

**WEST MICHIGAN REGIONAL PLANNING COMMISSION
CEDS MEETING MINUTES**

January 25, 2017
9:30 a.m.

1. Call to Order. J. Sandy, CEDS Committee Chair, called the meeting to order at 9:30 a.m.

CEDS Members present:

Nora Balgoyen-Williams – Allegan County
Jim Storey – Allegan County
Cindy Plautz – City of Big Rapids
Morgan Carroll – Ionia County
Jim Sandy – Mecosta County Development Corporation
Tom Porter – Montcalm County
S. Michael Scott – Montcalm County
Dan Massy – Osceola County Community & Economic Development
Morris Langworthy – Osceola County
Roger Bergman – Ottawa County
Joyce Kortman – Ottawa County
Tim Cochran – City of Wyoming
Chris Thelen – At-Large (Consumers Energy)

Staff:

David Bee – Director
Joan Gibson – Planner
Nancy Murphy – Administrative Assistant

Guests:

Travis Alden– Barry County Chamber of Commerce and Economic Development Alliance
Katherin Farwell, USDA Rural Development

2. Minutes

A MOTION WAS MADE BY R. Bergman to approve the minutes for the August 31, 2016, CEDS Committee meeting as presented. **SUPPORTED BY M. Langworthy. MOTION APPROVED UNANIMOUSLY.**

3. Election of Officers

D. Bee said he had talked to the two 2016 officers and they are both interested in continuing to serve. He asked if there are any other volunteers or nominations. There were none.

A MOTION WAS MADE BY M. Langworthy to close the nominations and to ask for a unanimous vote to elect Jim Sandy as the CEDS Committee Chair, and Roger Bergman as the CEDS Committee Vice-Chair. **SUPPORTED BY D. Massy. MOTION PASSED UNANIMOUSLY.**

4. Guest Speaker

Katherin Farwell, USDA Rural Development

D. Bee introduced today's speaker and said that Rural Development has been a good friend of the Region over the years and is here to serve rural areas. They have a wide variety of programs that fund everything from fire trucks to libraries, and have benefitted many of our members.

Ms. Farwell said that they have many programs to help local communities. Although they have both grants and loans, only one percent is grants. However, their guaranteed loan program is a great asset to communities. They work with commercial lenders; the current loan rate is 3.75 percent. They also help with the loan application process, including the pre-application and environmental reviews. She cited examples of past projects which included a new roof for a library in Homer. Their funding criterion is that it has to be a "rural" community, with a population of 20,000 or less.

J. Sandy wondered if there would be any changes with the new Administration. Ms. Farwell said that they are waiting until April 28 to see the new rules, but they don't anticipate any problems. The appointed Cabinet members are in favor of USDA programs and the work they do.

J. Kortman asked a question about rural housing. Ms. Farwell said that their housing assistance programs include funding for water heaters, roofs, and the purchase of homes. Their multi-family housing programs offer longer term loans and lower rates than available bank loans.

R. Bergman asked who is administering the programs at the local level. Ms. Farwell answered that management companies and property managers are involved. Information is available to potential clients through HUD (Housing and Urban Development) and by social workers.

J. Kortman said that in Ottawa County, there is an urgent need for affordable housing. Developers can't make the numbers work. They need more affordable rental units. Ms. Farwell said that it would have to be a property management company.

T. Alden noted that the project list distributed by Ms. Farwell includes some unusual projects, such as a marketing plan and a farmers market. Ms. Farwell said that for any project that a community wants to do, they should contact Rural Development to see if it might fit one of their programs.

5. 2017 CEDS Program Planning

Program Overview/Opportunities

D. Bee said that it is the goal of the CEDS Committee to prepare the CEDS document each year. Every five years, we do a full update, which we will do this year. That 5-year CEDS is larger than the annual interim reports. We usually toss all the old projects. Although communities may submit the same projects, they should review and revise them first.

The 2012 CEDS included Barry County in the report, with demographic and other information, but they could not submit any projects at that time. The CEDS process involves review and adoption by the Committee in August, approval by the Commission at their September meeting, and then submittal to EDA (Economic Development Administration).

During the first part of the year, D. Bee said that he will spend a lot of time gathering projects. Later we will use the CEDS to go after grants for viable projects. He depends on the CEDS to help identify potential projects eligible for EDA funding. Most of the CEDS projects are the result of D. Bee going out to, and otherwise contacting, local communities. We also solicit projects in our newsletter, which is mailed to over 600 recipients.

D. Bee said that EDA prefers projects like water and sewer and industrial parks – all related to jobs creation. They also like high tech and high paying jobs. We work with our EDA representative to identify and develop projects with good potential for funding.

A big part of the 5-year CEDS report is updating demographic and other information. The report also includes the CEDS Committee goals. There are two sets of goals – one group for the WMRPC itself and another for communities. D. Bee read the Committee's and Commission's Goals and Objectives. He noted that in the past, private sector involvement on the Committee was a higher priority for EDA. Now it seems to be much less of a focus. The important thing is to have a diverse group of representatives.

D. Bee then talked about the Community and Economic Development Goals, and asked if there are any suggestions for changes or additions. J. Sandy said to look at the counties on the state map. This is the voice of rural communities in the process. There has been a major shift in funding from rural areas to urban areas. Communities should not think that just because they received a grant in the past that they won't get another grant. If they have a good project, they should submit it for consideration. R. Bergman asked what is the realistic expectation even for a great project? M. Langworthy cited the example of the City of Ewart, where there are opportunities and they are taking advantage of a variety of grants. He added that D. Bee is out selling this and challenging the Committee to help with that effort.

C. Plautz asked about EDA's attitude to a community receiving consecutive grants. D. Bee responded that it depends on the project. An example would be Greenville, which had multiple EDA grants. He noted that EDA does require that a community have completed their current project before applying for new funding. Some communities do multi-stage projects to maintain funding. J. Sandy added that it is also beneficial if the past project was well-executed and managed well, done on time, and under budget.

D. Bee said that EDA does not like funding a project if it is part of a larger project. They don't like just roads with no other infrastructure. They also don't like partial projects, like roads that just serve one facility and not others within the area. Also, EDA wants applicants to be preparing for future operations, rather than just build to their existing capacity. He added that a lot can be done through knowledge of the program.

Review of 2016 Projects

D. Bee reviewed the list of economic development projects in last year's interim CEDS, and commented on the current status, and actions. R. Bergman asked if any of the projects move up or down in the ranking? D. Bee said that for the 2017 CEDS, we will scratch all the projects, including ranking, and revisit those that are viable projects. Communities will have to resubmit projects, with new information.

Proposed Project Solicitation Materials

D. Bee distributed the evaluation criteria we used last year; those criteria are used to rank projects. Although not listed as a criterion, timing is an important factor – if a community supports a project and is ready to move forward.

Project ranking is not a definitive factor. Other factors such as timing, desire, and community backing, are more likely to determine if a project will move forward.

D. Bee reviewed the existing evaluation criteria. All the proposed solicitation criteria were included with the meeting agenda. There is a one-page summary memo, that refers to a project submittal deadline of May 1st. That deadline is flexible. We do need all the projects in time to prepare and print copies in time for the August CEDS Committee meeting agenda mailing.

J. Sandy asked about the EDA investment guidelines. D. Bee said that he did not include them because we will wait to see if there are any changes. We can always attach them to the criteria.

J. Storey asked if EDA and USDA Rural Development can both contribute to the same project. Yes, that is an option.

T. Alden referred to the process between now and May 1st. We go back to our communities, develop projects, and submit them to EDA. D. Bee said that projects will just sit there until we and the community meet with EDA. He added that the CEDS does include a list of those projects that were funded during the past ten years. J. Sandy said that it's a five-year process and long-term. D. Bee said that EDA has a new quick turnaround schedule. Also, after the pre-application is approved by EDA, we can assume that the project will move forward.

Schedule of CEDS Meeting Dates

The WMRPC's meeting schedule was included with the agenda. The CEDS Committee meets four times a year. D. Bee asked if members are okay with meeting here, even though there are space limitations, or would they prefer to meet somewhere else? The trade-off in space is that when we have meetings throughout the region, it sometimes has a negative impact on attendance. The consensus seemed to be to find different meeting locations, preferably within the Grand Rapids area. D. Bee said that Kara Wood with the Grand Rapids Economic Development department, had said that the City's Commission room would be available for us. And T. Cochran offered the City of Wyoming's offices for our meeting. D. Bee commented that we had one of our meetings in Wyoming previously, and it was an excellent space.

6. Member and At-Large Member Recruitment/Appointments

D. Bee said that we still need private sector representatives from Big Rapids and Grand Rapids.

7. Potential Speakers and Topics for 2017

Committee members offered suggestions for future speakers –

N. Balgoyen-Williams suggested Rick DeVos, who is an entrepreneur.

J. Sandy said he would like to have someone who could give us some direction about where federal programs are going.

R. Bergman suggested Erin Kuhn with Region 14 in Muskegon. He said that she could tell us what is going on there.

J. Story said that the new President's potential infrastructure investment program depends on private investment and suggested that maybe we could have a speaker who is an expert in that area. Maybe someone from MEDC (Michigan Economic Development Corporation). They had a speaker at a recent MAC (Michigan Association of Counties) who would be good.

C. Thelen said that after the state's new energy policy is finalized, we could have a speaker from the energy sector who could talk about that.

8. WMRPC Staff Update

d. Staff Updates

D. Bee distributed a Staff Update. The Update includes information in the categories of Economic Development, Transportation Planning, Member Projects/Initiatives, and Other. D. Bee highlighted a few of the items.

Responding to a question about the status of membership for Kent County, D. Bee said that for 18 years there has been no change. However, the County will have a new Administrator this year, and it's always possible that could make a difference.

9. Community Updates

Nora Balgoyen-Williams – Allegan County. The City of Allegan has a new restaurant – the Redtail 412. A private business will build a zip-line across the river. Those attractions will stimulate more development and restaurants.

Tom Porter – Montcalm County. Montcalm County received formal recognition for their achievement in broadband access – 99 percent of the population has access to broadband internet. The "Connected Community" certification is expected to facilitate the attraction of new businesses and residents to the county. County Commissioners are working on their financial status.

Travis Alden – Barry County. Good news is the pending sewer project will be extended to the Gilmore Car Museum; they are now moving forward. Commissioner Dave Jackson will be the new Representative to the Commission. The City of Hastings and Rutland Charter Township are working well together on infrastructure. Workforce development continues to be a major issue, with many companies having difficulty finding the skilled workers they need.

Mike Scott – Montcalm County. The Connected Community designation is a big deal. Internet access is important to both residents and businesses. It is particularly valuable in the County's efforts to maintain and attract companies to the area.

Chris Thelen – At-Large. The Legislature passed the new energy policy. They are looking at how to add capacity.

Cindy Plautz – City of Big Rapids. The City has a new Manager, Mark Gifford. The City is working on getting a Redevelopment Ready Community designation in order to help the community prepare for new development.

Dan Massy – Osceola County. Michigan Potash is holding EPA (Environmental Protection Agency) hearings; January 27 is the deadline for public comments. The public who attended the sessions were concerned with the following issues: what will be injected into the ground; trucks and dust near their homes; financing.

Jim Storey – Allegan County. They dedicated Consumers \$7.5 million facility in Hamilton. Customers and employees will be impacted by the closure of the Palisades nuclear power plant in 2018. The new airport terminal will be open in October.

Tim Cochran – City of Wyoming. The City has a Public Act 425 Agreement with Byron Township, which purchased land in Wyoming for development.

Ms. Farwell said that Rural Development works with the DDA (Downtown Development Authority) on streetscape upgrades and park amenities. Downtown parking lots are needed. They are working with Metro Health on health care in rural areas. InterCare Community Health Network operates a bus for migrants for access to medical and dental care.

Roger Bergman – Ottawa County. Winterfest will happen January 26 through the 29th. The festival promises “Winter fun for everyone!” He distributed copies of the brochure.

Joyce Kortman – Ottawa County. The County has two big problems: The first is affordable housing. And the second is work force issues – employers can’t find enough workers with needed technical skills, or even “work skills” (like showing up for work). The City of Holland is finishing up their new master plan, using a new concept for the master plan process.

Morris Langworthy – Osceola County. Ice Mountain is holding public hearings related to their proposed production expansion into Osceola County.

Morgan Carroll – Ionia County. She talked about economic development in Ionia County.

Jim Sandy – Mecosta County. He talked about MDOT (Michigan Department of Transportation) construction projects. He said the Ice Mountain expansion is a \$36 million investment which will generate 20–25 new high-paying jobs. Big Rapids will have its annual Festival of the Arts January 28 to February 26, and will feature daily fun events for both residents and visitors.

10. Other Business

None.

11. Adjournment

A MOTION WAS MADE By R. Bergman to adjourn. **SUPPORTED BY** M. Carroll. **MOTION PASSED UNANIMOUSLY.** The meeting was adjourned at 11:10 a.m.

Attachment: Staff Update