

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

March 29, 2017
City of Wyoming
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
Julie Clement – 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
Joyce Kortman – Ottawa County
Tim Cochran – City of Wyoming
Lillian VanderVeen – City of Wyoming

Staff:

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

Guests:

Mary Judnich – West Michigan Regional Manager for Senator Debbie Stabenow
John Johansen – Montcalm County, WMRPC Chair
Travis Alden – Barry County Chamber of Commerce and Economic Development Alliance

J. Sandy asked John Johansen, WMRPC Chair, if he had any comments. J. Johansen said that the Commission appreciates the work of the CEDS Committee. Our primary mission is to provide opportunities to our member communities, and the CEDS Committee plays an important role in that work. The Committee has an outstanding history in successful EDA (Economic Development Administration) grant applications. Until recently, we received more EDA grants than all the rest of the State combined, which is a tribute to both our communities and to Dave Bee.

2. Approval of Agenda

A MOTION WAS MADE BY M. Scott to adopt the agenda as presented. SUPPORTED BY M. Langworthy. MOTION APPROVED UNANIMOUSLY.

3. Approval of Minutes

A MOTION WAS MADE BY M. Langworthy to approve the minutes for the January 25, 2017, CEDS Committee meeting as presented. **SUPPORTED BY** T. Lindeman. **MOTION APPROVED UNANIMOUSLY.**

4. Guest Speaker

Mary Judnich – West Michigan Regional Manager for Senator Debbie Stabenow

Ms. Judnich said that Senator Stabenow's regional office, located in Grand Rapids, covers 15 counties in West Michigan. The Senator is primarily involved in the areas of budget, finance, agriculture (as a ranking member), and energy.

Ms. Judnich talked about the proposed 2018 Federal budget, which includes significant funding reductions for the EPA (Environmental Protection Agency, EDA, rural water and business programs, CDBG (Community Development Block Grant) funding, the Great Lakes Restoration Initiative, and others. She explained the budget process: the President presents his budget, which Congress then reviews. Both the House and the Senate work on the budget and after they agree, the next step is the appropriation process.

Ms. Judnich said that there will be changes in the budget, especially to rural programs. Now is the time for people who are concerned about program cuts to speak up. The Senator would like to hear real life examples about the value of funding programs, details about why the program is working, and its impact. Some funding groups were created to benefit smaller local areas because on their own, they can't be competitive with larger areas.

Senator Stabenow will be working on the 2018 farm bill within the next few months. They will schedule a bill hearing in Michigan, along with Senator Roberts (from Kansas). They had both done the same thing previously.

The President's budget includes a 21 percent cut to the USDA (US Department of Agriculture). Rural water and business programs would be eliminated. These programs have been used a lot and benefitted local communities in the past. The agency's revolving loan funds are also in jeopardy. After the State Department and the EPA, the proposed cuts to the USDA are the largest. Many Federal programs and funding overlap, and changes to some programs also affect other areas as well.

J. Sandy said that his biggest concern is efficiency and accountability, and cited the example of Flint. Funding to address that city's water problems amount to \$71,000 per household, which is not the best use of our money. He asked how much of the 21 percent decrease could be offset by more efficient use of resources? Ms. Judnich said that staff cuts and office closings are included in the President's budget.

J. Sandy said that we need to generate more interest in grants. Local agencies say there is too much hassle due to the red tape involved. In Big Rapids, for example, it took them five or six years to complete the grant process due to all the extra hoops and hurdles. The government would get more bang for its buck if more money was spent on the projects themselves. J. Clement said that there should be a balance between accountability and

transparency. M. Judnich added that there might be administrative ways to change the process in order to be more efficient – they are very open to suggestions.

J. Johansen talked about his experience with the Conservation Resource Program related to his own farm acreage. He had to take 2.5 prime acres out of production due to the farm bill provisions, and the way the deductions were applied made no sense. J. Sandy said that millionaire farmers are getting paid for no work, and little people like John are suffering the consequences. M. Langworthy said that a lot of people in the state are still waiting for their payments. J. Johansen said that in his case, there was no review, that he was just told what to do, when other acres would have been much better to take out of production. J. Sandy added that we have lost our institutional memory in State departments, with very negative impacts.

T. Alden asked Ms. Judnich what people should do to make their voices heard, and she replied that it's best if people can give the Senator examples related to funding programs, which are needed now. She added that it's great that people are engaged more now, and cited an example of a neighborhood association that was concerned about CDBG funding and told their office the details of their programs, and why the funding is valuable. It's important to speak up now.

J. Johansen said that regarding the Great Lakes Initiative, the former Administration also planned spending cuts, and Congress would not allow that to happen. Ms. Judnich said that most of the Michigan delegation is on board, in a very non-partisan effort. Both the House and Senate are working on it.

M. Langworthy said that we shouldn't be here with a political agenda. We are here to represent the people to whom we are accountable, to be at the table, and to do a job.

T. Cochran said that EDA is why we're here, and he asked Ms. Judnich if she had a perspective related to EDA to share. She said that the EDA funding pot has flexibility, and has a lot of support. Senator Stabenow has always been behind EDA, and will advocate for its continuation, as will others in Congress also.

J. Sandy said that the proposed budget includes a lot of increases, in addition to cuts. An example is infrastructure. Ms. Judnich said that the focus determines where funding and projects will go. There would be a lot of increases under defense and homeland security.

L. VanderVeen said that efforts to improve jobs and manufacturing have brought a lot back. But we also need to beat the drum of agriculture, and to make sure our farmers are succeeding. If we beef up manufacturing and then have to import food, that's not good. Byron Township lost a lot of agricultural land to other uses, and now Wyoming is seeing a similar trend. Ms. Judnich said that Michigan has very successful food producers. It is a key economic driver in the state. Some counties are looking at how they can support local farmers, including promoting the local food supply (for example, with farmers markets).

5. 2017 CEDS Program Planning

Program Overview/Opportunities

D. Bee said that the 2017 CEDS is a complete 5-year update, when we toss out the old projects and bring in new ones. The big thing is getting new projects. He will be doing community visits later. We try to prepare communities beforehand by mailing out the memo and other solicitation materials. The project submission date is flexible – we need everything in time to prepare the draft CEDS report for mailing prior to the August CEDS Committee meeting.

It is no longer essential for a project to be included in the CEDS for consideration by EDA for funding. As long as the project aligns with the goals, it can be submitted later. The important criteria are timing, readiness, goals, and job creation.

D. Bee challenged every Committee representative to bring in a new project, and to talk to their local communities.

The next CEDS Committee meetings will be May 31st in the City of Grand Rapids, and August 30th in the City of Wyoming.

M. Langworthy asked about the points system – what is the average, or minimum, number of points required for funding approval? D. Bee said that the top ranking does not determine funding. The important factors are a combination of EDA interest and a community that is ready to move forward. Projects also should align with local goals. An example would be the Coopersville project. Initially the plant wanted EDA funding to meet only current needs, but EDA wanted to include planning for the future. The rankings have been revised since they were created, with the biggest change related to the points for jobs. Now, that category takes into account the jobs number in relation to the total workforce, so it is more fair for smaller communities.

EDA told us that we are eligible for an additional \$20,000 annually for our planning grant. We did apply for those funds, but our application has not yet been approved. The additional funding did require a greater local match, but we were able to use our MDOT (Michigan Department of Transportation) grant for the added match.

Project Solicitation and Review of Goals

D. Bee said there are two sets of CEDS goals: 1) organizational goals, which are related to the CEDS Committee, and 2) community and economic development goals. D. Bee said that the difference between the two sets of CEDS goals is that the first set is what “shall” be done, whereas the second set is what “should” be done.

He reviewed all the goals for the Committee, with the following comments:

Organizational Goals

Goal 3 – EDA no longer has a specific criteria for private sector representatives. We do maintain a good diversity.

Goal 4 – As part of collaborative efforts, the Region should have a seat at the table.

Goal 5, Objective 2 – We have a broader definition now for appropriate organizations to partner with. MAP (Michigan Association of Planning) has much less value now. We will

probably continue to participate with MAR (Michigan Association of Regions), with maybe the addition of a transportation-related group.

Goal 6 – The evaluation criteria were revised five years ago – we “maintain and evaluate”. J. Clement asked if we have a local plan to do every five years, and D. Bee said that we do a 5-year CEDS, in addition to an annual interim CEDS.

Goal 7 – Today D. Bee tasked all members to bring us a new project.

Goal 8 – Some private sector representatives question their function on our Commission and CEDS Committee. The answer is that EDA placed an emphasis on private sector involvement eight years ago. All dollars have to go to public sector entities. However, the projects do contribute to private sector growth.

J. Sandy said that we need a right-hand column, so that we can check off items, reporting that they have been done. We also need to add RPI (Regional Prosperity Initiative). J. Clement added that we should have a way to track progress year by year. D. Bee said that for Big Rapids, we listed actions and who will do what. Also, the WMRPC has a set of goals and we report every year on the work that was done to accomplish each goal. Previously, the Commission’s set of goals and objectives was ten pages long, but we recently condensed that to a page and a half. Additionally, we do send EDA periodic work progress reports.

D. Bee said that initial project discussions are between the Region and the local contact. Then in later phases of the project development, three people are involved – EDA, the Region, and the applicant. When EDA is involved, we are able to determine if the project has funding potential, before the community goes through the application process. But the first step is for anyone with a project to contact Dave Bee.

J. Clement asked if there is a list of past projects. D. Bee said there is a list of successful projects included in the CEDS report.

6. WMRPC Staff Update

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.

D. Bee said that Barry County has been included in past CEDS reports, but now EDA wants them to fully participate in the process.

7. Committee Member Roundtable

Tim Cochran – City of Wyoming. He talked about the commercial area on 28th Street, which is an iconic corridor, but has been less active during recent years, especially after the competition from Rivertown Mall. The City has partnered with a developer, and invested over \$2 million, to reinvent and revitalize the corridor. Renovations included rerouting the street and other changes in an attempt to create a real downtown area and a more urban atmosphere. The project involved changes to the City’s master plan and zoning ordinance. Existing tenants were relocated to the new addition. Rogers Plaza will

be done later. The former Studio 28 was removed and the new road goes through that site, which creates a little village feel.

This could be the year that Site36 sees serious activity. There is one business there now, with more potential consistent with the area. The current demand for industrial properties is huge, so the City is exploring other options. There are many local companies that are looking at expansion. They expect more movement soon. In other news, a partnership between Metro Health and the University of Michigan will take the Metro Health complex to a whole other level. Their primary focus will be cancer treatment.

Lillian VanderVeen – City of Wyoming. She talked about the Public Act 425 agreement between Wyoming and Byron Township. The land was turned over to Wyoming. Byron still collects the tax revenues from the property, but later the taxes will be paid to Wyoming. She said the project was an excellent example of the value of cooperation between two adjacent jurisdictions for productive use of land.

Joyce Kortman – Ottawa County. The County has initiated its farmland bank, and they have their first property. The Parks Commission has a long term plan. The City of Holland has a committee to look at all the properties it owns in order to determine the best use of the land, including commercial development and parks. A non-motorized bike path between the City of Holland and Holland Township to Windmill Island provides a 5K bike ride.

Dan Massy – Osceola County. EPA had an open house regarding the potash mine. The public comment period has been extended.

Morris Langworthy – Osceola County. The Osceola County Parks Commission reported a 300 percent increase in use. We should look at local areas and what they can do.

Tom Lindeman – Montcalm County. The County's finances are improving, and they will get to a better place. There are two turkey farms, one each in Mecosta and Montcalm Counties, with 18,000 birds, with more coming.

Mike Scott – Montcalm County. He talked about the Rural Task Force that allocates funds for Federal funding of local roads, and a rural-urban exchange between Montcalm and Kent Counties. He said that is an example of more efficient use of public funds.

Nora Balgoyen-Williams – Allegan County. There was a community input session for an Otsego facility with potential for development. She also talked about the clean up of the Kalamazoo River and dams that are failing. There are PCBs in the river. Companies pay the costs.

Travis Alden – Barry County. Hastings Fiberglass Process is expanding, with 25 to 30 new jobs at a 75,000 sq. ft. facility. They are close to getting infill housing near downtown Hastings, along the Thornapple River. It will be mixed rate units, and very much needed because there are currently no available apartments in the city. Last week they kicked off Talent 2025. They have a mini manufacturers council that also includes local educators. Previously, there had been no contact among CEOs and school administrators. In six to eight weeks, they will have a referendum on a convention and visitors bureau. Each

community in the County has its own association, but now they are trying to work together and share resources. The focus is on how local businesses can capitalize on community events.

Julie Clement – Ionia County. She talked about projects in the City of Portland involving a former high school. They have a new DDA Director / Mainstreet Manager. She also mentioned property with Portland and an adjacent township, and annexation. L. VanderVeen commented that a 425 agreement is always better than annexation. And she talked about flexible zoning, and funding due to updating their 5-year master plan.

Jim Sandy – Mecosta County. They have been making retention calls to local businesses. They continue to experience talent issues, partly related to skills, but also to work ethic. The unemployment rate can be misleading – a more meaningful indicator is the worker participation rate. Manufacturers plan to invest more in robotics and machines, primarily due to problems with human workers. Wolverine Worldwide's contracts with the military are being delayed. Everyone is in a growth mode. There is currently no local source of potash, so it's good to develop the resources in our counties.

8. Other Business

None.

9. Adjournment

The meeting was adjourned at 11:20 a.m.

Attachment: Staff Update