



MICHIGAN STRATEGIC FUND

MEMORANDUM

DATE: September 30, 2025

TO: The Honorable Sarah Anthony, Chair
Senate Appropriations Committee

The Honorable Ann Bollin, Chair
House Appropriations Committee

The Honorable Jon Bumstead
Minority Vice Chair
Senate Appropriations Committee

The Honorable Mary Cavanagh, Chair
Senate Appropriations Subcommittee on
Labor and Economic Opportunity/MEDC

The Honorable Nancy Jenkins-Arno, Chair
House Appropriations Subcommittee on Labor
and Economic Opportunity

The Honorable Mark Huizenga
Minority Vice Chair
Senate Appropriations Subcommittee on
Labor and Economic Opportunity/MEDC

The Honorable Jasper Martus
Minority Vice Chair
House Appropriations Subcommittee on Labor
and Economic Opportunity

FROM: Quentin L. Messer Jr., President
Michigan Strategic Fund

SUBJECT: Section 1030 – Minority-Owned Business Support Annual Report

Section 1030 of Public Act 121 of 2024 requires the department to award grants to minority-owned businesses or non-profit business organizations to implement small business development initiatives for minority-owned businesses in this state. Further, the department is required to provide an annual report detailing the number of awards granted, the amount of each award, the recipient and purpose of the awards until the funds have been expended, as well as any recommendations to improve the future distribution of funds to eligible entities under this section.

In FY 2024, the department awarded a total of 10 Inclusive Entrepreneurship Support Grants with funds totaling \$9,800,000.00. In FY 2025, a total of 23 Trusted Connector Grants were awarded with funds totaling \$6,800,000.00. A breakdown of the awards is attached.

In the future, the department recommends the following to improve the distribution of funds to eligible entities:

1. No Earmarks: Having no earmarks offers flexibility for a single application and speeds up the launch and review process, ultimately getting funds to small businesses faster.
2. Industry Focused Grant Funds to Support Businesses Served: Industry associations and organizations offer industry assessments and certifications (Example: ISO9001, AS9100, CMMC [cybersecurity maturity model through DoD], Safety Certifications [Construction Industry], etc.) that specifically target barriers to businesses. These certifications enhance manufacturing competitiveness and help companies reduce risks when expanding into new and adjacent industries. The businesses served through the business associations and organizations would be supported by providing them with the

essential certifications and capabilities to enter new industry sectors and diversify their products and services.

Please contact our Office of Legislative Affairs at medcgovrelations@michigan.org if you have any questions.

Attachment

cc: Members, Senate and House Appropriations Committees
Members, Senate Appropriations Subcommittee on Labor and Economic Opportunity/MEDC
Members, House Appropriations Subcommittee on Labor and Economic Opportunity
Senate and House Fiscal Agencies
Senate and House Policy Offices
State Budget Office

Michigan Strategic Fund / Michigan Economic Development Corporation
FY 2025 Minority-Owned Business Support Annual Report - Section 1030

FY 2024 Awards: Inclusive Entrepreneurship Support Grants				
No.	Recipient	Purpose	Award Amount	Amount Disbursed
1	CircNova, Inc.	To expend funds on eligible costs and work with strategic partners to pilot projects with a high probability of modernizing RNA discovery metrics and design.	\$1,000,000.00	\$905,887.66
2	Dunamis Charge, Inc	To expend funds on eligible costs in relation to the (electric vehicle) EV charger manufacturing plant as well as operational growth and expansion.	\$2,500,000.00	\$2,500,000.00
3	Lansing Economic Area Partnership	Funding for a business accelerator program and other activities that support or develop small business, including technical assistance, grants, incubation, access to capital, or other financing opportunities.	\$500,000.00	\$250,000.00
4	Metro Detroit Black Business Alliance	Funding for entrepreneur capital connect and technical assistance programs.	\$500,000.00	\$500,000.00
5	NX Fuels, Inc.	To expend funds on eligible costs to: (i) hire three (3) engineers to lead the design and build of a cryogenic based H2 separation system; (ii) the purchase, optimization, and/or scaling of the photocatalytic solar wafers; and (iii) the development and demonstration of a 100W modular SunH2™ system.	\$1,000,000.00	\$500,000.00
6	Optimum Modular, LLC d/b/a Ginosko Modular	To expend funds on eligible costs to increase operational efficiencies, enhance safety, and minimize employee turnover related to the recipient's advanced manufacturing efforts to promote affordable housing infrastructure.	\$1,000,000.00	\$1,000,000.00
7	SBE Medical, Inc.	To expend funds on eligible costs to establish warehouse and manufacturing site(s) in Grand Rapids, Michigan, invest in tooling and in-line surface treatment equipment to support the scaling of production, and commercialize the Tibbe EUD developed with Corewell Health and Grand Valley State University.	\$800,000.00	\$800,000.00
8	The Mackinac Technology Company	To expend funds on eligible costs to set up low-rate initial production in Michigan and engage in diligent efforts to secure additional funding to procure and operate full-scale manufacturing equipment.	\$1,000,000.00	\$500,000.00
9	Unified Business Technologies, Inc.	To expend funds on eligible costs to construct the boosthub solar panel EV charge manufacturing facility in Pontiac, Michigan.	\$1,000,000.00	\$500,000.00
10	Union Heritage Venture Capital, LLC	To expend funds on eligible costs to hire two (2) full-time employees, obtain supplies, and prepare approximately seventy-five (75) founders for institutional investment, while also working with the founders to foster the creation of new full-time jobs through investments in Michigan companies.	\$500,000.00	\$250,000.00
Total:			\$9,800,000.00	\$7,705,887.66

FY 2025 Awards: Trusted Connector Grants				
No.	Recipient	Purpose	Award Amount	Amount Disbursed
1	ACCESS	To expand capital access programs, enhance technical assistance, and build more robust business support services for the purpose of workforce development and job retention for small businesses across Southeast Michigan. Additionally, this funding will increase direct financial assistance, expand multilingual business resources, and enhance technical assistance offerings, particularly for historically under-resourced communities, including immigrant, minority, and women-owned businesses.	\$250,000.00	\$125,000.00
2	Asian Pacific American Chamber of Commerce	To enhance and expand programs that provide technical assistance, financial readiness training, supplier diversity support, and multilingual business resources for small businesses offering more tailored support to help businesses adapt to economic changes, navigate procurement opportunities, and build long-term resilience from now through 2026. This funding will strengthen technical assistance, expand business education programs, and provide deeper engagement opportunities, ensuring that more entrepreneurs—especially those facing barriers to capital access and procurement—receive the guidance they need to succeed.	\$250,000.00	\$125,000.00
3	Black Tech Saturdays	To strengthen infrastructure, scale impact, and contribute to Michigan’s broader efforts to become a premier hub for tech entrepreneurship. By improving access to capital, procurement readiness, and multilingual resources, we will help more businesses thrive, create jobs, and drive economic mobility. With this investment, Black Tech Saturday's will not only expand direct support to entrepreneurs but also contribute valuable data and insights that can help inform how Michigan best serves underrepresented founders—ensuring that this work leads to long-term, systemic change in our state’s business ecosystem.	\$1,000,000.00	\$500,000.00
4	Black Wall Street Kalamazoo	The West MI Black Economic and Business Development Group—a coalition of Sisters In Business – Black Wall Street Kalamazoo, Black Wall Street Muskegon, and Grand Rapids Area Black Businesses (GRABB)—will use this funding to expand business training, increase access to capital, enhance supplier readiness, and create economic opportunities for Black entrepreneurs across West Michigan.	\$300,000.00	\$150,000.00
5	Detroit Regional Chamber Foundation	To provide direct grants to local small businesses who demonstrate a specific need or barrier to growth that can be addressed by a \$15,000 grant. Additionally, businesses selected will have demonstrated the "multiplier effect" in that the improvements or enhancements for their business will have additional impact on the overall quality, vitality, health, or safety of the neighborhood.	\$250,000.00	\$125,000.00

FY 2025 Awards: Trusted Connector Grants				
No.	Recipient	Purpose	Award Amount	Amount Disbursed
6	Detroit Regional LGBT Chamber Fund, Inc.	To foster the growth and development of LGBTQ+ businesses in Michigan by utilizing the funds to enhance operations, increase staffing in key areas, and expand programs to support LGBTQ+ businesses, particularly in underserved areas. Additionally, over 800 more LGBTQ+ and allied businesses (Pridesource advertisers) will be significantly impacted by providing them with the resources, support, and opportunities they need to thrive. This strategic investment will help develop a vulnerable community within Wayne County and beyond, connecting community members to a robust network of LGBTQ+ business members and corporate partners.	\$250,000.00	\$125,000.00
7	E. Warren Development Corp. (EWDC)	To introduce new mini-grants into EWDC's programming and connect incubator, DAP, and other businesses with private, local-, and state-level opportunities to secure funding for business development.	\$180,000.00	\$90,000.00
8	Global Detroit	To provide a comprehensive suite of services to support both existing businesses and aspiring entrepreneurs, with a focus on fostering growth, sustainability, and inclusivity. Core offerings include targeted referrals and facilitated connections to technical assistance and capital resources, direct no-cost technical support from local experts to enhance capital readiness, and robust language access services to ensure equitable participation. The program also delivers educational sessions and outreach events in multiple languages, supports entrepreneurs through pop-up shop opportunities to test markets, and offers mentorship to peer organizations to strengthen accessibility across the ecosystem. In addition, it engages in networking and advocacy to promote inclusive policies and amplify the Trusted Connector model, which is embedded throughout the program to provide culturally responsive outreach and personalized guidance. Together, these efforts ensure underserved entrepreneurs—particularly those facing language barriers—can effectively access resources, build capacity, and thrive within Michigan's small business landscape.	\$250,000.00	\$125,000.00
9	Grand Rapids Chamber of Commerce	To expand and enhance small business support initiatives, with a focus on capital access, supplier readiness, technical assistance, and multi-lingual programming to drive economic growth, create and retain jobs, and provide critical resources to historically underrepresented businesses in West Michigan.	\$250,000.00	\$125,000.00

FY 2025 Awards: Trusted Connector Grants				
No.	Recipient	Purpose	Award Amount	Amount Disbursed
10	Great Lakes Women's Business Council	To support small businesses through two core offerings: Peer Growth Circles, a 6-month engagement focused on industry-specific challenges with mentorship, subject matter experts, and buyer connections, and Learning Circles, a 3-month training series on key business fundamentals such as marketing, strategy, and financial management, each integrated with technology tools like AI marketing, e-commerce, and digital accounting systems. To strengthen capital readiness, participants receive guidance on business planning, access to trusted lenders, and opportunities to compete for grants, along with complimentary chamber memberships to continue networking and support. Delivered in collaboration with local chambers and community organizations, the program also hosts launch and finale events to showcase business achievements, foster connections with lenders and corporate buyers, and celebrate participants' integration of new strategies and technologies. Together, these efforts will build capacity, expand access to capital, and strengthen local business ecosystems.	\$359,950.00	\$179,975.00
11	Lakeshore Advantage	To expand entrepreneurial support programs and addressing unmet needs in the West Michigan startup ecosystem, including broadening the SURGE Credits program to provide up to 12 non-tech startups per year with funding for essential business services; launching an Entrepreneur-in-Residence program to embed seasoned SaaS and product founders as part-time mentors; and supporting entrepreneur-led community events to strengthen peer-to-peer learning and collaboration. In addition, SURGE will partner with A:Lab to deliver a Capital Readiness Program that equips founders for successful fundraising, and with Centered to run a Customer-Funded Accelerator focused on sustainable, revenue-driven growth. Together, these initiatives will ensure a wider range of entrepreneurs gain access to critical resources, mentorship, and pathways to funding, ultimately fostering a more inclusive, resilient, and thriving startup community.	\$300,000.00	\$150,000.00
12	Lean Rocket Lab	To fund direct grants to businesses participating in Lean Rocket LOCAL Fellow and Fast Track to Lending program (Jackson, Hillsdale and Lenawee Counties), the Sales & Marketing Accelerator (state wide, virtual/hybrid), pay contractors that support LRL as Experts In Residence or through contracted services (video production, marketing, event management, development, etc.), and cover personnel costs related to programming, instruction, technical assistance, and projects. Access to these funds would ensure that LRL team members (5 FTE) will retain jobs at the Lean Rocket Lab and the funding will create opportunities for additional contracting jobs providing technical assistance and supporting programming and instruction.	\$250,000.00	\$125,000.00

FY 2025 Awards: Trusted Connector Grants				
No.	Recipient	Purpose	Award Amount	Amount Disbursed
13	LEAP (Lansing Economic Area Partnership)	To implement the SCALE Platform (Start, Commit, Attract, Leverage, Excel), a digital platform to expand entrepreneurial support in the tri-county region, that will include self-paced business modules (available in English & Spanish), a mentor matching tool to connect entrepreneurs with experienced business leaders, a Funding Readiness Lookbook to connect top-performing companies with investors and an "Entrepreneur Support Organization in a Box" for rural chambers of commerce.	\$250,000.00	\$125,000.00
14	Madison Heights Hazel Park Chamber of Commerce (MHHPCC)	The MHHPCC, in conjunction with Incubizo, proposes to leverage our established partnership and proven CAFE model to expand our entrepreneurial support ecosystem. They have carefully allocated funding across strategic enhancement areas to maximize impact while ensuring sustainable program growth. Together, these staffing investments will create new employment opportunities while significantly expanding their collective capacity to serve entrepreneurs. By adding dedicated personnel for implementation and measurement, they'll ensure both effective program delivery and thorough documentation of outcomes, creating a strong foundation for program sustainability beyond the grant period.	\$249,202.00	\$124,601.00
15	Michigan Hispanic Chamber of Commerce	To expand access to technical assistance, training, networking, capital, and other vital resources for Hispanic entrepreneurs across Michigan, with a focus on Geographically Disadvantaged Business Areas (GDBAs) and communities with limited English proficiency. Key initiatives include hosting six 5x5 Pitch Competitions in partnership with Start Garden to award \$5,000 grants; scaling our Adelante MI and HBeX programs to new regions by hiring dedicated staff to increase workshops, coaching, and technical assistance; expanding our Tercer Jueves networking events from 5–7 to 8–10 annually; adding a second annual Supplier Diversity Matchmaker to connect entrepreneurs in GDBAs and LEP communities with larger buyers; and launching four industry-specific CEO roundtables to foster mentorship in high-growth sectors.	\$250,000.00	\$125,000.00
16	Middle Michigan Development Corporation	To provide critical services, programs, and resources designed to empower and support entrepreneurs and small businesses by launching a comprehensive initiative titled the Middle Michigan Place-Based Business Initiative. This initiative will include hosting Middle Michigan business mixers each month, an Annual Place-Based Business and Start Up Summit, and a Middle Michigan Film Readiness Initiative. Additionally, two full-time staff will be hired to assist in providing services adequately to the Clare, Isabella, and Osceola counties in our service area. Additionally, one-on-one support will be provided to businesses interested in additional access to partners and resources that can help reduce barriers in launching and maintaining a business in rural Mid Michigan.	\$310,848.00	\$155,424.00

FY 2025 Awards: Trusted Connector Grants				
No.	Recipient	Purpose	Award Amount	Amount Disbursed
17	National Business League	To integrate Artificial Intelligence (AI) and digital transformation technologies into the highly successful National Buyer-Supplier Development Program (NBSDP). It will make a select number of the (AI) tools developed available to businesses across the state and significantly enhance supplier readiness, business growth planning effectiveness, and customer creation for Black Business Enterprises (BBEs) and Geographically Disadvantaged businesses in Michigan.	\$250,000.00	\$125.00
18	National Veteran Business Development Council	To scale and implement our global growth initiatives focusing on increasing connectivity to business resources, networking, and mentorship, especially for veteran entrepreneurs in high-growth industries like advanced manufacturing, cybersecurity, and defense exports.	\$300,000.00	\$150,000.00
19	Oakland Thrive	To enhance multilingual workshops, translation and interpretation services, contractor readiness programs, one-on-one technical assistance, networking and mentorship initiatives, digital literacy cohorts, and capital access training, while also improving financial coaching and tracking through its CRM system, Thrive Drive. These efforts are designed to serve thousands of entrepreneurs annually, strengthen procurement pipelines, boost digital and financial acumen, and foster inclusive economic growth.	\$250,000.00	\$125,000.00
20	Sisters Code	To expand our capacity to help small businesses grow, with a specific interest in outreach to Highland Park-based businesses, by activating a resource that will connect area business owners to the capital, support, and services they need including: 1) connectivity to the entrepreneurs we serve through a platform that personalizes support for entrepreneurs, 2) referral to direct operational services from vetted providers, 3) referral to capital access partners, 4) and active learning opportunities through coaching, mentorship, events, and peer-to-peer networking.	\$250,000.00	\$125,000.00
21	Southwest Michigan First Corporation	To address Michigan's critical housing and development shortage due to limited availability of skilled contractors, small developers, and industry-ready businesses, by scaling proven programs led by Southwest Michigan First and partners, focusing on four key strategies: facilitating capital access coaching to help underrepresented and small developers secure funding; enhancing digital and operational capabilities to increase business capacity; expanding mentorship and networking to strengthen multi-stakeholder collaboration; and targeting support for under-resourced entrepreneurs, including those in geographically disadvantaged, veteran-owned, and LEP communities. By bridging capital gaps, modernizing operations, and expanding industry connections, the initiative will foster a more inclusive and resilient contractor ecosystem, unlocking new opportunities for small businesses to thrive and positioning Michigan as a national leader in small business-driven development.	\$300,000.00	\$150,000.00

FY 2025 Awards: Trusted Connector Grants				
No.	Recipient	Purpose	Award Amount	Amount Disbursed
22	Southwest Michigan Regional Chamber of Commerce	To support and expand the Chamber Growth Alliance (CGA) model to historically underserved communities within Berrien County.	\$250,000.00	\$125,000.00
23	Venture Catalysts	To establish and grow the Catalyst Program including personnel, partnerships, and key software expenses with needed automated Ecosystem Mapping and Collective Intelligence tech solutions.	\$250,000.00	\$125,000.00
Total:			\$6,800,000.00	\$3,275,125.00