

GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY LANSING

SUSAN CORBIN DIRECTOR

MEMORANDUM

DATE: March 11, 2025

TO: The Honorable Mary Cavanagh, Chair

Senate Appropriations Subcommittee on LEO/MEDC

The Honorable Nancy Jenkins-Arno, Chair House Appropriations Subcommittee on LEO

FROM: Sarah Lucas, Director

Office of Rural Prosperity

Department of Labor and Economic Opportunity

SUBJECT: Pursuant to Section 714 (2) of PA 121 of 2024

Office Activities, Programs, and Accomplishments

FY 2023-2024 Report to the Legislature

Attached is the Office Activities, Programs, and Accomplishments FY 2023-2024 Report to the Legislature, prepared by the Office of Rural Prosperity, pursuant to Section 714 (2) of PA 121 of 2024.

Should you have any questions regarding this report or need additional information please contact Jayshona Hicks, LEO Director of Legislative Affairs at Hicksj15@michigan.gov or (248) 200-9134.

cc: Members, Senate Appropriations Subcommittee on LEO/MEDC Members, House Appropriations Subcommittee on LEO Jen Flood, State Budget Director Kathryn Summers, Senate Fiscal Agency Mary Ann Cleary, House Fiscal Agency Senate and House Policy Staff

ENSURING PROSPERITY FOR RURAL MICHIGAN 2024





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HAS BEEN AN EVENTFUL YEAR FOR THE OFFICE OF RURAL PROSPERITY...



A NOTE FROM THE DIRECTOR

Sarah Lucas

The Office of Rural Prosperity (ORP) began its second year with a three-person staff, a newly launched grant program and input from thousands of rural stakeholders. With this foundation, our office was able to take important strides forward: we released Michigan's first statewide rural strategy. We created an innovative new capacitybuilding program to support community plans, partnerships, and projects. We hosted successful events across Michigan and developed strong state and federal partnerships across agencies. We awarded funds to 40 innovative projects that are resulting in new development and investment. What's more, We also secured additional funding for our programming from our partners at Resource Rural and USDA Rural Development that allowed us to build our team and provide additional funding to communities.

As much as we accomplished in 2024, we know we will continue to achieve more in 2025. This year, we're excited to continue and expand our successful program launches, learning and partnerships - beginning with our Rural Readiness Network. This new network recognizes that rural communities don't just need funding to be successful – they also need strong leadership and governance, plus plans and project concepts that are ready for financing and competitive for funding. With 45 local Readiness Teams participating in the network already, we look forward to engaging additional communities and working with them all to address the full spectrum of rural readiness needs with education, resource navigation, grant writing support, one-on-one community assistance and new educational opportunities.

Often, rural communities are operating with limited resources to accomplish everything their community needs. ORP's goal involves working with communities one-on-one to provide different kinds of support – from funding to training – that will help them prepare for the kinds of housing, jobs, services, parks and other community improvements they need.

One of those opportunities will focus on developing strong leadership and governance skills that are a critical foundation for rural success. A new rural leadership program, along with rural readiness working groups that support rural leaders with peer learning and professional guidance, will help communities develop those skills and support new and emerging leaders.



ORP programs are focused on helping communities prepare for change and opportunity.

We know that preparation requires awareness, understanding and expertise in order to plan for future needs. This year, ORP will host a Rural Futures Summit to explore some of the tremendous changes coming around climate, population and economic trends with rural communities and statewide decision-makers. In addition, ORP research projects, including a new Dow Sustainability Fellows partnership with the University of Michigan, will develop tools and best practices for rural readiness statewide.

As one of only six state rural prosperity offices nationwide, ORP is privileged to be a part of a growing national network of rural advocates. With partners like Resource Rural, Rural LISC, Rural Prosperity Partners and others that are working to support rural communities and elevate their needs on the national stage, we see exciting opportunities ahead for Michigan.

Above all, the ORP team is honored to continue to work with and for rural Michigan communities. We deeply value the work that local, regional and Tribal leaders are doing every day to make their communities stronger and look forward to working as a partner to support their work and find solutions to their most pressing problems. As an interagency liaison between rural communities and state agencies, federal partners, philanthropy, universities and more, we are incredibly grateful for our strong partnerships with agencies, organizations and advocates across the state and country. Thank you to all of our partners for your support and collaboration as we work together on behalf of rural Michigan.

Here's to 2025!

Sarah Lucas

Director, Office of Rural Prosperity



ABOUT THE OFFICE OF RURAL PROSPERITY

The Office of Rural Prosperity was created in 2022 to serve as a partner for rural communities to tap into resources available to them. ORP strategizes and advocates for rural needs in policy and program decisions at the state level, helps rural communities navigate resources and helps build a strong rural network to keep rural communities connected to each other and the resources they need to meet their goals.

MAKING AN IMPACT IN RURAL MICHIGAN

The Office of Rural Prosperity is innovative and efficient in bringing resources to Michigan's rural communities that support prosperity.

HIGHLIGHTS



\$850K

Leveraging \$700k in ongoing funding to secure \$850k in federal and philanthropic grant funding used to directly support rural communities.

12:1 Return

For every \$1 awarded through the Rural Readiness Grant Program, an additional \$12 was invested to support community projects.

7,000+ Connections

Sharing the Roadmap to Rural Prosperity with over 7,000 rural Michigan leaders through events, presentations and publications.

200+ Communities Served

Supporting over 200 communities through Rural Readiness Programming.

ROADMAP TO RURAL PROSPERITY



In early 2024, ORP released Michigan's Roadmap to Rural Prosperity - the state's first rural-focused strategy document. Informed by data and guided by rural leaders, this document outlines seven major strategies to advance prosperity across rural Michigan. In May, ORP hosted a Rural Prosperity Summit which focused on activating Roadmap to Rural Prosperity strategies, drawing nearly 300 leaders from 91 communities and 13 state and federal government agencies.

Throughout the year, these strategies have informed state policy, local decision-making and contributed to the national dialogue on rural issues related to building readiness and capacity in rural communities for economic and housing development. Our office uses the Roadmap to Rural Prosperity to guide our programming and inform our

collaborations with the goal of building capacity and securing additional resources and supports for rural communities. Since its release, the Roadmap to Rural Prosperity has helped focus local, state and national conversation on rural prosperity.

Local and regional communities used the Roadmap to Rural Prosperity as a tool to convene stakeholders and inspire local and regional action. State agencies have used the Roadmap to Rural Prosperity to inform programs and policies related to talent attraction, outdoor recreation, infrastructure and employer housing. The Roadmap to Rural Prosperity has also elevated Michigan's approach to building rural prosperity nationally, sparking conversations with federal leaders and partners across the country in conferences, media, roundtables and policy discussions.

PROGRAMMING THAT BUILDS READINESS AND CAPACITY



In 2024, as a direct response to the Roadmap to Rural Prosperity, the Office of Rural Prosperity expanded its Rural Readiness Program. In addition to continuing its investment of flexible dollars into rural project planning through the Rural Readiness Grant Program, ORP also launched the Rural Readiness Network – a rural network of communities and resources providers that collaborate to advance rural projects.

The programs, resources and strategies that will build rural prosperity all hinge on the 'readiness' of rural communities, or their ability to plan and implement needed projects and offer solutions to their unique local needs.

RURAL READINESS GRANT PROGRAM – SMALL INVESTMENT, BIG IMPACT

The Office of Rural Prosperity's Rural Readiness Grant Program (RRGP) provides funding for planning and capacity building activities that help move rural priorities forward and prepare communities to apply for larger state, federal and philanthropic investments. This grant program was

intentionally designed with the unique needs of rural communities in mind – a streamlined application, flexible grant match requirements and simplified reporting processes allow communities to build readiness for future development without depleting capacity.

Table 01. Forty awards totaling an investment of \$1.8 million were awarded in 2024. These projects advanced each of the seven strategies found in the roadmap.

Stra	tegy No	o. of Grants Awarded	Total Award Amount
Ø Wor	kforce	1	\$50,000
(_AA-)	lth and -Being	4	\$200,000
(Cap	acity	8	\$237,500
Hou	sing	15	\$507,800
Infra	structure	4	\$140,357
	nomic elopment	7	\$273,300
Natu	ural Assets	1	\$50,000

In its first year the Rural Readiness Grant Program has brought an additional \$22.2M to rural communities throughout Michigan – an additional \$12.33 for every dollar spent.

These funds are helping over 40 rural communities with small budgets organize solutions to their most pressing needs – preparing for new housing and businesses, building grant-writing expertise, creating innovative health and childcare solutions and more. The quick action that these grants have spurred shows the power of investing in community-led solutions in rural Michigan to build prosperity.

Housing is a pressing need across the state: housing shortages impact rural communities' ability to attract and retain the people necessary to support thriving, healthy communities. As communities and rural partners work to address these challenges and create new housing for people to live in, many communities find they don't have the capacity or local investment and match dollars needed to apply for grants, and also don't have the resources to plan, coordinate and administer projects. For this reason, the first two rounds of RRGP funding invested heavily in housing-related projects, particularly those that supported planning and project coordination.



\$50K

Marquette County Land Bank leveraged \$50k to build organizational capacity supporting development of 122 units in less than 10 months.

\$50K

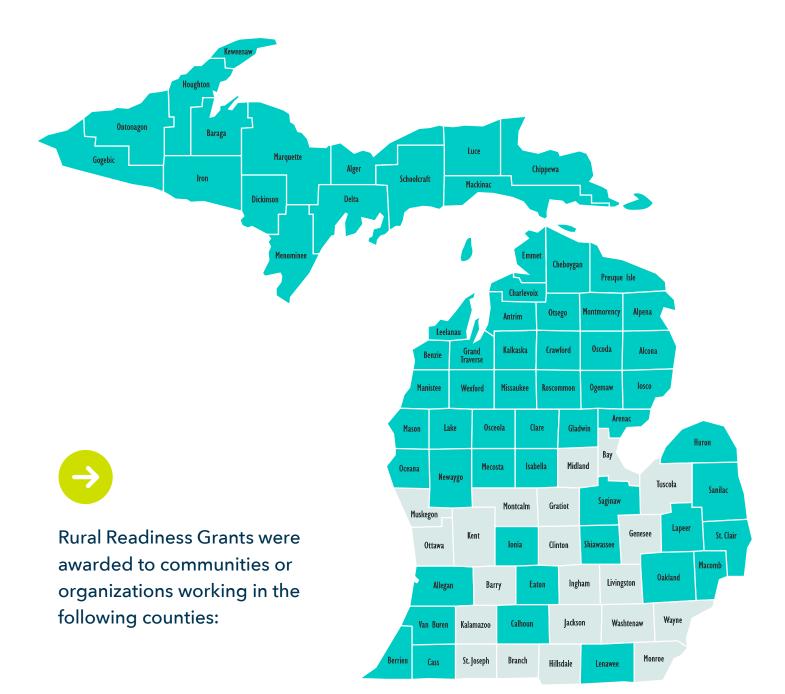
Homestretch Nonprofit Housing Corps leveraged \$50k to support real-estate development including 42+ affordable residences.

\$50K

Shiawassee Economic
Development Partnership
leveraged \$50k to support 111
new units across Shiawasee
County.

Secondary Impacts

Two full-time jobs in property management, maintenance and ancillary support; shorter commute times, property tax revenue where none had existed before, increase in discretionary income for our residents and business-related growth.



- Alcona
- Alger
- Allegan
- Alpena
- Antrim
- Arenac
- Baraga
- Benzie
- Berrien
- Calhoun
- Cass
- Charlevoix

- Cheboygan
- Chippewa
- Clare
- Crawford
- Delta
- Dickinson
- Eaton
- Emmett
- Gladwin
- Gogebic
- Grand Traverse
- Houghton

- Huron
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- Iron
- Isabella
- Kalkaska
- Keweenaw
- Lake
- Lapeer
- Leelanau
- Lenawee
- Luce
- Mackinac

- Macomb
- Manistee
- Marquette
- Mason
- Mecosta
- Menominee
- Missaukee
- Montmorency
- Newaygo
- Oakland
- Oceana
- Ogemaw
- Ontonagon

- Osceola
- Oscoda
- Otsego
- Presque Isle
- Roscommon
- Saginaw
- Sanilac
- Schoolcraft
- Shiawasee
- St. Claire
- Van Buren
- Wexford

RURAL READINESS NETWORK



White House Discussion of Rural Michigan with U.S. Secretary of Agriculture, Tom Vilsack, Gov. Gretchen Whitmer, Dir. Corbin and Dir. Boring

Representatives from state and federal agencies, and statewide nonprofits meet with Tony Pipa of Brookings to discuss funding and support models for rural communities.



The Rural Readiness Network was announced as an expansion to the ORP's Rural Readiness Program by Gov. Gretchen Whitmer and U.S. Secretary of Agriculture Tom Vilsack at the White House in June 2024. The Network connects rural communities with resources that help them achieve their priorities, prepare for investment and equip them to deal with challenges. Network opportunities include access to regular peer connections, targeted training and technical assistance and connections to resources like technical assistance providers and funders. With

support from partners like Resource Rural, USDA-RD, and programs such as the Northern Michigan University Rural Leadership Fellows and the Mi Health Climate Corps, ORP is designing the Rural Readiness Network to offer coaching, project management, targeted services and support for grant writing and predevelopment activities. To access network resources, rural communities form local readiness teams focused on advancing a local priority. Forty-five teams are currently advancing projects in over 40 counties across the state.

JUNE

Rural Readiness Program announced

First Rural Resource Partners meeting held

JULY

Call for Local Readiness Teams

AUGUST

Network kick-off call

OCTOBER

Conducted one-hour readiness assessments with 32 readiness teams

SEPTEMBER

First in-person Rural Resource Partner Roundtable with special guest Tony Pipa, senior fellow in the Center for Sustainable Development at the Brookings Institution

NOVEMBER

First network convening in Grayling with representatives from 24 local readiness teams and 8 rural resource partners

DECEMBER

Soft launch of Rural Resource Hub

SEPTEMBER - DECEMBER

Throughout the fall, ORP piloted a variety of technical support services with network participants across the state, responding to community-specific needs. By coordinating conversations, connecting communities with interns and fellows, convening stakeholders, documenting assets and creating and working through opportunities, ORP was able to help communities efficiently accomplish their goals.





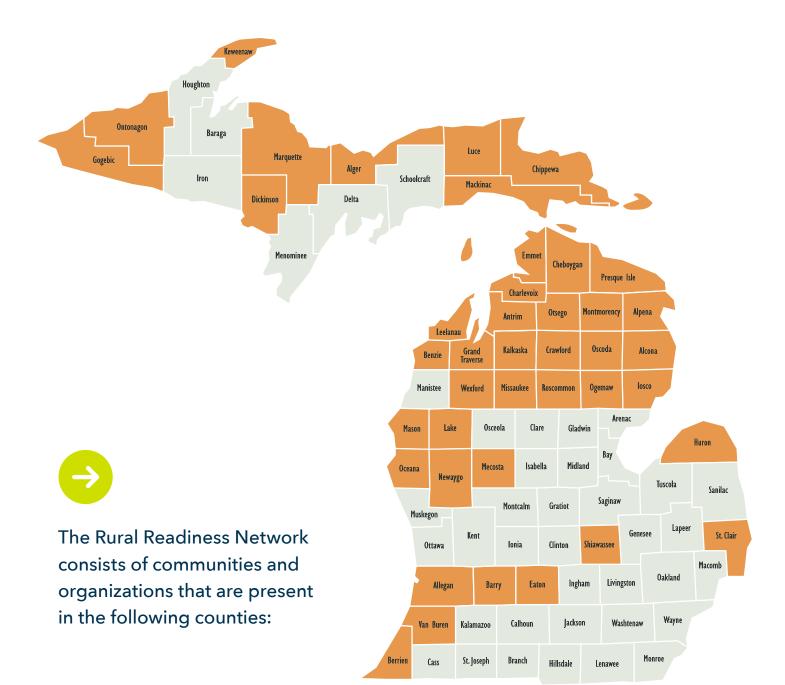












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- Crawford
- Dickinson
- Eaton
- Emmett
- Gogebic
- Grand
 Traverse

- Huron
- losco
- Kalkaska
- Keweenaw
- Lake
- Leelanau
- Luce
- Mackinac
- Marquette

- Mason
- Mecosta County
- Missaukee
- Montmorency
- Newaygo
- Oceana
- Ogemaw
- Ontonagon

- Oscoda
- Otsego
- Presque Isle
- Roscommon
- Shiawassee
- St. Clair
- Van Buren
- Wexford

COLLABORATIONS THAT MAXIMIZE AND SECURE RESOURCES FOR **RURAL COMMUNITIES**

The need for coordinated and collaborative efforts to advance rural prosperity is outlined throughout the Roadmap to Rural Prosperity. In 2024, ORP intentionally coordinated with partners that would advance strategies in the Roadmap to Rural Prosperity and bring more resources, technical assistance and expertise to rural communities. Without this sort of investment, many rural communities struggle to access state, federal and philanthropic resources. While our list of collaborative partners is long, we're especially proud to highlight these partners in 2024 which allowed ORP to deploy new resources into rural Michigan:



Resource Rural: ORP is proud to serve as a network partner through the Resource Rural initiative (supported by Heartland Fund) to and has received funds and network support for early-phase implementation of ORP's Rural Readiness Program.



USDA-Rural Development: ORP has worked closely with USDA-Rural Development in the launch of the Rural Readiness Network, securing funds that will support the capacity building activities for rural communities.





in rural communities by supporting priority projects and statewide initiatives. The Rural Leadership Fellows program is a public-private partnership with InvestUP funded by a rural capacity-building investment supported by the Michigan Economic Development Corporation.



MiHealthyClimate Corps: After a competitive application process, ORP was selected as a host site for a MI Healthy Climate Corps service member who will serve an 11-month term supporting rural communities to take advantage of climate-related resources that advance their priorities. The MI Healthy Climate Corps is a new equity-centered program focused on advancing and reaching Michigan's Healthy Climate Plan goals, building capacity across the state and helping guide federal and state resources and support.



As a resource for rural communities, ORP regularly meets and consults with state, federal, nonprofit and higher education stakeholders to inform policies and programs, eliminate barriers and promote opportunities. In 2024, ORP assembled a workgroup of rural resource partner agencies and organizations to support the priorities of communities in the Rural Readiness Network. Currently, twenty resource partner organizations and agencies representing state and federal government, nonprofits and higher education meet regularly to share resources with local readiness teams that will help local projects and work to eliminate barriers related to accessing funding and our list of partners is growing.



Tony Pipa of Brookings Institute addresses attendees at the Rural Prosperity Summit in Gaylord, MI.

PARTNERS USDA - Rural Development • U.S. Economic Development Agency
 • U.S. Environmental Protection Agency • Michigan Economic Development
 Corporation • Michigan State Housing Development Authority • Department of Natural Resources, Environment, Great Lakes, and Energy • Michigan Infrastructure Office • Michigan Department of Agriculture • Michigan Department of Labor and Economic Opportunity • Michigan State University
 Extension • Michigan State University • University of Michigan • Michigan State Police • Michigan Municipal League • Michigan Municipal League Foundation
 • Office of Foundation Liason • Michigan Department of Health and Services • Michigan Community Service Comission • Michigan High Speed Internet Office



SUPPORTING RENEWABLE-READY COMMUNITY AWARDEES IN RURAL MICHIGAN Environment, Great Lakes, and Energy and Office of Rural Prosperity Collaboration

ORP is proud to partner with the Michigan Department of Environment, Great Lakes, and Energy (EGLE) on the Renewables Ready Communities Award (RRCA) Rural Award Use Coaching Pilot Project.



This collaboration aims to empower rural communities in Michigan by providing essential support to help them bring renewable energy projects to life.

Through this partnership, RRCA grant applications will be managed by EGLE, which will also select the grant awardees. When chosen, awardees will receive a follow-up email detailing the ORP partnership and the resources available to assist their communities in developing what's known as an 'award use plan' which will provide guidance on moving forward with renewable energy projects and funding. ORP will offer support to develop plan, analyze its pros and cons, help the community maximize the effectiveness of the funds, grant compliance, budgetary planning and provide additional tailored support available to address their specific needs.

ORP is committed to bridging these gaps to help rural communities build capacity and face challenges. Our team will provide hands-on assistance to help communities successfully navigate the RRCA process and ensure their projects are completed efficiently and effectively. Virtual meetings will be held with each grantee to better understand their vision and align available resources to their unique needs.

MEET THE TEAM



Sarah Lucas, AICP, is the Director of Michigan's Office of Rural Prosperity, bringing over 20 years of expertise in community and economic development to the role. She has worked with dozens of communities and across multiple sectors throughout Michigan to create long lasting coalitions, drive policy changes and enhance regional capacity for growth and investment.

Previously, Lucas has served as the CEO of the Lake Superior Community Partnership, an economic development organization based in Marquette and an economic development planner at the Western U.P. Planning and Development Region, as well as the founding executive director of Housing North and Community Development Director at Networks Northwest, both in Michigan.

Lucas holds a bachelor's degree in urban and regional planning from Eastern Michigan University and a master's degree in public administration from Northern Michigan University.



Lisa Miller brings over 20 years of fostering innovative programs and strategic partnerships that advance community, economic and workforce development in small and rural communities to her role as the Director of Partnerships and Engagement for the Michigan Office of Rural Prosperity.

In this role, she focuses on developing rural-responsive programming and ensuring that rural voices inform programs and policies. Miller holds a bachelor's degree in English from Alma College and master's degrees in both literature and adult learning from Grand Valley State University.

Henry Wolf is the current Director of Policy and Grant Programs at the Office of Rural Prosperity. He is a graduate of Central Michigan University and is the former Director of Government Relations for Traverse Connect and the Northern Michigan Chamber Alliance, representing 19 chambers of commerce and economic development organizations in northern Michigan and the Upper Peninsula.



Prior to his time with the Alliance, Wolf spent 10 years working in the Michigan legislature for various members from rural areas across the state.

Charly Loper joined the Office of Rural Prosperity as a Community Support Specialist. She brings extensive experience working with rural communities, including roles in Montana and Michigan's Upper Peninsula, particularly in Bessemer.

Loper's diverse background includes community development, zoning, planning, city management and serving as a staff officer for the Ottawa National Forest. She holds a bachelor of science in public health with a minor in real estate finance from Central Michigan University.



Seth Carlson is the Community Network Coordinator at Michigan's Office of Rural Prosperity. As chair of the Marcellus Downtown Development Authority, Seth secured funding for community projects and fostered partnerships that helped drive local initiatives. Recognized in the Michiana Forty Under 40, Carlson's work is driven by a commitment to inclusivity and holistic community building.



Carlson served in AmeriCorps and holds bachelor's degree from Hope College and master of science in management, strategy and leadership from Michigan State University. Additionally, he has a professional background in customer experience management.



Amanda Scott is the Rural Readiness Coordinator for the Michigan Office of Rural Prosperity, aiding rural communities in planning and accessing resources. With over a decade of experience in nonprofit administration, Scott specializes in capacity building and securing diverse funding.

Scott is a James Madison College graduate, with international experience and a history of service in AmeriCorps. She cofounded YouthWork Industries, a workforce development program for underserved youth. Scott has held various board roles over the years, including eight years as a planning commissioner. She currently chairs the Grand Traverse County Brownfield Redevelopment Authority.



Mallory Meston is serving as the Climate Readiness Fellow within the Michigan Office of Rural Prosperity. Meston brings valuable experience from her fellowship with the West Michigan Environmental Action Council, where she worked with rural communities to address the impacts of climate change. She also has professional experience in the solar industry, where she assisted businesses across Michigan in implementing solar energy and energy efficiency solutions, leveraging federal and state incentives and grants to support renewable energy improvements.

Meston holds a bachelor of science in environmental studies and sustainability with a minor in international studies from Northern Michigan University. Meston plans to pursue a master's degree in sustainability to further her career and advance her mission of positioning Michigan as a leader in climate action and resilience.

Travis Garvey is a Northern Michigan University (NMU) Rural Leadership Fellow focusing on building capacity within the Office of Rural Prosperity and rural communities participating in the Rural Readiness Network. Garvey is currently pursuing an MBA and holds a bachelor's degree in business management from NMU.



Brett W. Sinclair Brett W. Sinclair serves the Office of Rural Prosperity as the community network analyst. With 18 years of non-profit management experience, he has spent the last decade and a half supporting companies and organizations to help tell their stories while helping them achieve their goals with the unique resources they may or may not have access to. Sinclair has worked through local networks and used proven strategies of storytelling to help them grow and meet their objectives efficiently.



Sinclair's goals for ORP reflect the throughline he has been following for himself through past work experience to elevate capacity in communities by identifying systemic barriers and then supporting teams through creative solutions that solve problems.

