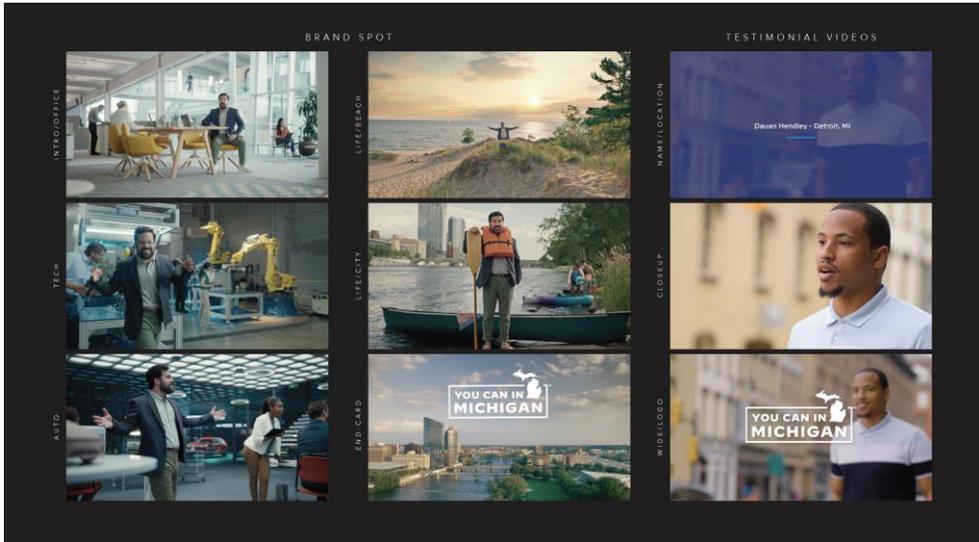
- Helped critical companies hire nearly **1,600 workers**
- Collaborated with **12 community colleges and universities** on **customized curriculum** for skill sets needed for employers
- Granted **over 60 scholarship awardees** and **over 500 program participants** through the **EV Scholars program** were placed in for an internship and/or job opportunity here in Michigan.
- Launching **K-12 strategic investment program** focused on STE(A)M skills aligned with TAT employer needs in summer 2024

PEOPLE: TALENT MARKETING INITIATIVE



\$20 million investment for marketing initiatives for talent

- Funding to continue developing best-in-class talent retention and attraction campaigns to support Michigan's population growth efforts.
- **You Can In Michigan** has only been in market to a national audience for just over 4 months and has signed up over 4,000 candidates in the jobs portal.
- Jobs portal visitors come from all over with the top states being IL, CA, then MI, NY, and TX; the top states for out-of-state job candidates are TX, IL, and CA.
- Funding will expand focus to include other high-mobility groups, including remote workers, young families, and other recent graduates in areas of opportunity for in-migration.
- This funding is separate from the ongoing, \$15 million recommendation for Pure Michigan.





PLACES

Invest in Michigan
Communities with high
quality infrastructure
that supports quality of
life for all.

Goals:

- ✓ Locally support place-based projects
- ✓ New or rehabilitated housing
- ✓ Growth in disadvantaged areas
- ✓ Assisting small businesses
- ✓ New small business creation

FY25 Executive Recommendation Requests

\$50 million for Revitalization and Placemaking Program (RAP) for grants to rehabilitate vacant, underutilized, blighted, and historic structures to development place-based infrastructure

\$25 million for Build Ready Sites, a longstanding program dedicated to the preparing sites for investment.

\$15 million for Pure Michigan, our award-winning campaign that serves as our best “front door” to the Michigan way of life.

\$5 million for the Arts & Cultural Program to expand grants to arts and cultural institutions that support the economy and contribute to vibrant communities (**\$16.1 million total allocation, \$11.1 million ongoing**)

PURE MICHIGAN CAMPAIGN IMPACT

The award-winning **Pure Michigan** campaign is our best “front door” to start people on the journey of **being a visitor to being a Michigander** by showcasing all the best things about Michigan.

This is an especially powerful tool at a time when work environments are trending toward hybrid and/or remote, and future generations put greater emphasis on work-life balance.

In 2022, Pure Michigan’s impact amounted to:

- **\$27.3B** visitor spending
- **\$48.5B** total economic impact
- **324,200** total jobs supported
- **\$3.2B** state and local taxes generated

PURE  MICHIGAN®



PROJECTS: BUILD READY SITES



\$25 million to prepare shovel-ready locations across all regions of the state

Support for the program will:

- Identify gaps in site sizes that are needed beyond large-scale sites, including brownfields.
- Provide filtering criteria to determine best locations for sites in partnership with communities.
- Develop a site readiness certification program in relation to market conditions.



PROJECTS

Support business through job growth in diverse sectors.

Goals:

- ✓ New job creation in focus industries
- ✓ Diversify statewide industry expertise

FY25 Executive Recommendation Requests

\$500 million in ongoing funding for the Strategic Outreach and Attraction Reserve/ Closing Fund to compete and win more transformational projects

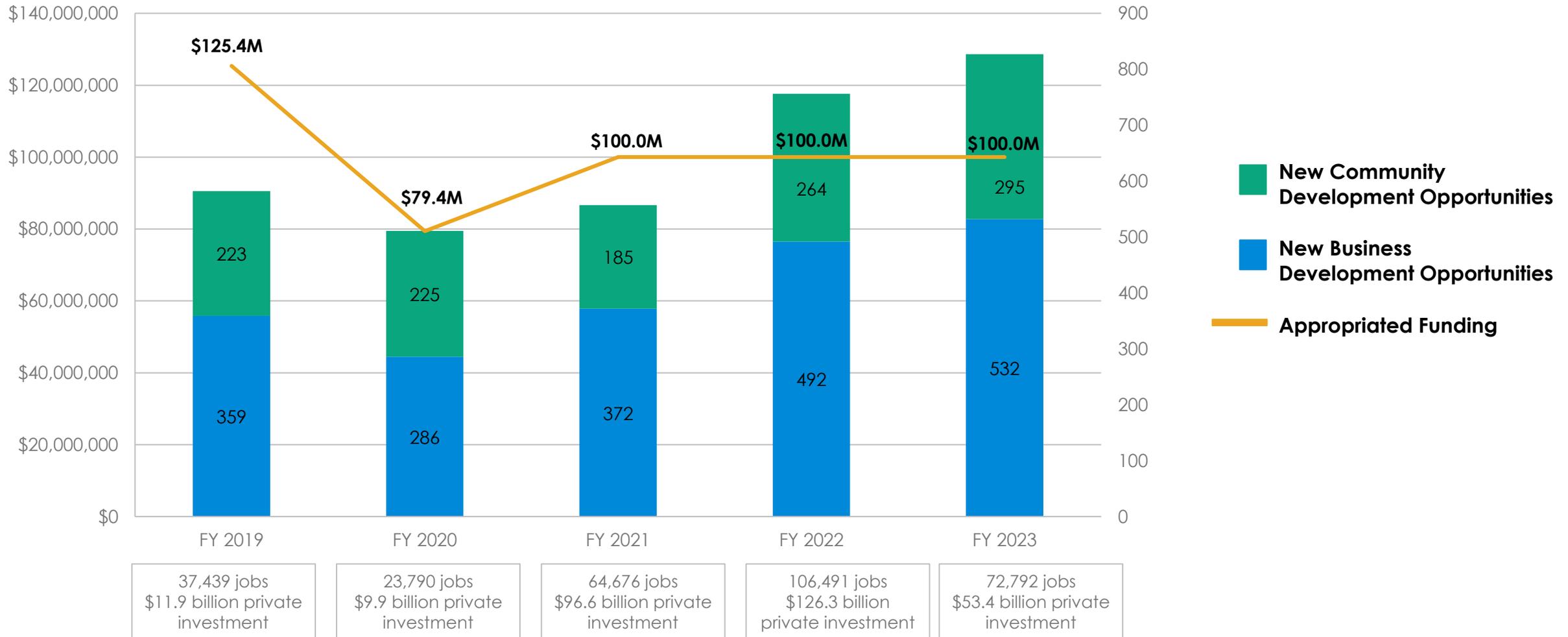
\$60 million for the Innovation Fund, which will serve as a catalyst for high-wage, knowledge economy jobs.

\$20 million for Business Attraction and Community Revitalization (BACR); while also critical to Places; to stimulate job creation and private investment (*\$120 million allocation*)

\$15.65 million to support Michigan's entrepreneurship ecosystem

\$5 million to support Michigan Defense Center

PROJECTS: BUSINESS ATTRACTION AND COMMUNITY REVITALIZATION (BACR) PROGRAMS FOR OUR COMMUNITIES



PROJECTS: INNOVATION FUND



\$60 million investment in the MI Innovation Fund

- Investment capital to support job growth and research commercialization
- Funding to invest in and support innovative technology start ups across the state
- Evergreen structure - where all investment returns are recycled back into the fund for future investments in Michigan companies
- Metrics to track success: number of new start-ups, follow-on funding, products commercialized, and jobs created



MICHIGAN ECONOMIC
DEVELOPMENT CORPORATION

Thank You

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