



## Coalition for a Strong and Prosperous Michigan

### From Rescue to Prosperity: A Roadmap to Michigan's Future

The American Rescue Plan (ARP) provides an opportunity to advance a bold vision to build Michigan's future and strategically invest in our residents, entrepreneurs, businesses, and communities. Working together, Michigan can be a magnet for talent, revive and strengthen the economy now and into the future, and support thriving communities that can be enjoyed by all.

As community and business leaders, we have developed a comprehensive roadmap to invest, leverage, and amplify American Rescue Plan resources in the following ways to lay a foundation for a stronger recovery.

- Utilize state ARP funds and local resources to **invest** in infrastructure, capacity, and fiscal stability that benefit people, places, and businesses.
- Create multi-sector partnerships between communities, state leaders, interest groups, businesses, and philanthropy to **leverage** available resources accelerating the impact of our investment.
- Create long-term change to sustain and **amplify** investment for us and our future.

To meet these ambitious goals, we suggest focusing resources in five key areas:

- Infrastructure: Resilient and Sustainable Water Systems and High-Speed Broadband Access
- Fiscal Health: Smart Investments that Provide Stability for State and Local Government
- Thriving Communities: Attainable Housing and Community Development
- Strong Economy: Economic Development, Business Assistance, Skilled Workforce, and Talent
- Public Health and Safety: Healthy and Safe People, Families, and Communities

The decisions made in the coming weeks and months will define Michigan's recovery path. The Coalition understands that our future success is inextricably linked, and the strategic investment of the state's available resources need to support and strengthen these connections. Our bold vision to build Michigan's future capitalizes on the economic value of thriving communities, advances equity, builds community wealth, supports entrepreneurship, prioritizes the need for talent, and spurs business development.

As leaders representing people from every corner of Michigan, we offer our support for this comprehensive roadmap to invest American Rescue Plan funds. We welcome an opportunity to work together on how we can build a path forward for Michigan residents, businesses, and communities that is supported with the tools and resources necessary to create future prosperity.

## Investing in Resilient and Sustainable Water Infrastructure (\$2.5 Billion)

Water infrastructure across Michigan is in desperate need of repair and replacement. The American Rescue Plan provides an opportunity to repair and replace aging water infrastructure, resolve public health problems, reduce environmental contamination, and provide current and future generations with resilient and sustainable systems.

This framework leverages \$2.5 billion in American Rescue Plan funds by the end of 2026 to make capital improvements, replace lead service lines, improve planning at the local level, and address issues of sustainability and resiliency related to water.

## Supporting Economic Prosperity and Quality Service through Capital Improvement: (\$1.5B)

### \$1.25B Drinking Water, Wastewater, Stormwater Management, and Green Infrastructure

- General Guidelines
  - Funding is available for public water suppliers, authorities, and wholesalers.
  - Funding will focus on investing in projects that create healthy environments, improve economic prosperity, maximize the value of the investment, and provide reliable high-quality service.
  - Prioritization will be given to projects that align with the strategy of the Michigan Infrastructure Commission.
  - These funds cannot be used on a speculative basis in the hopes that there will eventually be customers to serve.
  - The distribution of these funds should be reevaluated no less than on an annual basis to ensure that funding properly aligns with demand and that all available funds are obligated by the end of 2024.
  
- Drinking water, wastewater, and stormwater management and green infrastructure funds will be distributed based on the size of the system.
  - 30% of the funds are reserved for systems serving a retail population of 3,300 or less.
  
- Eligible expenses and matching requirements:
  - No match required if replacing, repairing, improving existing systems, or eliminating a failing septic system if either apply:
    - Consolidating systems
    - A disadvantaged community
  
  - 10% match required if replacing, repairing, or improving an existing system.
    - Match is calculated as a percentage of the American Rescue Plan funds that were awarded to the community or communities served.
    - Overall match cannot exceed \$5M in the event the 10% match would be greater than \$5M.

- Matching funds can come from any available source unless prohibited by Federal administrative procedures..
- 10% match if extending a wastewater facility or constructing a new wastewater facility for the purpose of eliminating failing septic systems.
  - Match is determined as a percentage ratio of American Rescue Plan funds that were awarded to the community or communities served.
  - Overall match cannot exceed \$5M in the event the 10% match would be greater than \$5M.
  - Matching funds can come from any available source unless prohibited by Federal administrative procedures.
  - Projects must meet one of the following criteria:
    - Under order from the Environmental Protection Agency or the Department of Environment Great Lakes and Energy.
    - Provide significant public health benefits or environmental protection.
  - No more than 10% of the funds can be spent on extending a wastewater facility or constructing a new wastewater facility for the purposes of eliminating failing septic systems.

**\$75M** to reduce untreated combined sewer overflows if demonstrated to have cost-effective improvement of water quality and are a high priority in an asset management plan. (25% match)

**\$100M** for publicly owned culvert replacement. (25% match)

**\$100M** for a needs-based program to replace failing residential septic systems or mitigate basement flooding on private property.

- \$50M for the replacement of failing septic systems
- \$50M to mitigate basement flooding through the repair or installation of check valves and sump pumps, and lateral repair or replacement sewers or other proven mitigation techniques
- 10% match is required
- Eligible households must fall below the ALICE threshold

### **Lead Line Replacement Program: (\$250M)**

**\$250M** to replace lead service lines as required by the state Lead and Copper Rule

- 30% of the funds are reserved for systems serving a retail population of 3,300 or less.

### **Planning and Design Grants: (\$255M)**

**\$200M** for Drinking Water, Wastewater, Stormwater Planning, and Asset Management Grants (25% Match)

- Proper planning and asset management are critical components to the effective and efficient allocation of available resources. Grant funding should focus on investing in the following areas:

- Extending the SAW Grant program to drinking water systems
- Stormwater and flood protection management planning
- Updating water, sewer, and stormwater plans
- Creating regional and system consolidation plans or establishing joint operational agreements
- Funding design work for projects eligible for ARP funding
  - If design work is funded but the project is not completed, funding would have to be returned
  - Maximum grant is \$1M

**\$10M** for Flood Plain Remapping

**\$25M** Great Lakes and Surface Water Action

- \$15.0M – Agriculture pollution prevention fund
  - \$10.0M – Provide incentives and cost-sharing to increase and maintain the implementation of MAEAP practices statewide for long-term water quality with a focus on an impact in the Western Lake Erie Basin.
  - \$5.0M – Create a grant program for local Conservation Districts to provide increased services to those seeking MAEAP assistance.
- \$10.0M – Wetland Mitigation Grants
  - Create a grant program for cost-share of wetland mitigation actions. Require a 20% match and direct grant to projects resulting in economic development.

**\$20M** Groundwater Use and Protection

- \$20.0 million to implement recommendations of the recently released Groundwater Use Advisory Council report. Includes the following:
  - \$15.0M – Geologic data collection and mapping by MI Geologic Survey
  - \$2.1M – Create the MI Hydrologic Framework
  - \$350,000 – Streamflow gages project between US Geologic Survey and EGLE
  - \$250,000 – Create the MI Integrated Water Management database
  - Additional smaller projects

**Statewide Drinking Water Assistance Program (\$100M)**

Unpaid water bills stress public water utilities' ability to maintain water infrastructure and can lead to interruptions in service that disproportionately impact Michigan's most vulnerable households.

Unlike other public utilities, there is no statewide program to protect against loss of water services due to nonpayment.

**\$100M** to create a statewide water assistance program consistent with existing utility assistance programs administered by the State of Michigan to provide the following:

- Direct assistance for Michigan's most vulnerable households

- Funds will be disbursed directly to water utilities to assist keeping utilities in service or restoring service.
- Provide additional services designed to develop water efficient households and complement direct assistance. These additional services would include:
  - Leak detection inspection
  - Basic leak repairs
  - Replacement of dated fixtures
  - Water conservation education
  - Budget / Affordable Payment Plan Programs
- The program would become self-sustaining through State fee assessed on water bills. Beginning January 1, 2023, the fee would begin at \$0.33 per month and adjust annually over a three-year period up to \$1.00 per month.

### **Sustainability, Resilience, and Environmental Protection Program (\$370M)**

**\$50M** for contaminated site remediation done in coordination with water, sewer, and stormwater projects for the expressed purpose of site development to enhance economic development

**\$85M** for investment in municipal infrastructure to mitigate the impacts of high-water levels.

**\$100M** for PFAS mitigation and connection to municipal systems.

**\$125M** for dam retro fit, repair, and removal.

**\$10M** to fund grants for technology upgrades such as remote or sources water monitoring and installation of smart meter technology.

- 70% of the funds will be reserved for systems serving a retail population of 3,300 or less.
- Grants shall not exceed \$100,000.

### **Expanding High-Speed Broadband Access (\$500M)**

High-speed broadband should be accessible to homes and businesses across Michigan to enhance economic development, provide access to education and life-long learning opportunities, and support remote work demands. Utilizing the American Rescue Plan, Michigan can support the buildout of high-speed broadband and help modernize the way we work and learn.

#### **Deployment of Broadband Infrastructure (\$350M)**

**\$275M** to enhance the Connecting Michigan Communities Grant

- Grant funds would be used to expand broadband and utilize the Connecting Michigan Communities Grant Program as the disbursement mechanism.

- These funds would come from the Michigan allocation of the Capital Project Fund within the American Rescue Plan (\$250M) and form the State and Local Fiscal Relief Funds (\$25M)
- Grant recipients must follow the Coronavirus Capital Project Fund guidelines released by U.S. Treasury.
- Funding eligibility would be extended to local governments, school networks, nonprofits, and co-operatives currently providing service.

**\$75M for Broadband Deserts and In-Fill Broadband Grants**

- Provide grant funding to providers for the following purposes
  - Eliminating gaps or inequities in coverage areas to ensure continuity in connectivity.
  - Increase network speeds to address education, work, or economic development needs.

**Digital Literacy, Access to Devices, Mapping, and Planning (\$100M)**

**\$5M** for the Department of Technology Management and Budget to create materials, resources, model curricula, and lesson plans concerning digital literacy and cyber safety.

**\$35M** to provide broadband supported devices for individuals or households below the Asset Limited, Income Constrained, Employed (ALICE) threshold.

- Broadband support devices will be provided through education institutions and other career or tech training programs for the express purpose of addressing access to devices for education or to advance life-long learning.

**\$35M** for a statewide broadband mapping initiative to develop statewide maps that illustrate broadband availability, capability, and speeds throughout this state.

**\$25M** in grant funding for local units of government to conduct community and regional broadband needs analysis.

**Create a refundable PPT credit for any provider that expands service to an unserved area (\$50M)**

**\$50M** fund to pay for the PPT credit. Funds are available on a first-come-first-served basis and each credit would cover 5 years of PPT for the provider. The provide must follow the guidelines for deployment speeds for American Rescue Plan funds to be eligible.

- The maximum benefit to a single provider is capped at \$5M

**Fiscal Health: Smart Investments to Provide Stability for State and Local Governments (\$800M)**

Supporting the long-term fiscal health of the state and local governments of all sizes is key to stabilizing Michigan’s economic landscape. State economic policy sets the stage for business growth and personal wealth creation. Local government complements state policy by balancing and tailoring quality of life, infrastructure, and economic initiatives for a community’s specific needs. Utilizing the American Rescue Plan to enhance Michigan’s prosperity is strengthened by providing stability at the state and local level.

### **\$365M** Deposit into a Revenue Sharing Trust Fund

- Create a Revenue Sharing Trust Fund to secure American Rescue Plan investment in communities and transfer all existing revenue sharing for counties, cities, villages, and townships into the trust fund.
  - The Revenue Sharing Trust Fund is a proposal previously sponsored by former Representative VerHeulen.
- American Rescue Plan funds would be split \$250M for statutory revenue sharing for cities, villages, and townships, and \$115M for county revenue sharing and would be distributed in addition to the existing statutory revenue sharing payments.
  - \$250M in ARP funds for cities, villages, and townships would be spread out over the available 5 years of the ARP investment window, \$50M per year until 2026, and would utilize the currently unfunded revenue sharing formula that exists in statute as the distribution formula.
  - \$115M in ARP funds for counties would also be spread over the next 5 years subject to legislative appropriation, \$23M per year until 2026.

### **\$350M** Deposit into the Unemployment Trust Fund

- Utilize ARP funds to rebuild the unemployment trust fund. This will help ensure businesses are not fully responsible for the cost of unemployment insurance (UI) benefits paid due to COVID-19. The high levels of unemployment in 2020 and 2021 were not due to the normal swings of the labor market or the actions of employers and the state should work to negate the impact on businesses.
- This deposit is in addition the \$150M in ARP funds already deposited into the UI trust fund for a total investment of \$500M.

### **\$75M** for HVAC and Physical Modifications at Municipal Buildings and to Promote Opportunities for Coordination Between Units for Joint Facilities

- \$50M for improved ventilation, air quality, and physical modification can contribute to improved health outcomes at any indoor facility. Michigan should invest resources to mitigate risk and improve health outcomes. Any municipality that can demonstrate a functioning HVAC system that meets or exceeds an efficiency standard of 13 (MERV-13) or physical improvements made to protect public health, the state will provide a direct reimbursement not to exceed \$50,000 per local unit of government.
- \$25M for coordination on joint facilities between local units of government or between other entities to create efficiencies and cost savings. Any local of unit of government that coordinates or creates a joint use facility, the state will provide a direct reimbursement up to 25% of the project not to exceed \$1,000,000 per local unit of government.

### **\$10M** in Grants for Non-Entitlement Units of Government for American Rescue Plan Related Technical Assistance, Federal Reporting, and Compliance Requirements

- Many local units of government will be receiving federal funds for the first time under the American Rescue Plan. With limited staff capacity and resources many of these local units can

be overwhelmed with new and unfamiliar reporting requirements. This grant funding will help assist communities efficiently deploy, track and report in accordance with ARP guidelines.

## Thriving Communities: Attainable Housing and Community Development (\$805M)

Access to attainable housing and thriving communities have a significant impact on education, health, employment, economic, and equity outcomes, while providing greater opportunities for wealth creation. Michigan can utilize American Rescue Plan resources to address the state's housing needs, invest in great places, and layer in wrap-around services to improve outcomes for all Michigan families.

### **\$350M** investment in the Housing & Community Development Fund

- The American Rescue Plan includes direct funding for crisis response activities such as rental assistance and foreclosure prevention, but communities in every corner of the state have substantial long-term needs for housing that is adequate, safe, and affordable to Michiganders.
- A sizeable catch-up capital investment in existing and new housing stock will support stable and prosperous households and communities.
- The Michigan Housing and Community Development Fund (MHCDF) exists to support the development and coordination of public private partnerships to meet the attainable housing needs of households across the state.
- American Rescue Plan-supported catch-up investment should be in addition to ongoing state investment in housing, and the one-time dollars should be dedicated to uses that have durable benefits without new ongoing public expenses, such as:
  - Scattered-site infill housing construction targeting neighborhoods served by existing public infrastructure (streets, water, sewer, police/fire service).
  - Capital maintenance and rehab that preserves existing housing stock, including homeowner repair grants to address aging roofs and mechanicals.
  - Weatherization, energy efficient heating, and lead/asbestos removal.
  - Neighborhood amenities that support quality of life for all residents, such as blight removal, filling sidewalk and crosswalk gaps, street tree canopy, and address deferred maintenance in neighborhood parks.
  - Accessibility/aging in place housing modification grants.
  - Grants for lead paint remediation.
- To ensure this impact is truly felt statewide, these catch-up investments should be suballocated proportionally to the 10 regions.
- Additionally, the fund shall dedicate a minimum of 10% of the funding to households between 61-120% Area Median Income (AMI).
- Require an annual report using data collected from project applications to show impacts of the funding such as:
  - Public/private dollars leveraged
  - Project types



- Convene a committee to look at long-term funding for the MHCDF, based on successful models in other states. One-time funding is encouraging, but to truly address housing needs across the state, Michigan needs to invest in long-term solutions including the MHCDF.

#### **\$50M** to Accelerate and Incentivize Building Trades Training

- Skilled trades availability is a limiting factor on everything from housing construction to infrastructure—it means fewer homes are built, and the homes that do get built cost more; it means fewer roads can be rebuilt, and that each mile that does get rebuilt costs more. Accelerating and incentivizing skilled trades training would be a short-term investment that provides a generation-long return.
  - Expand Vocational Villages in Michigan Department of Corrections facilities and other at-risk youth programs.
    - Explore a junior Vocational Village for at-risk youth as well as adding a career tech component to existing youth programs.
  - Expand tuition support programs to pay living stipends for students attending construction trades programs.
  - Provide capital grants for equipment and facilities to school districts that reinvest in high school trades programs.
  - Provide grants to schools to introduce trades at an earlier age (K-5).

#### **\$50M** for Community Revitalization and Placemaking Grants Program

- This program would address the impacts of COVID-19 in disproportionately impacted Michigan communities by investing in projects that enable population and tax revenue growth through the rehabilitation of vacant and blighted buildings, historic structures, and the development of permanent place-based infrastructure associated with social-zones and traditional downtowns, outdoor dining and retail, and place-based public spaces.

#### **\$50M** Investment in Local Parks and Outdoor Recreation Infrastructure

- Provide grant funding to local units of government to invest in local parks and outdoor recreation infrastructure to meet the demands placed on recreational opportunity because of the pandemic.

#### **\$25M** Investment in a Michigan Nonprofit Relief and Activation Program

- Nonprofits are critical partners in helping lift families out of working poverty and above the ALICE threshold. This one-time infusion of capital into Michigan’s nonprofit sector will allow them to continue and improve programming that supports critical household wealth-building opportunities in underserved and rural areas of the state. Programming includes housing and childcare assistance, tax preparation services, assistance to adopt high-speed internet, and other workforce barrier elimination (e.g. transportation assistance) or similar services that are explicitly allowed through the American Rescue Plan.

#### **\$10M** for Housing Ready Communities

- Housing Ready Communities will support the development of attainable housing by aiding in the removal of obstacles. The reduction of barriers to housing growth will have a generational impact.
- Provide grants to local units of government to update master plans, housing plans, and zoning ordinances designed to reduce barriers to increasing housing supply.
- This investment should provide funds for 200-300 communities depending on process requirements and cost.
- Recommend requiring a small local match to show commitment.
- This could be connected to the Michigan Economic Development Corporation's Redevelopment Ready Communities program which assists municipalities to integrate transparency, predictability, and efficiency into their daily development practices.
  - Adding to an existing program versus creating new would be most beneficial.

#### **\$20M to Fund a One-Time Employee Housing Tax Credit (SB 360/361)**

- Allows for a 50% corporate income tax credit for eligible contributions that support employee housing for those earning up to 120% of the Area Median Income (e.g. rent support, direct investment, down payment assistance).
- Leverages local knowledge of real-time need and opportunity by the willingness of employers to invest in this work (like Going PRO for housing).

#### **\$250M for Regional Resiliency Planning Grants**

- \$25M to support regional planning and analysis by regional partners. Funds would provide for the development of "Regional Economic Resiliency Plans" that improve the efficacy of effort to address negative economic impacts, including disparities/gaps in outcomes for underserved and underrepresented populations. These plans should consider issues such as:
  - Increasing household incomes.
  - Building a talented workforce.
  - Investing in community infrastructure, including attainable housing and broadband access/adoption, to make Michigan a more desirable place to live and invest in
  - Support small businesses.
  - Growing and strengthening the middle class.
  - Incorporate existing community plans and priorities.
- Plans should be co-led by a qualified community-based nonprofit and local unit of government.
- \$225M to support project and program implementation identified by "Regional Economic Resiliency Plans"
  - Funding should be geographically diverse and require no more than a 10% local match.

## **Strong Economy: Economic Development, Business Assistance, Skilled Workforce, and Talent (\$910M)**

Recovering from the pandemic will require more than just a return to normal. To propel Michigan's future success, it is critical to learn from the experiences of the last year and a half and capitalize on the

changing environment to make the state a model for recovery, innovation, and growth. The American Rescue plan can help streamline Michigan's recovery, better connect talent to the state's growing job market, accelerate entrepreneurship, and increase community wealth.

#### **\$250M** to Expand State Development Incentive Programs to Address Demand

COVID has worsened existing cost challenges to private investment across the state, for example creating extreme volatility and significant increases in framing lumber prices over the past year. Pre-COVID, private investment was bottlenecked by the low dollar amounts available through over-subscribed state programs. Cost increases expand that gap by increasing the dollar amounts needed per project. Expanding existing and successful incentive programs can quickly fill widening "last-mile financing" gaps in project proformas.

The American Rescue Plan could be used to prefund the reimbursement of expanded tax credits to remove future budget risk.

- \$50M investment into the historic building rehab tax credit.
- \$100M to create and prefund a tax credit to convert vacant office buildings to residential apartments/condos and mixed-used facilities, allowing for the rapid repurposing of properties to follow shifting demand.
- \$100M to expand Michigan Strategic Fund eligible brownfield remediation activities with the option to use funds to offset the State Education Tax portion of tax increment financing plans.

#### **\$100M** for Strategic and Large Site Development

- Increase investment in the Michigan Economic Development Corporation's Michigan Build Ready Sites Program, that works in partnership with local communities and economic development partners from around the state. The program will prioritize investments in sites, improvements, and communities that can demonstrate key outcomes and impacts including the following:
  - Prioritize sites that utilizes and improves existing infrastructure.
  - Improve Michigan's inventory of sites that will improve its ability to support economic development opportunities occurring in the next one to three years.
  - Increase investments and economic opportunities in and around Geographically Disadvantaged Areas and Distressed Communities.
  - Utilize green infrastructure and site design to meet the ever-increasing sustainability needs of companies seeking expansion opportunities.
  - Improve economic and environmental conditions for communities that have been disproportionately impacted from environmental harms and risks.

#### **\$75M** to Invest in the Building Material Supply Chain

Both private development and public infrastructure investment has been slowed by high costs of building materials. By investing in the supply chain of both traditional and new building materials and construction techniques, Michigan can address local bottlenecks while also building new jobs and industries.

- Leverage Michigan's forests and manufacturing expertise to support startup of mass timber/cross-laminated timber production in Michigan. While Michigan has vast supplies of the raw materials for these products that could reduce building costs, the only current manufacturing facilities in the US are on the west coast. MDNR, Michigan Tech University, and Michigan State University have laid the groundwork for expansion of this industry in Michigan.
- Expand modular housing production. Modular housing production can bring down housing costs and speed up on-site work, while making more efficient use of raw materials and leveraging Michigan's existing manufacturing skill. Current producers of modular housing in Michigan have not been able to keep up with demand; this bottleneck could be addressed through expansions or new entrepreneurship supported by MEDC programs.
- Invest in R&D, manufacturing, and installation sectors to support the development and deployment of alternative building materials and energy-efficiency equipment.

### **\$300M** for Job Training and Direct Business Support Grants

- \$50M for Apprenticeship and Work-Based Learning Incentives:
  - There is an increasing need for businesses to get involved with apprenticeships and work-based learning. This program would allocate grants to businesses to either revamp, scale, or start an apprenticeship or work-based learning opportunity.
- \$50M Hiring Returning Citizens Incentives:
  - Michigan made significant progress in criminal justice reform last session. This program would allocate grants to businesses that hire returning citizens.
- \$50M Entrepreneur Fund Incentives:
  - Reports indicate a massive increase of start-up businesses nation-wide. Michigan can play a role in encouraging this entrepreneurial spirit by allocating grants at the state level.
- \$50M for Going Pro Talent Fund
- \$50M for Futures for Frontliners and Michigan Reconnect Wraparound Services
  - Futures for Frontliners and Michigan Reconnect will play an important role in reaching Michigan's Sixty by Thirty goal. Both programs will need ongoing funding, but allocating dollars to help stand up wraparound services and supports will ensure a successful implementation of the programs long term.
- \$50M for the Office of Global Michigan - Immigration & Refugee Support
  - Labor participation data demonstrates that the state cannot solely focus on current residents of Michigan to fill workforce needs. It is imperative to position Michigan as a welcoming state that encourages upward mobility of immigrants and refugees that seek asylum in Michigan. Additional one-time investments should be allocated to the Office of Global Michigan to assist with support for these individuals to gain new skills and get acclimated to Michigan.

### **\$10M** for a Hospitality Training Program

- The hospitality industry recently developed a more comprehensive approach to education and training that demonstrates the pathway to a successful, long-term, career in the industry and not just an entry-level job. To inspire careers and opportunities in hospitality, subsidizing education within the industry to advance one's profession is admirable. This can be

accomplished by subsidizing the cost to achieve industry certifications that will advance careers in the restaurant industry through ServSuccess training modules as well as hotel certifications earned through the American Hotel & Lodging Education Institute.

**\$5M** to Incentivize Better COVID-19 Safety Training and Higher Sanitization Standards

- Invest in the human capital necessary to improve public safety outcomes in food service establishments, restaurants, hotels, and banquet spaces.

**\$30M** to Offer Meeting and Event Incentives

- Michigan's meetings and events sector has been severely impacted over the course of the pandemic. Signature events like the North American International Auto Show infuse millions into Michigan's local economy all by themselves and smaller, but more ubiquitous events like weddings, trade shows and conferences are responsible for tens of thousands of jobs. The pandemic continues to impact the ability to attract this business. This incentive would include creating a 15-percent credit against the hard costs associated with hosting a meeting or event through 2022, including hotel rooms, food and beverage and audiovisual expenses. The state of Colorado recently enacted something similar using CARES Act dollars and can serve as a model from which to craft a program in Michigan.

**\$100M** to Invest in Superior Ventilation for Michigan Restaurants, Event Spaces, and Banquet Centers

- Improved ventilation and air quality can contribute to improved health outcomes at any indoor establishment. Michigan should invest resources to improve indoor air quality at restaurants, events space, and banquet facilities. Any restaurant, event space, or banquet facility that can demonstrate a functioning HVAC system that meets or exceeds an efficiency standard of 13 (MERV-13), the state will provide a direct reimbursement not to exceed \$10,000 per location.

**\$40M** Michigan EV Friendliness Program

- Ramp up electric vehicle adoption and industry leadership by targeting the following key categories, subject to federal guidelines:
  - Speed up state-led charging infrastructure buildout, which will better position the state to compete for federal infrastructure funding. Accelerate distribution of resources to local units of government and NGOs for community plug-in EV infrastructure work, including planning and demonstration projects to support EVs. Leverage allocated dollars as matching funds for future federal grant opportunities.
  - Create visionary programs to accelerate EV adoption, as well as spur EV innovation at Michigan testing sites: Provide resources to vulnerable communities to prepare to manage and maintain EVs and EV charging equipment. Position Michigan's testing sites, led by the American Center for Mobility, to better compete for federal grants and private sector investment.

**Public Health and Safety: Healthy and Safe People, Families, and Communities (\$500M)**

Strengthening Michigan's health and safety infrastructure is critical to improving the quality of life for residents while protecting their ability to fully participate in their economy and community. Through the American Rescue Plan, the state can make targeted investments necessary to support a safer, healthier, and more stable population.

### **Capital Investments and Facility Improvements (\$100M)**

**\$55M** in investments for jail and public safety facility improvements

- Upgrade, renovate, and improve local and county jails to ensure the health and safety of officers and inmates. Aging jail facilities are expensive to renovate. Modern jails are "podular" in design and provide for improved facility safety and operations.
- Support jail settings to align the physical construction to priorities of inmate rehabilitation and successful reintegration.

**\$45M** in grants for public health department facility improvements and essential purchases such as improved mobile healthcare access and community outreach related to the COVID-19 pandemic not covered by other federally available funds. (50% match)

- Facility improvements will allow local and county health departments to invest in overdue updates and in some cases help support health departments to separate from buildings that do not typically intersect with public health matters and, such as finance divisions.

### **Alternative Response and Mental Health Investment (\$225M)**

**\$200M** to Balance Capacity Statewide for Access to Mental Health and Addiction Services

- Invest in capacity and operations to balance capacity and direct care needs in the Upper Peninsula and Northern Michigan and other less densely populated regions of the state.
  - Patients in these regions of the state struggle with access to care that meets area needs and provides a diversity of services present in more densely populated areas.
- Support upgrades and modifications in existing facilities, the expansion of inpatient psychiatric, pediatric beds and site acquisition, design work planning for future facilities, or expansions to improve local response efforts.
- Address high rates of substance use and co-occurring disorders in rural and underserved communities that are disproportionately affected, but lack the necessary resources to address increasing needs fully and efficiently in comparison to more densely populated areas of Michigan.

### **Social and Mental Health Response and Prevention Efforts (\$25M)**

- Support ongoing grant opportunities through the [Mental Health Diversion Council](#) for counties that often lack the data, time, and resources required to coordinate local systems, assess programs, identify evidence-based practices, and implement data-driven decision-making.
  - Build on the existing partnership through the [Center for Behavioral Health at Wayne State University](#) which has been a strong technical assistance partner to counties across the state as they analyze current systems and address gaps in existing systems. Investments could expand the number of counties participating in the Center for Behavioral Health at the Wayne State University program. (Max. funding amount of \$500,000 based on the Center’s capacity to provide assistance.)
- Grant funding for counties to invest in programming to provide wraparound community services, diversion programs/services, Medication Assisted Treatment (MAT), transport services or rapid response teams similar to what is available through the Certified Community Behavioral Health Clinic (CCBHC).

### **Public Safety and Security Equipment and Emergency Operations (\$5M)**

**\$2M** for the purchase of body cameras and technology to improve law enforcement accountability for local agencies and departments.

**\$1.5M** for investments in resources and equipment for Urban Search and Rescue operations

**\$1.5M** to the [MI Prevention Program](#) to support the installation of smoke alarms in Michigan residential homes as required by state law and to reduce fires in homes.

### **Restaurant Licensing and Inspection Reimbursements (\$60M)**

**\$60M** to provide reimbursements through the [Michigan Department of Agriculture and Rural Development](#) to county and local health departments/organizations for the costs associated with waiving local public health licensing/inspection fees for restaurants.

- Reimbursements will be available over a three-year period at a rate of \$20M per year.

### **Cybersecurity Preparedness (\$40M)**

**\$40M** to establish a statewide award program in partnership with the [Michigan Cyber Civilian Corps](#) and lead agencies [Department of Technology, Management and Budget](#) (DTMB), [Secretary of State](#) (SOS), and [Michigan State Police](#) (MSP).

- Awards will reimburse local units of government and small and micro-business for cybersecurity to provide vulnerability assessments.
- The award program will also provide eligible local units of government grants to offset costs associated with [local governments transitioning to DOTGOV domains](#). Costs may include domain management, branding, backup and data retention needs, and contracting of services to fulfill the transition.
- All awards would be capped at \$10,000.

### **Support the Social Determinants of Health Info Exchange (\$70M)**

**\$66M** to support enhancements and predictive analytics technology for [MIBridges](#) to connect Michigan residents to nutrition, housing, healthcare, and other wraparound services.

**\$4M** to expand [Michigan 211's](#) infrastructure to better connect community members across the state with resources to address social determinant needs.

- Support the costs of staffing, community engagement, and 2-1-1 infrastructure development/expansion, provide enhanced integration capabilities for both referring agencies (health systems/health plans), and community-based organizations (CBOs) addressing Social Determinants of Health.
  - For referring agencies, this investment will provide:
    - Secure access to the Michigan 211 database.
    - Secure access to electronically transmit patient or community member referrals to Michigan 211.
    - Electronic transfer of referral status or interventions back to health systems/plans.
  - For CBOs, this investment will provide:
    - The ability to actively participate in a community information exchange (CIE) using their existing software platforms.
    - Secure electronic transfer of community member demographic information to reduce redundant member record creation/data entry.
    - Ability to provide documentation back to the CIE of interventions completed, significantly reducing duplication of effort and incomplete records.
    - Notification via email or text for new referrals.
    - Secure access to the Michigan 211 database, including multiple options for search and filtering.
    - Secure access to electronically transmit community member referrals to Michigan 211 for additional outreach or assistance.

## **Coalition Members**

American Water Works Association - Michigan Section  
Ann Arbor Area Community Foundation  
Battle Creek Mayor Mark Behnke  
Bay City Mayor Kathleen Newsham  
Berrien County  
Center for Community Progress  
City of Ypsilanti  
Community Economic Development Association of Michigan  
Community Mental Health Association of Michigan  
Conference of Western Wayne  
Former Dearborn Mayor John B. O'Reilly, Jr.  
Donna Inch, Former Chairman and CEO, Ford Land Development Corp., Ford Motor Company  
DTE Energy  
Evan Pratt, Washtenaw County Water Resources Commissioner



Global Detroit  
Grand Rapids Mayor Rosalynn Bliss  
Home Builders Association of Michigan  
Housing North  
Former Jackson Mayor Derek Dobies  
Jared Fleisher, Vice President of Government Affairs, Rock Central  
Kalamazoo Mayor David Anderson  
Lansing Mayor Andy Schor  
LIUNA Michigan  
Michigan Association of Counties  
Michigan Association of County Administrative Officers  
Michigan Association of Land Banks  
Michigan Association of Planning  
Michigan Association of Regions  
Michigan Association of RVs and Campgrounds  
Michigan Association of United Ways  
Michigan Broadband Alliance  
Michigan Infrastructure and Transportation Association  
Michigan Manufactured Housing Association  
Michigan Minority Contractors Association  
Michigan Municipal Electric Association  
Michigan Municipal League  
Michigan Restaurant and Lodging Association  
Michigan Rural Water Association  
Michigan Townships Association  
Michigan Water Environment Association  
Michael P. McGee, Past CEO and Senior Principal, Miller Canfield  
Former Muskegon Mayor Steve Gawron  
Muskegon Lakeshore Chamber of Commerce  
Oakland County Water Resources  
Port City Ventures  
RDS Management  
Renovare Development  
Rural Partners of Michigan  
Saginaw Mayor Brenda F. Moore  
Saginaw County Chamber of Commerce  
Scout Institute  
Shaheen Development  
Short's Brewing Company  
Southeast Michigan Council of Governments  
Southwest Michigan Regional Chamber of Commerce  
T.A. Forsberg, Inc.  
The Nature Conservancy  
Welsh & Associates  
West Michigan Shoreline Regional Development Commission  
5 Lakes Energy