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THE IMPORTANCE OF MICHIGAN'S CITIES *Investment in Urban Areas Vital to State's Success*

As a critical part of her economic plan for Michigan, Governor Jennifer M. Granholm recognizes that by strengthening our cities, we strengthen Michigan. Vibrant and strong cities are magnets for attracting and retaining people in Michigan, especially the young, talented, knowledge workers businesses are eager to hire.

Communities that are safe places to live and work, and that are rich in culture, and recreational, or social outlets are important ingredients in the recipe for building a prosperous economic future for our state.

In 2008, the Governor will continue to leverage resources of state government, the many assets of communities, and the support of business and community groups, to further redevelop and revitalize Michigan's cities.

Cities of Promise

The Cities of Promise initiative aims to reduce poverty and promote community and economic development in eight of Michigan's most distressed cities: Saginaw, Flint, Detroit, Pontiac, Hamtramck, Highland Park, Benton Harbor, and Muskegon Heights. These cities are challenged by diminishing populations, loss of industry and jobs, crumbling infrastructure, and concentrated poverty.

Since its launch in 2005, the Cities of Promise initiative has required state agencies to work collaboratively with these eight cities on their highest local priorities. The program has focused on ensuring affordable and accessible housing, public safety, providing safe routes for children to walk and bike to school, and revitalizing neighborhoods by reducing the number of blighted and dilapidated buildings.

The program requires cities to identify a signature project – or a 'wow factor' catalyst – for continued revitalization and investment in the community. Whether it's helping Saginaw further an innovative deconstruction program, or working with the City of Benton Harbor on its transformational Harbor Shores project, or the city of Detroit on creating the Next Detroit Neighborhoods, the Granholm administration will continue to partner with all eight cities on driving sustainable movement toward their renewal.

Blight elimination will continue to be a cornerstone of the Cities of Promise initiative. It is the critical first step in revitalization efforts, ensuring safety, and overall quality of life. This year, nearly 1,500 properties will be targeted as a result of Governor Granholm's four-year investment to tackle blight. This initiative will further help efforts to transform the physical landscape in these communities by encouraging the reuse and redevelopment of the sites.

Highlights from the Cities of Promise include:

- **Benton Harbor** developed a Brownfield Authority and identified five sites for redevelopment. In addition, through the YouthBuild program, fifty students will be trained and employed to help rehab houses and revitalize the Empire Corridor.
- In partnership with the Department of Human Services, the Cities of Promise program funded a “Genesee Scholars Program” for the City of **Flint**. This is a rent assistance program that encourages parents to keep their children in the same school for at least two years. During its first year, the program showed improved attendance and higher grades as a result.
- In 2008, a nationally recognized expert on market-based neighborhood redevelopment will do an assessment of the **Flint River Corridor**, with the goal of working with the Cities of Promise program and other partners to develop a “block by block” revitalization plan.
- The funding of a market analysis for a retail corridor in **Saginaw’s** Cathedral District, which is a neighborhood targeted for major redevelopment.
- **Hamtramck** held its first ever Farmer’s Market last summer. Each market featured products and produce from different cultures in the city
- A very successful demolition project of commercial properties along Hamilton Avenue in **Highland Park**, is targeted for mixed use development.
- The blight elimination program has helped **Pontiac** again address blight by removing ramshackle buildings, where there had been no demolition activity in the last three years.

Access By All to Fresh Food

The lack of major grocery stores and healthy food options has long been a quality-of-life problem in the city of Detroit and other urban areas. A recent study sponsored by LaSalle Bank found that about 550,000 people in Detroit live in a so-called food desert and must travel twice as far to reach the closest mainstream grocer as they do to get to a party store, gas station, or fast-food restaurant. Food deserts result in higher incidences of health problems and higher health care costs.

Because access to quality food is an important component of the quality of life in any community, Governor Granholm will build upon Michigan’s agricultural assets to ensure there is a healthy and available food supply for all Michigan’s residents.

For example, the state is partnering with the C.S. Mott Group Michigan Youth Farm Stand Project, Youth in communities all across Michigan are learning about the value of fresh fruits and vegetables, and the importance of getting access to fresh, local food.

The young people plan, develop, and manage a farm stand in their community, marketing to their communities’ not just fresh produce, but knowledge about its nutritional content. The Governor’s Cities of Promise initiative will continue to partner with communities to create more Youth Farm Stands in six cities: Flint, Saginaw, Highland Park, Benton Harbor, Detroit, and Pontiac.

Brownfield Redevelopment

The Brownfield Redevelopment Program has had a substantial impact on the redevelopment of Michigan’s urban areas. Over the last three years, nearly 200 brownfield redevelopment projects have been awarded tax credits to assist with reclaiming contaminated, blighted, and functionally obsolete properties.

Of these, nearly three out of four were approved for projects in Michigan’s urban centers including Detroit and Grand Rapids.

In 2007, Governor Granholm signed into law legislation that will allow additional blighted properties to qualify for the brownfield program, enhanced land acquisition opportunities for land bank fast-track authorities, and provided additional administrative funding support for local Brownfield authorities.

Moving into 2008, there will be even greater opportunities for urban redevelopment. Pending legislation will allow the Brownfield program to provide – for the first time ever – additional incentives for projects located in our urban downtowns and historic commerce centers. These additional benefits will serve as more effective tools to attract developers and companies to successfully redevelop our urban centers.

Cool Cities

Launched in 2003, the Governor’s signature project to create “Cool Cities” throughout Michigan continues to garner international media buzz. This initiative is about creating hot jobs in cool neighborhoods throughout Michigan. It’s about attracting and encouraging people, especially young talented, knowledge workers, to live, work, and shop in cities that are rich with jobs and opportunities, cultural, social, and recreational opportunities.

This initiative has been a catalyst for making downtowns vibrant, arts communities thrive, and spurring economic development. Recent examples of success include:

- **Lansing** is continuing to market one of their Cool Cities Neighborhoods as “The Entertainment District” and announced several major downtown projects within a week, including development of the Board of Water and Light Building that was vacant for 20 years and also unveiled major Riverfront Development projects.
- The **Jackson Armory Arts** project has attracted business development and expansion – they received requests for lofts from artists in Florida, California, and even New Zealand – the Jackson Armory Arts Village is on its way to becoming a national and world model.
- Mid-town **Detroit** has experienced the kind of commercial investment that it has not been seen in several decades.
- **Port Huron** reported that eight new homes were built in the Cool Cities Neighborhood, the first new housing built there in 30 years.
- **Grand Rapids** – The Avenue for the Arts – Dwelling Place said that since receiving the Cool Cities Designation, its neighborhood and business district have changed dramatically. Dwelling Place was recently honored with the “Guvvy” at the Art Serve of Michigan’s 22nd Annual Governor’s Awards for Arts & Culture.
- The Cool Cities project in **downtown Flint** has been hailed by many stakeholders in the area as a landmark project as it provided the visual proof that revitalization was possible in the city. Redevelopment efforts are seen as the stepping stone to other projects that are now underway in the downtown and total an estimated \$30 million worth of investment.
- The value of the **Grand Rapids East Hills Center** has increased 20 percent since it was first built and the business district now has a 100 percent business occupancy rate. The area’s Cool Cities award designation is

credited with creating media buzz and giving greater recognition to the neighborhood's "green" development.

- **Kalamazoo** city officials feel that moving the Smartshop downtown, their 2004 Cool Cities catalyst project made a significant physical and psychological impact on its new neighborhood. They report an excellent return on investment, and say the project has continued to catalyze further downtown investment.
- **Ypsilanti** reported that young people are moving into the downtown, particularly in the Cool Cities neighborhood where its catalyst project, the Riverside Arts Center, is located. With an increase in downtown population and pedestrian traffic, several neighborhoods have reported a decline in crime.

In 2008, Cool Cities will continue to focus on improving infrastructure and infusing more culture into cities. And in October 2008, Michigan will play host to the 2nd International Creative Cities Summit in Detroit, which will focus on industrial economies that are shifting towards creative economies.

Expanded Crime Fighting Partnerships with Local and Federal Law Enforcement Authorities

Governor Granholm has fought to keep Michigan families safe in their communities. A safe community to raise your family is also an inviting community for new investments and business. Under the Granholm administration, more than 3,100 fugitive felons have been apprehended as a result of the coordinated and cooperative efforts of the Michigan State Police, federal, and local law enforcement agencies. In 2008, these sweeps will continue to keep violent offenders out of our communities and behind bars where they belong.

The governor's Fiscal Year 2009 budget will include the necessary resources to fund an additional Michigan State Police trooper school. By training 100 new officers, the governor will be able to expand the state's partnerships with local law enforcement in high crime areas. Since a partnership between the Michigan State Police and Flint law enforcement began, homicides have dropped 46 percent in that community.

Safe Routes to School

Safe Routes to School (SR2S), an international movement sponsored by the Michigan Department of Transportation and the Governor's Council on Physical Fitness, strives to establish a safe environment for children to walk and bike to school. The initiative has grown to include the health benefits of walking and biking. The goal of the SR2S program is to organize school communities to identify the obstacles to walking and biking to school. Following the identification of obstacles, development of interventions that address these barriers is necessary to encourage increased walking and biking.

Today, more than 50 schools in Cities of Promise are actively participating in the program.

Michigan Youth Leadership Academy

Nothing is more important for the future of cities than the growth and development of our youth. The Michigan Leadership Academy (MYLA) is a one-week residential training

program, hosted at the Michigan State Police Training Academy, for youth between the ages of 14 and 16.

This program is a combined effort by the Michigan State Police and local law enforcement authorities to train and mentor the young persons chosen to attend.

The state has partnered with corporate and local government entities in Cities of Promise to provide funding for this worthwhile program. Sponsors include the Whirlpool Corporation (Benton Harbor), the Flint Community Schools and Coca-Cola Distribution (Flint), the Pontiac Police Department (Pontiac), and Saginaw Public Schools and Family Youth Initiative (Saginaw).

Today, the program boasts more than 100 graduates in four Cities of Promise, including Benton Harbor, Flint, Pontiac, and Saginaw.

This year, we intend to double our efforts to enroll more students from Cities of Promise in the Academy.

Expand Local Mass Transit Systems And Increase Ridership

Michigan residents need to be able to access health care, educational opportunities, shopping and cultural resources through cost-efficient and fuel-efficient transportation options that are reliable, readily available, safe and clean. The major component of the administration's commitment will be improvements to existing bus service and transportation systems. There will also be an emphasis on improving and expanding passenger rail options for travelers in Michigan.

In 2008, the Granholm administration will seek a federal grant to fund MDOT collaboration with local transit systems. This partnership will develop service plans that will improve efficiency and initiate innovations designed to increase service availability and ridership as well as reliability, safety and cleanliness. By 2009, those collaborations will have been initiated with all the state's major transit systems.