REGIONAL PROSPERITY INITIATIVE
OPPORTUNITIES FOR SHARED SUCCESS

Michigan has earned the title of America's comeback state. It's an economic success story that would not be possible without collaboration by the public, private and nonprofit sectors. Our shared accomplishments during the past three years underscore the need to work in partnership toward a common vision of economic prosperity. That's the goal of Gov. Rick Snyder's Regional Prosperity Initiative.

While Michigan's future is bright, our job creators, local governments and nonprofit leadership face stiff global competition. We must recognize that the world does not simply identify with local units of government, individual counties or even the entire state of Michigan. It is the uniqueness of our regions – Greater Detroit, the Traverse City region, the West Michigan shoreline, the magnificence of the Upper Peninsula and similar corridors throughout our state – that makes the world take notice. These regions drive Michigan's economy and define its character.

When Michigan's economy was struggling, many of us were working to manage the challenges of each day. However, with an economy that is growing again, a steadily declining unemployment rate and more than 300,000 new private sector drops - it's time to step back and set a deliberate path for the future of our state, our regions and our communities together.

Michigan has numerous regional entities, including regional planning and development organizations, metropolitan planning organizations and workforce boards. Unfortunately, they were designed in such a way that results in overlapping goals and competing priorities. Where local and regional collaboration is occurring, it often is cumbersome and is happening in spite of a structure that seems designed to dissuade it.

Today, Michigan is making a change to provide a structure that supports and encourages collaboration rather than discourages it.

A comprehensive economic development strategy can only be realized when leaders in the business development, talent development and infrastructure development communities unite in a common vision and strategy. Currently, each of these systems is struggling with a decrease in federal funding. This demands that we all break from the business-as-usual approach to ensure that available resources have the greatest impact possible for job creators and residents.

No one is more aware of the challenges that lie ahead than the men and women who provide these critical services every day. The governor's Regional Prosperity Initiative is based on the principle that local citizens and their leaders – not Lansing – are best suited to determine the future of local and regional economies. It rejects the one-size-fits-all economic model and instead provides resources for local private, public and non-profit leaders to successfully determine where they want to go and what steps they can take together to get there.

It's time to unleash the energy and innovation that abound in our state. Stronger local and regional collaboration will drive economic investment, lead to greater quality of place and increase business and talent attraction. As we continue to reinvent Michigan, we must empower our local leaders to drive economic prosperity through collaboration.

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1. **What is the Regional Prosperity Initiative?**
   The Regional Prosperity Initiative is comprised of two parts, an effort by the State of Michigan to align around a common set of service delivery boundaries to create a better structure for collaboration and a local voluntary grant initiative to support collaboration where it is happening and encourage it where more can still be done.

2. **Why does the State need to align around a common set of service delivery boundaries?**
   Just over a year ago, Governor Snyder asked his staff to produce a map that would display what service delivery regions were funded and/or maintained by the State of Michigan. A cursory review produced more than eighty different service regions. The map below (figure 1), representing less than half of those service boundaries, has come to be known as "the spaghetti map." This is a clear demonstration of how trying to navigate the multiple state services can be challenging and frustrating for Michigan residents whose lives undoubtedly cross these lines on a regular, if not daily, basis. Simply put, the old model of service delivery did not make sense.

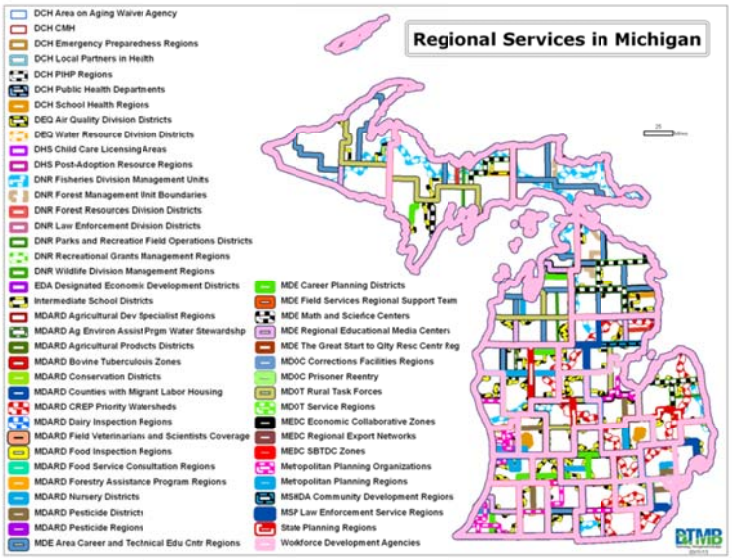


Figure 1 Before

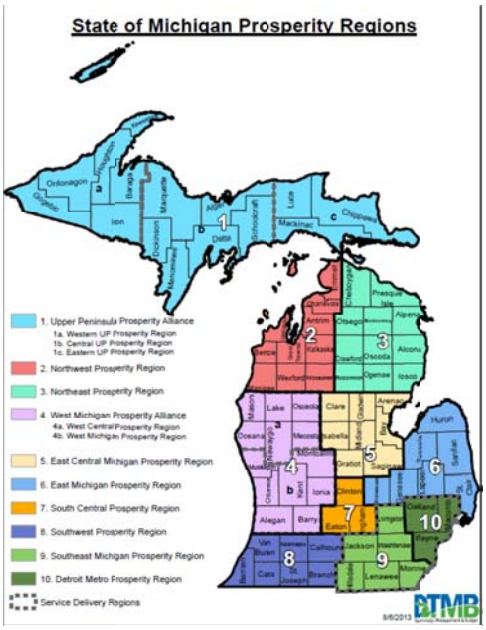


Figure 2 After

3. **How is the state aligning their service delivery?**
   With over a year of consultation from local private, non-profit and public experts, the state developed a new map for regional service delivery that takes into account important data including but not limited to; commuter sheds, transportation patterns, economic indicators and even local newspaper circulation. State of Michigan departments were directed to align their service delivery regions in accordance with the new prosperity regions (figure 2) and have moved swiftly to comply by not only aligning regions, but designating points of contact by region and making data available by region.

4. **What is the regional prosperity grant initiative?**
   The Regional Prosperity Grant Initiative is a voluntary competitive grant to encourage local private, public and non-profit partners to work together to create vibrant regional economies. The Regional Prosperity Initiative was signed into law as a part of the FY 2014 budget and continued in the FY 2015 budget. Local collaborative groups are eligible to apply for grants ranging from $250,000 up to $500,000 annually, depending on the level of their collaboration.

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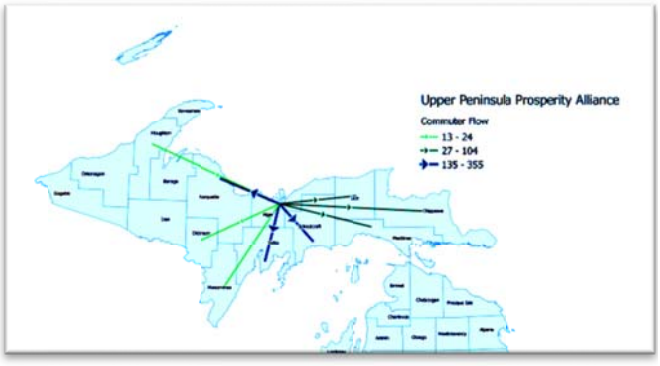
5. **Who is eligible to apply for grants under the Regional Prosperity Initiative?**
   Existing State Designated Planning Regions and Metropolitan Planning Organizations are eligible to apply for grants from the Regional Prosperity Initiative. However, they will not qualify for any funding at any level unless they are collaborating with business and non-profit representatives as well as representatives from local and regional economic development organizations, workforce boards, adult education providers and the higher education community.

6. **Are eligible applicants the only organizations that can receive funding?**
   No. Eligible applicants are intended to act as the fiduciary for each region. No one organization can plan for the future and execute effective strategies unto it. Regional partners that come together through an application to DTMB have the discretion to use funding as it is needed to complete tasks that they've identified as critical to a successful process and outcome in their region.

7. **Why do we need a formal mechanism for regional collaboration? Why is it important?**
   As it stands today, many of Michigan's regions and their various public planning and service delivery entities have overlapping responsibilities yet competing visions for their economic priorities. The absence of a broad based regional vision and coordination of services create both redundancies and gaps. This creates confusion for local, state, federal, private and non-profit partners seeking to invest in a region's success. More importantly, it often creates confusion for the customers that we are all seeking to serve. Formalizing a collaborative relationship among local and regional partners will allow the state, as well as private and non-profit stakeholders, to recognize local efforts and work in closer collaboration with local and regional decision makers throughout the state to support their efforts for economic prosperity. It will also provide a platform for collaboration among all parties that will allow us to better served our shared customers.

8. **Why does the regional prosperity initiative matter to business?**
   Like individuals, businesses are not bound by political jurisdictions. Their client base is regional, if not global. To grow and prosper, businesses need and expect responsive local partners who understand that reality and provide services accordingly. The regional prosperity initiative is designed to bring private sector leaders together with public and nonprofit leaders to design a system of services that serves all clients – with an emphasis on job creators and job seekers. Though this process, businesses can directly engage in and provide feedback on their needs related to the talent pipeline, infrastructure, transit, zoning and many other matters that can help Michigan firms become even more competitive in a global, growing economy.

9. **Why does the regional prosperity initiative matter to local service providers?**
   The regional prosperity initiative recognizes the following:
   - Each region in Michigan is different and that a one-sized fits all solution can't be the answer. What works in Detroit often is not the same thing that works in Escanaba. We need local and regional partners from the private, public and non-profit communities to come together to help create local and regional solutions.



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- The clients that disparate local service providers cater to are often the clients that peer agencies in transportation, workforce, adult education, etc. serve as well. By working more closely together, we can serve our customers better.
- People are simply not bound by political jurisdictions. Lives are lived regionally and that by serving them that way, we can provide greater continuity and service to our clients.

10. How will local governments benefit from the Regional Prosperity Initiative?

Historically, state officials in Lansing have done their best to decipher what is in the best economic interest of Michigan's regions. The Regional Prosperity Initiative empowers local leaders within a region to better determine and affect the factors that drive economic prosperity. It invites local partners to the table to set a course for the future economic development strategies of their region. This initiative recognizes that local partners, who are well-informed and well-resourced, are in a better position to make those decisions and creates the opportunity for them to do so. This formal regional collaboration also provides opportunity for shared service delivery and technical assistance for local communities from their regions. In addition, by creating a strong regional strategy for economic prosperity, local partners will be better able to compete locally in an increasingly global economy.

11. How will the State of Michigan benefit from the Regional Prosperity Initiative?

The Regional Prosperity Initiative will ensure that the State of Michigan is investing in the success of our regions, their local communities, and our economy in ways that are meaningful to the people who are working, playing and doing business there every day. This will ensure that our finite resources are being used wisely. As a result of collaborative efforts for regional prosperity, the state will also be better equipped to attract and retain talent that is so essential to remaining globally competitive. Finally, strong regions will give the state a new avenue by which to deliver state services that is more efficient and responsive to the needs of our customers and the regional economy.

12. How will the Federal government benefit from the Regional Prosperity Initiative?

As federal dollars become scarcer, our federal partners are looking for innovative states that can demonstrate collaborative efforts which are producing positive outcomes. Partners in this initiative will be at the forefront nationally, demonstrating the ability to leverage various resources for a comprehensive economic strategy.

13. How will these regions ensure transparency and accountability?

All participating applicants, as public bodies, are subject to standard transparency and accountability requirements including the Open Meetings Act and the Freedom of Information Act. Federal requirements for many of the eligible regional entities also require that they be governed by persons who are appointed by local public officials. This adds an additional element of accountability to the Regional Prosperity Initiative.

14. How will the progress and success of the regions be measured and reported?

Participating regions will be required to publicly post meeting materials and track progress through a publicly available dashboard that displays measurable annual goals. Grants awarded as part of the Regional Prosperity Initiative will be evaluated annually, contingent with the budget process. Metrics that are locally decided and collaboratively developed will be available to ensure accountability and document progress.

15. Is the Regional Prosperity Initiative a state mandate?

No. The proposed Regional Prosperity Initiative is voluntary. We all benefit when local and regional partners work in close collaboration toward a shared vision of economic prosperity. The Regional Prosperity Initiative is intended to provide resources to regions to empower and encourage them to do just that.

16. Does my organization need to make changes today?

While there is no requirement to act today, it is our hope that like many of our local partners you see value for your clients and your organizations in participating in this effort at a local level. Further, we hope that the prospect of having a more easily navigable system of state government, in terms of data, department contacts and services, is valuable to you and your clients. To that end, we would encourage you to consider how thinking regionally may benefit your clients and your organization and further encourage you to engage in discussions locally about the opportunities for shared success this program may bring.

17. Do the requirements of the Regional Prosperity Initiative conflict with any federal program requirements?

No. The proposed Regional Prosperity Initiative actually requires that regions meet all pertinent federal program requirements currently required of each partner entity, including those required by the Economic Development Administration, Department of Transportation and Department of Labor. Better regional collaboration of federally required efforts will help partners leverage the resources available to complete this work in a way that is most beneficial for the region's purposes.

18. Does the Regional Prosperity Initiative require the structure for collaboration to be uniform across regions? Will all regions receive the same funding?

No. The Regional Prosperity Initiative seeks to recognize the unique needs and assets of all of our regions and avoids a "one-size fits all" approach. Regions that choose to participate in the Regional Prosperity Initiative have three options for participation with different accompanying funding levels that are outlined in the chart below:

19. Where can I find more information?

More information is available at www.michigan.gov/regionalprosperity