

# SUPPORTING MICHIGAN SMALL BUSINESSES

As the Michigan Economic Development Corporation sets a course for economic recovery, key initiatives to stabilize, recover and ultimately grow the economy in Michigan are needed to build on the foundation of nearly \$240 million in small business relief the organization has already deployed statewide. Even with significant existing efforts, a gap remains in access to existing pandemic relief funding at both the federal and state level for key segments of our business community—including businesses with five employees or less, businesses in rural areas and tech startups.

The \$225 million for small businesses support in this supplemental seeks to address these gaps and continue Michigan on the path to economic recovery statewide. Funding will help our local, homegrown businesses and main streets while complementing—rather than duplicating—federal stimulus efforts and previous relief programs already available.

The following **three programs** will allow Michigan to continue critical relief for Main Street businesses, including restaurants and retailers, while accelerating the recovery efforts that will ensure longer-term economic opportunity for all Michiganders:

## MICHIGAN MAINSTREET INITIATIVE

***\$125 million to stabilize our small business community***

Includes:

- A \$60 million grant program for restaurants and other place-based businesses to keep our Main Streets vibrant and our communities resilient.
- A \$63 million grant program for the nearly half of Michigan's community development financial institutions (CDFI) that are not eligible for federal CDFI stimulus funds. Michigan's CDFI organizations complement the traditional lenders supporting businesses through Paycheck Protection Program loans, by ensuring access to capital for rural and other businesses that have been unable to access PPP loans.
- \$2 million in planning grants and support for the remaining half of CDFIs eligible for federal funds, to support matching requirements, etc., and secure these federal dollars in Michigan.

## MICHIGAN MICROENTERPRISE SUPPORT INITIATIVE

***\$25 million to put small businesses on the path to recovery***

- Michigan businesses with fewer than nine employees represent more than half of business establishments in the state—many of whom have struggled to access capital through traditional programs.
- This initiative creates greater access to much needed capital and critical business support services to drive relief and recovery of this key group of Michigan businesses ensuring a more equitable economic recovery.

## BUSINESS ACCELERATOR AND RESILIENCY INITIATIVE

***\$75 million to grow opportunity that fuels the economy***

- Michigan's high-tech startups are vital to long term economic recovery efforts but have largely been left out of relief programs including PPP.
- Investors hold back capital during a recession—or pandemic—and these grants ensure these startups continue to grow and contribute to the economy in Michigan.
- Through smaller, more targeted relief programs—including support through the Business Accelerator Fund administered by SBDC—we have demonstrated the impact the grants have on keeping startups growing and innovating in the state.



**MICHIGAN ECONOMIC  
DEVELOPMENT CORPORATION**