



MICHIGAN STRATEGIC FUND

MEMORANDUM

DATE: March 14, 2025

TO: The Honorable Sarah Anthony, Chair
Senate 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 Mark Huizenga
Minority Vice Chair
Senate Appropriations Subcommittee on
Labor and Economic Opportunity/MEDC

The Honorable Ann Bollin, Chair
House Appropriations Committee

The Honorable Alabas Farhat
Minority Vice Chair
House Appropriations Committee

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

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: FY 2024 Michigan Talent Partnership Program Bi-Annual Report

Section 528 of Public Act 121 of 2024, the FY 2025 Omnibus Budget, requires the Michigan Strategic Fund (MSF) to provide a report on the implementation status of the Michigan Talent Partnership Program, including the utilization, amount, and status of any funds allocated for approved local plans and the amount retained by the department or state agencies to support implementation of the program. At this time, no funds have been allocated for approved local plans or retained by the department or state agencies to support implementation of the program.

Additionally, Section 528 requires identification of activities undertaken by agency workgroup participants to communicate the implementation of local talent plans to their respective agencies, as applicable, and identification of any existing programs or resources that may be used to support the implementation of a local talent plan. Pursuant to this requirement, attached is a summary of the Michigan Talent Partnership Program.

Please contact our Office of Legislative Affairs at medcgovrelations@michigan.org if you have any questions. In addition, please do not hesitate to contact me at messerq@michigan.org.

Attachment

cc: Members, Senate and House Appropriations Committees
Members, Senate and House Appropriations Subcommittees on Labor and Economic Opportunity
Kathryn R. Summers, Director, Senate Fiscal Agency
Mary Ann Cleary, Director, House Fiscal Agency
Senate and House Policy Offices
Jen Flood, State Budget Director

FY 2024 Michigan Talent Partnership Program Report

BACKGROUND:

Public Act 121 of 2024, the FY 2025 Omnibus Budget, was signed into law on July 24, 2024, and established the Michigan Talent Partnership Program. This one-time appropriation of up to \$25 million into the Revitalization and Placemaking Fund consistent with Section 696 of the Income Tax Act of 1967, 1967 PA 281, MCL 206.696 to implement transformational public space development projects in central city neighborhoods or concentrated districts and leverage interdepartmental and cross-sector coordination through local talent plans designed to increase Michigan's population of young talent by creating high-density, high-amenity, walkable, vibrant street life neighborhoods or districts, and to create business ownership opportunities for local residents.

PROGRAM OVERVIEW:

In today's knowledge-driven economy, talent attracts capital and quality of place attracts talent. The Michigan Talent Partnership Program aims to retain and attract young residents by creating dense, walkable, and vibrant neighborhoods/districts in Michigan's central cities - the kinds of places that highly educated workers are flocking to today. Based on the boilerplate language, up to \$17,460,000 will be allocated to one project in each of four cities: Detroit, Grand Rapids, Lansing and Ann Arbor with grant awards of \$500,000-\$17,460,000. The remainder of the funding is reserved for projects across the state, up to a maximum total of \$6,790,000.

APPLICATION & SELECTION PROCESS:

To encourage broad based community support for the project, eligible applicants for a grant must be a consortium of entities that may include local economic development organizations, the nonprofit community, and the business community. Each consortium must include the chief administrator or executive of the local government where the project funding will be expended. Applicants will be eligible to receive technical assistance from a selected third-party consultant beginning in spring 2025 to support the development of a robust qualified talent plan proposal, with draft plans anticipated in summer 2025. A draft Notice of Funding Opportunity (NOFO) was submitted to the four cities in February 2025 to allow local planning to begin.

ANTICIPATED OUTCOMES:

Competitive proposals will clearly demonstrate a defined implementation area, how the plan will increase Michigan's population of young talented workers, how funds will be used, identification of stakeholders engaged, local or private match funds committed, proposed implementation timeline and plan's sustainability, measurable outcomes, transition of roadway usage from cars to alternative transportation spaces, commercial corridor activation, mixed-use development, and a plan to support greater density, increase access to affordable or middle-income housing, improve direct access to multi-modal transportation and improve quality of life through various amenities.