

### MICHIGAN STRATEGIC FUND

### **MEMORANDUM**

**DATE:** August 19, 2022

**TO:** Members of the Michigan Legislature

**FROM:** Quentin L Messer Jr., President

Michigan Strategic Fund

**SUBJECT:** FY 2022 Training Center Equipment Grants Program Legislative Report

Public Act 87 of 2021, the FY 2022 Omnibus Budget, allocated \$3.0 million to the Michigan Strategic Fund (MSF) to implement the Training Center Equipment Grants Program. In consultation with local and non-profit economic development organizations (EDOs) designated under the Act, the program provides one-time equipment grants of up to \$90,000 to support the needs of qualified training providers that provide workforce training for employers and individuals in Michigan. Workforce training includes, but is not limited to, talent enhancement, increasing worker productivity, development of workforce skills, leadership and management training, and worker retention.

The Act requires the MSF to submit a summary of all grants awarded under the program, by industry, to appropriations committees, fiscal agencies, and the state budget office by September 30, 2022. Pursuant to this requirement, attached a complete list of program awards.

Award information also is available at michiganbusiness.org/workforce-training-grant/.

Because of the legislative interest in this program and to provide full transparency, this report is being shared with all members of the Michigan Legislature.

If you have any questions regarding the information in this report, please contact our Office of Government Relations at 517.335.1847. In addition, please do not hesitate to contact me at <a href="mailto:messerq@michigan.org">messerq@michigan.org</a> or 517.881.5861.

#### Attachment

cc: Chris Harkins, State Budget Director

Kathryn Summers, Director, Senate Fiscal Agency Mary Ann Cleary, Director, House Fiscal Agency

# Michigan Strategic Fund Training Center Equipment Grants Program FY 2022 Legislative Report

Public Act 87 of 2021, the FY 2022 Omnibus Budget, allocated \$3.0 million to the Michigan Strategic Fund (MSF) to implement the Training Center Equipment Grants Program. In consultation with local and non-profit economic development organizations (EDOs) designated under the Act, the program provides one-time equipment grants of up to \$90,000 to support the needs of qualified training providers that provide workforce training for employers and individuals in Michigan.

Eligible applicants include any of the following:

- Proprietary school licensed under the proprietary schools act, 1943 PA 148, MCL 395.101 to 395.103
- Registered United States Department of Labor joint apprenticeship training center
- Qualified employer\*
- Vendor that provides training for the operation of equipment or systems for which the vendor is the provider

Grants must be used for workforce training activities including, but not limited to, the following:

- Talent enhancement
- Increasing worker productivity
- Development of workforce skills
- Leadership and management training
- Worker retention

An overview of the grant program and criteria were posted on the www.michiganbusiness.org/workforce-training-grant/ landing page on January 7, 2022. The applications opened for the program on January 10 and closed on January 19.

The EDOs identified in the following table were responsible for accepting, reviewing, and approving applications, and ultimately, awarding and disbursing grant funds under sub-grants to the selected qualified training providers. Funding was distributed on a percentage basis consistent with the Small Business Restart Grants distributed in 2020 to each of the EDOs. The EDOs could retain up to five percent of the amount they received for awards for administrative costs involved in the direct administration of the grants.

Some funds were returned to the MSF by local EDOs and reallocated and redistributed to other EDOs, as permitted under Sec. 1094g(4) of 2021 PA 87. This impacted the amount of the administrative fee these entities could retain.

A total of \$2,886,558.10 was awarded by the EDOs to 74 qualified training providers. Several of the EDOs retained a fee of less than five percent or did not retain their administration fee.

The table on the following pages includes the amount of funds authorized for each EDO, total awarded by each EDO to qualified training providers (awardees), industry type, and approved amount for each awardee. The list of awards also is available on the MEDC website at www.michiganbusiness.org/workforce-training-grant/.

<sup>\*</sup>Qualified employer means an employer that has a physical presence in this state, as determined by the department, and that meets any other criteria established by the department.

## Michigan Strategic Fund Training Center Equipment Grants FY 2022 Legislative Report

Below is a summary of allocations to participating Economic Development Organizations (EDOs), grants awarded by the EDOs to qualified training providers, and the training provider's industry type. Where the "Total Amount Awarded by EDO" is greater than the "Allocation After Administrative Fee," the EDO covered the excess with its administrative amount or other EDO resources.

	%	A 11 42	50/ Admin	Allocation	Total Amount					A
Local Organization	Allocation 1	Allocation Amount	5% Admin. Fee*	After Admin. Fee	Awarded by EDO	Qualified Training Provider (Awardee)	City	County	Industry Type	Approved Amount
							Kinchloe	Chippewa	Manufacturing firm/steel fabricator	\$64,773.00
InvestUP (Region 1)	4.55%	\$136,363.65	\$6,818.18	\$129,545.47	\$129,546.00		Marquette	Marquette	Michigan university/workforce development	\$64,773.00
						B. David & Associates LLC, dba Bradley's Pub & Grille				
	4.55%		\$6,818.18	\$129,545.47		/ Interlochen Golf Course	Interlochen	Grand Traverse	Restaurant / golf course	\$3,000.00
Northwest Michigan						M R Products Inc.	Copemish	Manistee	Manufacturing firm/plastics product manufacturing	\$28,000.00
Council of Governments						Baker College	Cadillac	Wexford	Private non-profit college/career-centered focus	\$6,750.00
(dba Networks		\$136,363.65			\$130,400.00	Bear River Electric	Petoskey	Emmet	Electrical contractor/construction trades	\$1,200.00
Northwest) (Region 2)						Precision Plumbing & Heating Systems, Inc.	Traverse City		HVAC/plumbing contractor	\$2,700.00
, ( 5 )						<u> </u>	Cadillac	Wexford	Manufacturing firm/foundry	\$13,750.00
						Child and Family Services of NW Michigan/	T. C'4	C 1.T	Non-profit service organization/conservation and skilled	****
						YouthWork Industries	Traverse City	Grand Traverse	trades projects	\$75,000.00
			\$10,500.00	\$199,500.00	\$207,000.00	Alpena Community College	Alpena	Alpena	Public community college/education and training	\$90,000.00
Northeast Michigan						T. I. A. T. A. T. A. A. T. A. A. A. T. A.		D 1.1	Non-profit training facility/comprehensive welding	Φ <b>5</b> 0,000,00
Council of Governments	7.00%	\$210,000.00					Onaway	Presque Isle	program	\$50,000.00
(NEMCOG) (Region 3) <sup>2</sup>						Kirtland Community College - M-TEC/University	C11	04	Dell'	¢27,000,00
						Center Road Warrior Truck Driving School Inc.	Gaylord Gaylord	Otsego Otsego	Public community college/education and training Driver education/Class A CDL license	\$27,000.00
							<u> </u>	· ·	Trade school/construction	\$40,000.00
	9.55%	\$286,363.65	\$14,318.18	\$272,045.47	\$272,040.00	West Michigan Construction Institute West Shore Community College	Grand Rapids Scottville			\$45,000.00
						Urban League of West Michigan, dba Urban League of	Scouville	Mason	Public community college/education and training Social services organization/assisting people in achieving	\$45,000.00
							Grand Rapids	Kent	self-sufficiency and equality	\$19,452.00
The Right Place, Inc.						Feyen Zylstra	Grand Rapids Grand Rapids		Manufacturing firm/electrical services and industrial tech	\$28,396.42
(Region 4)						r cycli Zylsua	Grand Rapids	Kent	Public community college/workforce training, registered	\$20,370.42
(Region 4)						Montcalm Community College	Sidney	Montcalm	apprenticeship provider	\$56,591.88
							Muskegon		Public community college/post secondary education	\$36,780.74
						West Michigan Center for Arts and Technology			Non-profit education/training facility, focused on creative	ψ30,700.71
	<u> </u>					(WMCAT)	Grand Rapids	Kent	youth development & adult workforce development	\$40,818.96
						Thompson M-TEC/Ottawa Area Intermediate School				
Lakeshore Advantage	3.50%	Ф107 000 00	\$5,250.00	\$99,750.00	I \$121.750.00	District	Holland	Ottawa	CTE adult education provider	\$83,480.00
(Region 4) <sup>3</sup>		\$105,000.00				Grand Rapids Community College	Grand Rapids	Kent	Public community college/manufacturing education	\$16,270.00
						Allegan County Area Technical & Education Center	Allegan	Allegan	Vocational training center	\$32,000.00
	3.50%	\$105,000.00	\$5,250.00	\$99,750.00	\$99,750.00	Merrill Institute	Alma	Gratiot	Training and education organization/welding school	\$30,000.00
Middle Michigan						Mid Michigan College	Harrison	Clare	Public community college/skilled trades training provider	\$39,750.00
Development Corporation (Region 5)										
						Michigan Center for Construction Education and				
						Research, dba Greater Michigan Construction Academy	Midland	Midland	Construction academy/building trades	\$30,000.00
Saginaw Future (Region 5) <sup>4</sup>	3.55%	\$106,363.65	\$5,318.18	\$101,045.47	\$105,645.00		Saginaw	Saginaw	Manufacturing firm/industrial machinery producer	\$10,645.00
						Hemlock Semiconductor	Hemlock	Saginaw	Polysilicon manufacturing firm	\$45,000.00
									Manufacturing firm/contract machining, fabrication and	
							Chesaning	Saginaw	assembly	\$25,000.00
						General Motors LLC, dba Saginaw Metal Casting	G :	G :		
						Operations	Saginaw	Saginaw	Manufacturing firm/automotive	\$25,000.00

## Michigan Strategic Fund Training Center Equipment Grants FY 2022 Legislative Report

Local Organization	% Allocation <sup>1</sup>	Allocation Amount	5% Admin. Fee*	Allocation After Admin. Fee	Total Amount Awarded by EDO	Qualified Training Provider (Awardee)	City	County	Industry Type	Approved Amount
			\$12,068.18			Frazer Building and Construction Inc.	St. Clair	St. Clair	Residential construction contracting firm	\$4,000.00
						Goodwill Industries of St. Clair County	Port Huron	St. Clair	Charitable non-profit organization/training provider	\$6,000.00
				\$229,295.47		US Farathane LLC	Port Huron	St. Clair	Manufacturing firm/automotive	\$17,000.00
		\$241,363.65				Self Esteem Shop LLC	Casco Township	St. Clair	Retail: book seller/providing training for interns and employees with disabilities	\$3,526.00
						Epic Machine Inc. and Epic CNC Training Academy	Fenton	Genesee	Training academy/CNC certification	\$56,400.00
						LiUNA Training of Michigan	Perry	Shiawassee	Non-profit construction trades training facility	\$25,000.00
Flint & Genesee Chamber						Network Computers LLC	Fort Gratiot	St. Clair	Computer network firm/specialized communications services	\$2,466.00
of Commerce/Foundation (Region 6) <sup>5</sup>						Yukon Construction Services Inc.	St. Clair	St. Clair	Utility contractor specializing in underground construction, including telecommunications, water and sewer, gas, electric, concrete and restoration	\$11,900.00
						Macomb Engineering Inc.	Almont	Lapeer	Manufacturing firm/design and build facility	\$25,000.00
						Blue Water Area Transportation Commission	Port Huron	St. Clair	Public transportation/providing transportation to anyone in its service area including senior citizens and persons with disabilities	\$4,404.00
						Walbro LLC	Cass City	Tuscola	Manufacturing firm/engine management and fuel systems	\$50,000.00
						Security Packaging, Inc., dba NorthGate	Flint	Genesee	Supply chain management provider, including packaging, logistics, distribution, and inventory management solutions	\$23,600.00
	5.55%	\$166,363.65	\$8,318.18	\$158,045.47	\$139,197.46	Fibertec Environmental Services	Holt	Ingham	Environmental analytical laboratory / on-site training costs	\$11,000.00
Lansing Economic Area						DRM International Learning Center, LLC	Lansing	Ingham	Training center / accelerated classroom training in high demand healthcare field and construction trades training	\$44,098.73
Partnership (LEAP) (Region 7) <sup>5</sup>						J C Electric LLC	St. Johns	Clinton	Construction electrical contractor / customized software to increase efficiency	\$40,000.00
						JamAdmin DBA Best One Fleet Service of Lansing	Lansing/Delta Township	Eaton	Commercial truck fleet maintenance / equipment and training supplies needed for on-the-job training	\$44,098.73
Southwest Michigan First (Region 8)	7.55%	\$226,363.65	\$11,318.18	\$215,045.47	\$220,126.00	Glen Oaks Community College	Centreville	St. Joseph	Public community college/business outreach and services	\$15,000.00
						Kalamazoo Electrical Joint Apprenticeship and Training Committee	Kalamazoo	Kalamazoo	Construction/electrical industry/apprenticeship program	\$27,950.00
						Kalamazoo Valley Community College	Kalamazoo	Kalamazoo	Public community college/education and training	\$55,000.00
						Southwestern Michigan College	Dowagiac	Cass	Public community college/education and training	\$76,000.00
						Kellogg Community College	Battle Creek	Calhoun	Public community college/education and training	\$46,176.00
	8.55%	\$256,363.65	\$12,818.18	\$243,545.47	\$248,673.00	Ann Arbor Electrical JATC	Chelsea	Washtenaw	Education for apprentice and journeyman electricians	\$28,673.00
Ann Arbor SPARK (Region 9)						Monroe Plumbers and Pipefitters Local No. 671 Joint Apprentice and Training Plan	Monroe	Monroe	Apprentice and journeyman training/plumbing and pipefitting trades	\$40,000.00
						Southern Michigan Center for Science and Industry (SMCSI)	Hudson	Lenawee	Skilled trades training/middle-high school and adults	\$60,000.00
							Jackson	Jackson	Academy for manufacturing careers/offers an array of manufacturing-related skilled trades training courses	\$60,000.00
						Litchfield Tax Increment Finance Authority / Litchfield Regional Training Center	Litchfield	Hillsdale	Industrial training focused on welding, CNC machine, and FANUC	\$60,000.00

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Local Ouganization	%	Allocation	5% Admin.	Allocation After Admin.	Total Amount Awarded by EDO	Ovalified Training Provider (Awardee)	City	County	Industry Type	Approved
Local Organization	Allocation 1	Amount	Fee*	Fee	EDO	Qualified Training Provider (Awardee)	Clinton	County	Industry Type	Amount
						Medstar, Inc.	Clinton Township	Macomb	Non-profit EMS organization/emergency management training	\$20,000.00
Macomb County	7.55%	\$226,363.65	\$11,318.18	\$215,045.47		ivicustar, mc.	Township	Wiacomb	Tooling supplier offering fabrication and welding services	\$20,000.00
						Iron Fetish Metalworks, dba I F Metalworks	Roseville	Macomb	for all industries	\$43,761.00
									Designer, manufacturer, supplier of inspection equipment	ψ.ε,,,ο1.σο
Planning and Economic						Elcometer Inc.	Warren	Macomb	to the coatings, concrete and metal detection industry	\$43,761.00
Development									Workforce development training/automotive and	
(Region 10)						D.R.I.V.E One	Roseville	Macomb	manufacturing industries	\$20,000.00
									Food manufacturing/featuring healthy and high-quality	
						Achatz Handmade Pie Co.	Chesterfield	Macomb	products	\$43,761.00
						RCO Engineering, Inc.	Roseville	Macomb	Manufacturing firm/automotive and aerospace	\$43,761.00
	11.05%	\$331,363.65	\$16,568.18	\$314,795.47	\$314,795.00	Carnegie Institute	Troy	Oakland	Allied health post-secondary education	\$25,631.00
							Madison		Career/technology training school / certifications for	
							Heights	Oakland	medical, culinary arts, skilled trades & cosmetology fields	\$50,000.00
Oakland County Planning						Oakland Community College	Auburn Hills	Oakland	Public community college/education and training	\$84,582.00
and Community Affairs						Gable Services LLC, dba Gabletek	Troy	Oakland	Manufacturing firm/automotive	\$50,000.00
(Region 10)									Health training institute/licensed practical nurse,	
						Sananita Haalth Turining Lastitute	Cauth field	Oalden d	phlebotomy technician, patient care technician, certified nurse assistant, etc.	# <b>2</b> 0,000,00
						Serenity Health Training Institute  Metropolitan Detroit Plumbing Industry Training Trust	Southfield	Oakland	Non-profit organization offering vocational	\$20,000.00
						Fund	Troy	Oakland	training/plumbing and pipefitting construction industry	\$84,582.00
							1103	Oukidhu		\$64,362.00
		\$466,363.50	\$23,318.18	\$443,045.33	\$443,295.64	Detroit Training Institute of Technology	Detroit	Wayne	Building trades construction training with an emphasis on "green technology"	\$75,000.00
	15.55%					Detroit Training histitute of Teenhology	Denoit	wayne	Proprietary vocational trade school/training in information	\$75,000.00
Detroit Economic Growth Corporation (Region 10-Wayne County)									technology, computer programming, film & audio	
						Astute Artistry LLC, dba DSDT	Detroit	Wayne	production, graphic/web design, and drone technology	\$82,500.00
									Vocational training center/construction, manufacturing, and	
						Detroit Training Center, Inc.	Detroit	Wayne	transportation	\$82,500.00
									International institute providing workforce and	, , , , , , , , , , , , , , , , , , ,
									occupational training and other services to low-income	
						International Institute of Metropolitan Detroit (IIMD)	Detroit	Wayne	immigrants and U.S. born Detroiters	\$40,795.64
									Career/technology training school / certifications for	
						Dorsey School of Business, Inc., dba Dorsey College	Woodhaven	Wayne	medical, culinary arts, skilled trades & cosmetology fields	\$80,000.00
						LiUNA Training of Michigan	Wayne	Wayne	Non-profit construction trades training facility	\$82,500.00
	100.00%	\$3,000,000.00	\$149,999.98	\$2,850,000.02	\$2,886,558.10					

<sup>&</sup>lt;sup>1</sup> Funds were distributed on a percentage basis consistent with the Small Business Restart Grants distributed in 2020 PA 123.

<sup>&</sup>lt;sup>2</sup> NEMCOG administered the program on behalf of Target Alpena Economic Development Corporation and Otsego County Economic Alliance, Inc.

<sup>&</sup>lt;sup>3</sup> Lakeshore Advantage received an additional \$32,000.00 from funds that were returned to the MSF and reallocated and redistributed as permitted under Sec. 1094g(4) of 2021 PA 87.

<sup>&</sup>lt;sup>4</sup> Saginaw Future received an additional \$4,598.22 from funds that were returned to the MSF and reallocated and redistributed as permitted under Sec. 1094g(4) of 2021 PA 87.

<sup>&</sup>lt;sup>5</sup>LEAP and Flint & Genesee Chamber returned funds to the MSF that were reallocated and redistributed among other EDOs, as permitted under Sec. 1094g(4) of 2021 PA 87.

<sup>\*</sup>Funds returned to the MSF by EDOs and reallocated and redistributed to other EDOs impacted the amount of the administrative fee these entities could retain. The amounts listed reflect the fee they could retain based on the original allocation amount.