For Immediate Release For more information

December 10, 2018 Lou Glazer 734-747-8120

**New Michigan Future report provides blueprint for placemaking, a key to renewed state prosperity**

Michigan will not become a state with a broad middle class unless it acts to create regions, anchored by vibrant central cities, where college educated individuals want to live and work – creating a talent abundance that will retain and attract knowledge-based companies to our state, a new report by Michigan Future showing how to create those metropolitan communities says.

The [report](http://www.michiganfuture.org/report-creating-places-across-michigan-where-people-want-to-live-and-work/), “A Path to Good-paying Careers for All Michiganders: Creating places across Michigan where people want to live and work,” is the last of a series by Michigan Future that lays out how the state has failed over the last 20 years to adapt to the changing international economy, and provides a road map for policymakers wanting to see our state again become prosperous.

The “Creating Places” report calls for Michigan to stop cutting taxes and instead invest in human capital; move to become more open and welcoming to all, including immigrants; develop a 21st Century transportation, water and communications infrastructure that features mass transit; and give communities and regions more flexibility in financing and spending.

“By now it is clear that our state has imposed policies that restrict the ability of metropolitan areas to attract talent,” said Lou Glazer, president of Michigan Future. “That must change, and state policymakers need to give Michigan communities more latitude to develop the kinds of policies and infrastructure that successful regions around the nation are using to lead their states to prosperity.”

The basic premise of the report is simple: Over two decades of research has shown than talent equals economic growth. The key to retaining and attracting talent is creating places where people want to live, work and play.

The report suggests that major knowledge-oriented employers, like Ford, are acting on this fact in Michigan by taking steps such as renovating the decrepit Michigan Central train building adjacent downtown Detroit to become a magnet for younger talent it needs to succeed in Michigan.

“Ford now knows that placemaking is not something you can afford only after you have a strong economy, it’s what you need to do to develop a prosperous economy,” the report says. It continues, “They have also learned that this cannot be done in the suburbs. To be competitive requires public and private investments to create high-density, high-amenity central city neighborhoods where you do not need to own a car.”

But those employers and cities seeking to meet their needs are finding headwinds in state policies, and the report suggests increased local autonomy in placemaking as a solution. It identifies five “placemaking policy levers” that matter most:

1. Welcoming to all: A legal framework that prohibits all forms of discrimination and access to the resources necessary for social and economic mobility.
2. State and local development-friendly regulations that facilitate the creation of high-density, walkable, high-amenity neighborhoods in our cities and inner ring suburbs.
3. Understanding that economies are regional, and each region needs the flexibility to develop and implement their own talent attraction and retention strategies.
4. Providing and paying for world-class 21st Century infrastructure, basic services and amenities.
5. Transportation as the most important placemaking public investment.

A major solution offered by the report: Increase flexibility for regions and cities to develop and finance their own solutions, to recognize that what works for one community may not help or even be desired by another. Michigan, the report argues, “is structurally setting its communities up for failure” by restricting property tax growth, prohibiting regional and local taxes and failing to fully fund revenue sharing.

It suggests giving regions the ability to provide infrastructure, basic services and amenities, and to finance those metropolitan services through regional taxation policies, whether through local sales taxes or fees on various services. These local freedoms must be combined with a substantial increase in returning state revenue from the state to local governments in a way that encourages regional cooperation.

“We can look around the nation and see much evidence of success. This report gathers those examples and offers policymakers a series of steps they can take to make Michigan’s cities work again. That’s the only way our state can attract and retain the talent needed to become more prosperous,” Glazer said.

The four reports in the series are based on a basic fact developed after years of research by Michigan Future: Michigan will not have a mass middle class again until we transition to the knowledge economy that is the path to prosperity in the 21st Century. The first paper laid out that case; the second explained how education reform is vital to prepare the talent needed in the knowledge economy. The third paper discussed the reality that many people may be left behind in the knowledge economy, particularly those without high skills. This last paper examines the need for Michigan to take action to create vibrant metropolitan regions to retain and attract college graduates, necessary to succeed in the knowledge economy.

All four reports are available at [www.michiganfuture.org](http://www.michiganfuture.org).

*Michigan Future, Inc. is a non-partisan, non-profit organization. Its mission is to be a source of new ideas on how Michigan can succeed as a world-class community in a knowledge-driven economy. Michigan foundations fund its work.*