



MISSISSIPPI RIVER REGIONAL PLANNING COMMISSION

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*Eugene Savage, Black River Falls, WI
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Vice Chairman*
*Vicki Burke, Onalaska, WI
Secretary & Treasurer*
*Greg Flogstad, Onalaska, WI
Director*

MINUTES

MISSISSIPPI RIVER REGIONAL PLANNING COMMISSION (MRRPC)

BIMONTHLY MEETING

10:30 a.m., October 12, 2011

Midway Hotel La Crosse "River Jacks", 1835 Rose Street, La Crosse, Wisconsin

Call to Order

Chairman Savage called the meeting to order at 10:30 a.m. and asked for the roll call. Greg Flogstad, Director of the MRRPC took roll and said a quorum was present. The attendance roster is attached.

Guests in attendance: Will Cronin, Monroe County Community Resource Development Educator

Minutes of August 10, 2011 Bimonthly Meeting

Commissioner Scholmeier made a motion, seconded by Commissioner Kuhn to accept the minutes of the August 10, 2011, bimonthly meeting. Approved unanimously.

Treasurer's Report

Vicki Burke, MRRPC Secretary/Treasurer presented the treasurers reports. Ms. Burke said the August 1, 2011 balance in all MRRPC accounts was \$217,630.82 and the August 31, 2011 ending balance was \$202,291.87. Ms. Burke reported that the beginning balance in September 2011 was \$202,291.87 and the balance in all accounts at month's end was \$170,650.63.

Ms. Burke then presented the financial report for the Business Capital Fund. The balance in this account as of July 31, 2011 was \$275,681.90. From August 2011 through September 2011 activity in this account included loan repayments of \$39,693.19 and account interest of \$202.31 leaving an ending balance in the Business Capital Fund as of September 30, 2011 of \$315,577.40. Ms. Burke said that as of July 31, 2011, the Business Capital Fund II RLF had a balance of \$94,911.70. She said that from August 2011 through September 2011 interest on this account totaled \$64.64 and loan repayments of \$4,365.42 were made leaving a September 30, 2011 balance of \$99,341.76.

The CMV Growth Development Fund began with a July 13, 2011, balance of \$56,906.77. Ms. Burke said from the period of July 14, 2011 through September 14, 2011 interest earned on this account totaled \$14.39, loan payments made totaled \$805.02, and a transfer of \$1,801 was made to the CMV-EDA Sequestered fund leaving a September 14, 2011 balance of \$55,925.18. Ms. Burke said the balance in the CMV-EDA Sequestered Fund as of July 13, 2011 was \$155,460.35. During the period of July 14, 2011 through September 14, 2011 activity in this account consisted of interest earned of \$40.24, an interest payment of \$49.12 to the U.S. Treasury, and a deposit from the CMV Growth Development Fund of \$1,801 leaving a September 14th balance of \$157,252.91.

A Nine County Economic Development District Providing Assistance to Local Governments

- *Land Use Planning* ▪ *Zoning and Subdivision Ordinances* ▪ *Transportation Planning* ▪ *Economic Development Planning*
- *GIS Mapping* ▪ *Recreation Planning* ▪ *Revolving Loan Fund Administration* ▪ *Grant Writing* ▪ *Socioeconomic Data Dissemination*
- *Assist Local Interests in Responding to State and Federal Programs* ▪ *Advisory Service on Local Planning Issues*
- *Coordinating Agency for Programs and Activities* ▪ *Public Advocacy on Issues Affecting Our Region*

Ms. Burke said the La Crosse County Economic Development Fund began with a July 13, 2011 balance of \$64,900.10. During the period of July 14, 2011 through September 13, 2011, loan repayments of \$2,286.66 were made and interest earned totaled \$28.08. The ending account balance as of September 13, 2011 was \$67,214.84. Chairman Savage asked for a motion of approval on the treasurers reports presented. Commissioner Ehram made a motion to approve the treasurer's reports as presented. The motion was seconded by Commissioner Semb, and approved unanimously.

Bryan Law reported that the Monroe County Revolving Loan Fund made a \$20,000 loan to a restaurant business that leveraged \$95,000 in private funds and created one full time job. The business is expected to create another full time job and 3 part time jobs in the 2nd year of operation. Mr. Law said outreach continues to raise awareness of the funds. Mr. Law said he continues to attend entrepreneur club meetings to promote the funds. He added that Monroe County has started an inventors and entrepreneurs club.

Aligning MRRPC initiatives With the New Wisconsin Economic Development Corporation's (WEDC) Strategic Plan for Economic Programs and Funding

Mr. Flogstad passed around some frac sand for Commissioners to view. He explained the sand was from a mining tour he attended in August. Mr. Flogstad briefly discussed the frac sand boon in Western Wisconsin. He said frac sand is used in hydraulic fracturing where sand, water and chemicals are blasted into wells, creating fissures in rock to free hard-to-reach pockets of oil and natural gas. There was some discussion on the sand boon in western Wisconsin.

Mr. Flogstad said he attended a meeting in La Crosse yesterday held by the new Wisconsin Economic Development Corporation. He said the WEDC is a total restructuring of economic development in the State. WEDC was created through Wisconsin Act 7 with a staff of about 95 employees, an operating budget is \$15.6 million, plus another \$118 million for community and business investment.

Mr. Flogstad continued by reviewing the WEDC's Strategic Plan. He said the plan is guided by four principles: 1) Be Bold, 2) Engage Business, 3) Operate as an Extended Enterprise, and 4) Measure and be Accountable. Mr. Flogstad discussed the economic environment assessment of Wisconsin included in the plan. The plan said the State has developed a reputation that is not friendly to business with excessive regulations, high taxation, inadequate incentives, and an unfavorable legal environment. Mr. Flogstad said the state ranks 43rd in Forbes Best States for Business and careers, 29th in CNBC's America's Top State for Business, 49th in the Kaufmann Foundation's Index of Entrepreneurial Activity, 40th in the Tax Foundation's State Business Tax Climate Index, and 10th among 12 Midwestern/North Central States in Site Selection Magazine's Governor's Cup rankings of economic development activity.

Mr. Flogstad said a systemic problem in the State is low per capita income. He added that the per capita income in Wisconsin is growing at a slower rate than surrounding states. He said Wisconsin used to be ahead of Iowa but that has changed. Higher corn prices because of ethanol was mentioned as one reason why Iowa has a higher per capita income. Commissioner Russell added that neighboring states have less regulation which may also be a reason. Mr. Flogstad said that Minnesota has a strong export economy due to advanced manufacturing and the high tech products produced.

WEDC's Strategic Plan contains an economic development network performance assessment. The assessment shows the state is served by a broad economic development network that includes over 650 organizations across the state including 385 chambers of commerce and 142 economic development corporations. Mr. Flogstad said the WEDC hopes to align these organizations to work better together. Commissioner Borreson asked if other states had as many economic development agencies. Mr. Flogstad said he felt other states were pretty similar but Wisconsin may have more because of more small urban areas versus a lesser amount of major urban areas.

Mr. Flogstad continued by reviewing the Market analysis included in WEDC's plan that showed Wisconsin has over 157,300 business establishments employing over 2.6 million. He said small businesses are the heart of Wisconsin's economy comprising 94% of all establishments and employing approximately 39% of the state's workforce. Mr. Flogstad said some of the most important industry sectors in the Mississippi River Region are (333) machinery manufacturing, (335) electrical equipment and appliance manufacturing, (323) printing and related support activities, (112) animal production, (332) fabricated metal product manufacturing, (321) wood product manufacturing, (311) food manufacturing, (331) primary metal manufacturing, and (337) furniture and related product manufacturing. Commissioner Leys said manufacturing is important and that's where the good

paying jobs are. He mentioned that Buffalo County is the only County that has a per capita income close the State average and that Crawford and Vernon are almost \$10,000 behind the State average per capita income. Commissioner Schlesselman said most of Buffalo County's success is along the river and southern Buffalo County and interior Buffalo County is not doing as well. Mr. Flogstad said Buffalo County's strategic location is an asset as residents can commute to Winona, La Crosse and Trempealeau counties for employment. Commissioner Savage questioned the impact of the Amish on Vernon and Crawford County per capita income numbers. Commissioner Leys said the Amish are more of an impact in Vernon County. Mr. Flogstad said Buffalo County was noted in a sports magazine a few years ago for its Whitetail deer population. Commissioner Jaekel commented Vernon County also has a sizeable Whitetail deer population.

Commissioner Ross asked what the WEDC has in place to take their strategic plan into reality. Mr. Flogstad said the WEDC adopted its operation plan and you will see people out doing economic development in the State. The WEDC has developed key performance indicators that include creating 250,000 jobs by 2015. He reviewed core strategies included in the plan to help achieve the 250,000 jobs goal and other key performance goals. Strategy 1 is to enable a world-class, high performance economic development network known as Accelerate Wisconsin Network to drive business start-up, retention and expansion. Strategy 2 is to put in place innovative and game-changing policies to improve Wisconsin's business climate rankings. Strategy 3 is to put in place world class, integrated marketing capability to promote Wisconsin as a business friendly state, market Wisconsin services and advantages to existing and out-of-state firms, and enable easy customer access to the Accelerate Wisconsin network of business support services. Strategy 4 is to implement a focused target industry advancement capability in which resources are concentrated on high value industry and emerging business consortia opportunities. Strategy 5 is to accelerate entrepreneurship and innovation in Wisconsin through aggressive development of R&D and early-stage capital availability and managerial talent development. Strategy 6 is to expand Wisconsin's international business development opportunities and resources.

Mr. Flogstad outlined the organization to implement the strategic plan. He said economic and community development division is who the MRRPC will probably be involved with the most. Mr. Flogstad said we will be hearing more about this in the future. Commissioner Leys commented that he hoped people out in the more rural areas don't get left behind.

Commissioner Input on Comprehensive Economic Development Strategy: Strengths, Weaknesses, Opportunities and Threats Analysis for Regional Economic Development

Mr. Flogstad reviewed a list of regional strengths and opportunities and asked if anyone had anything to add. Commissioner Smith said our excellent medical facilities should be added. Mr. Cronin said that the back to organic food product movement should be added. Other strengths mentioned were the region's great artisans and access to great outdoor recreation and sport activities. Mr. Flogstad reviewed some weaknesses and threats in the region and asked for more input. Commissioner Ehram said lack of jobs is a problem. Other weaknesses and threats cited were the state's lack of large size shovel ready sites, the state's location in the middle of the continent making it more difficult to conduct business, transportation costs, lack of development, distance to nearest Interstate highway in some rural areas, communication and topography, over regulation, too many branches of government, and resistance to change. There was some discussion on transportation costs. Mr. Flogstad said the state does have competitive utility rates and doesn't have as many natural disasters as some other states. Commissioner Carney said that we should rank both strengths and opportunities and weaknesses and threats.

Report on Grant Award from U.S. Department of Commerce – Economic Development Administration for Technical Assistance Grant to Determine Feasibility – Demand, Cost and Benefits of Biofuel Pellet Plant in the Kickapoo Valley

Mr. Law reported on the \$25,000 grant award from the U.S. Department of Commerce-Economic Development Administration for a technical assistance grant to determine feasibility – demand, cost and benefits of a biofuel pellet plant in the Kickapoo Valley. Mr. Law explained we have to reapply to the UW-Madison's Kickapoo Valley Restoration Fund for the \$25,000 match. He explained we may have to budget \$3,000 of MRRPC funds for a UW principal investigator for this project in order to secure the \$25,000 match that will bring the project to \$50,000. Chairman Savage asked for approval from the Commission Board to use \$3,000 of MRRPC funds for a principal investigator for this project if needed. Commissioner Smith made a motion to approve the use of \$3,000 of MRRPC funds this project. Commissioner Murray seconded the motion. Mr. Flogstad said the Commission will try not to spend the \$3,000 but would like the option to do so if our funds were needed for a principal investigation. Chairman Savage asked if there was any further discussion and the motion was unanimously approved.

Update on Status of Link Wisconsin High Speed Internet – Broadband Planning Project

Mr. Law said Link Wisconsin is a statewide initiative to promote and develop broadband Internet access. Mr. Law showed a map prepared as part of the initiative. The map shows where broadband is currently available and where it's not. He said the brown color on the maps indicates no coverage. He said Buffalo and Trempealeau counties both have several areas in brown and that the terrain in these counties makes broadband coverage difficult. He explained the Link Wisconsin High Speed Internet broadband planning project involves working publicly throughout the state to develop a plan for establishing greater access to broadband. He said the MRRPC is mostly within Region 6 and has been asked to take a leadership role in that region. Mr. Law said Crawford County is in Region 7 and Pepin and Pierce counties are in Region 3. He provided web addresses where people can view the broadband access plan and make comments. He encouraged people to make comments. Mr. Flogstad said numbers speak volumes in getting better service and reiterated it's very important that people make comments.

Report on Fort McCoy Joint Land Use Study's (JLUS) September 27th Public Meeting

Mr. Fletcher reported on the Fort McCoy Joint Land Use Study project. Mr. Fletcher explained a land use study is underway to help identify future land use and social conflicts that may arise between Fort McCoy and surrounding communities. He said a kickoff meeting was held September 27, 2011. Mr. Fletcher reported on the SWOT analysis from the September 27th public meeting. He said some strengths from the analysis included good utilities, economic impact of the Fort, good work ethics, and the Fort's proximity to Volk Field and weaknesses were lack of control of nonmilitary traffic through the Fort and noise from training at Fort McCoy. Major opportunities listed were the Fort is a good training facility that is very adaptable to different training situations and the prospect for joint training efforts with Volk Field. Some threats listed were an uncertain federal budget, BRAC and residential and commercial encroachment.

Mr. Fletcher continued by outlining some of the strategies to maximize strengths and opportunities and to minimize weaknesses and threats. Mr. Flogstad said there was an extensive public outreach to make the public aware of the public information meeting on the Joint Land Use Study on 09/27/2011. He said public meeting notices were published in two Monroe County newspapers and notices were sent to state, county, city, and local government officials, utilities, telecommunication companies, business leaders, school districts, health care facilities, landowners etc.

Old Business and New Business

Chairman Savage asked if there was any old business. Hearing none, Chairman Savage then asked if there was any new business. Commissioner Nickelatti mentioned a proposed hydroelectric project for Lock and Dam 8 on the Mississippi River at Genoa. She said the project will create electricity for about 14,000 homes. There was some discussion on the project and the concerns of its affect on tourism and the fishing industry. Commissioner Nickelatti said if anyone had any comments they should be sent to the Federal Regulatory Commission by November 30, 2011.

Chairman Savage asked about the progress of the Safe Routes to School Plan for Viroqua and Westby in Vernon County, and Spring Valley in Pierce County. Mr. Fletcher said draft plans have been prepared. He said an open house public meeting was held in Westby on October 6th, an open house is scheduled in Viroqua tonight and an open house will be held in Spring Valley in a few weeks. The purpose of these meetings is to gather feedback from the public. All plans will be done by the end of the year. Chairman Savage asked what activities the Food Resource and Agribusiness Network (FRAN) have been involved in. Mr. Law said that FRAN held a meeting last week and about a week ago, FRAN held a social event for further outreach to other businesses. He said the FRAN group is also looking at ways to improve what the industry cluster offers.

Commissioner Ross thanked Director Flogstad for coming up to Pierce County and being available to answer questions on the Bergquist expansion project in Prescott. Mr. Flogstad said the Bergquist expansion project is a great project. The company is a high tech global company that is expanding and will retain 202 jobs, and create 45 additional jobs by 2015.

This is to certify that the foregoing is a true and correct copy of the October 12, 2011, bimonthly meeting minutes approved on the 14th day of December 2011.

Vicki Burke, Secretary-Treasurer