



**MISSISSIPPI RIVER
REGIONAL PLANNING COMMISSION**
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*James Kuhn, Cashton, WI
Chairman*
*Margaret Baecker, Independence,
WI
Vice Chairman*
*Vicki Burke, Onalaska, WI
Secretary & Treasurer*
*Greg Flogstad, Onalaska, WI
Director*

MINUTES
MISSISSIPPI RIVER REGIONAL PLANNING COMMISSION (MRRPC)
BIMONTHLY MEETING
10:00 a.m., February 14, 2018
AmericInn (formerly Best Western Riverfront Hotel), 1835 Rose Street, La Crosse, Wisconsin

Call to Order

Vice-Chairman Baecker called the meeting to order at 10:00 a.m. and asked for the roll call. A quorum was present. The attendance roster is attached. There were special guests in attendance: Scott Sanford, UW Extension Ag Engineer, Rural Energy Program and Statewide Wood Energy Team and Joe Folsom, Director Pierce County Economic Development Corporation.

Minutes of December 13, 2017 Bimonthly Meeting

Vice-Chairman Baecker asked for a motion on the December 13, 2017 bimonthly meeting minutes. Commissioner Twidt made a motion to approve the December 13, 2017 meeting minutes and the motion was seconded by Commissioner Schlesselman. Vice-Chairman Baecker asked if there were any questions or comments and hearing none, the minutes were unanimously approved.

Treasurer's Report

Secretary-Treasurer Burke gave the treasurers report. Ms. Burke said the November 30, 2017 balance in all MRRPC accounts was \$248,981.38 and the December 31, 2017 ending balance was \$229,452.29. She reported the beginning balance in January 2018 was \$229,452.29 and January 31, 2018 ending balance was \$328,794.52.

Ms. Burke said the Business Capital Fund (BCF) began with a November 30, 2017 balance of \$318,656.41. Activity from December 1, 2017 through January 31, 2018 included loan repayments of \$7,493.28 and interest earned of \$109.50, leaving a January 31, 2018 balance on hand of \$326,259.19. The BCF Sequester Account began with a November 30, 2017 balance of \$454,289.03. There was no activity from December 1, 2017 through January 31, 2018, leaving a balance on hand of \$454,289.03.

Ms. Burke said the Business Capital Fund 2 began with a November 30, 2017 balance of \$44,040.81. Activity from December 1, 2017 through January 31, 2018 included loan repayments of \$1,480.00, interest earned of \$15.21, leaving a January 31, 2018 balance of \$45,536.02. Ms. Burke said the Business Capital Fund 2 Sequester Account began with a November 30, 2017 balance of \$160,627.14. There was no activity from December 1, 2017 through January 31, 2018 leaving a balance on hand of \$160,627.14.

Ms. Burke said the CMV Growth Development Fund began with a November 30, 2017 balance of \$57,222.12. Activity from December 1, 2017 through January 31, 2018 included loan repayments of \$1,452.66, and interest earned of \$8.90, leaving a January 31, 2018 balance of \$58,683.68. Ms. Burke said the CMV Growth Development Fund Sequester Account began with a November 30, 2017 balance of \$104,070.45. Activity from December 1, 2017 through January 31, 2018 included interest earned of \$15.96 leaving a balance of \$104,086.41.

Providing Planning and Economic Development Services to Improve the Environment, Economy and Quality of life
• Land Use Planning and Zoning Assistance • Transportation Planning • Economic Development Planning • Recreation Planning •
Business Lending • Grant Writing • Economic Data Dissemination • Assisting Local Interests in Responding to State, Federal and
Private Programs • Advisory Services on Planning and Development Issues • Coordinator for Programs and Activities
• Advocate on Issues Affecting the Region

The La Crosse County Economic Development Fund began with a November 30, 2017 balance of \$24,206.26. Activity from December 1, 2017 through January 31, 2018 included loan repayments of \$4834.00 and interest earned of \$6.70, leaving a January 31, 2018 balance of \$27,934.96.

Vice-Chairman Baecker asked for a motion to approve the treasurer's report as presented. Commissioner McMillan Urell made a motion to approve the treasurer's report. The motion was seconded by Commissioner Krachey. Vice-Chairman Baecker asked if there were any questions or comments and hearing none, the treasurer's report was unanimously approved.

Report on response to letter from US Department of Commerce – Economic Development Administration on utilization of excess Revolving Loan Funds.

Mr. Flogstad reported that a letter from the US Department of Commerce - Economic Development Administration had been received regarding under-utilization of RLF funds for the Business Capital Fund 1 (BCF1). This letter was in the meeting packets. Mr. Flogstad explained that the letter stated that our capital utilization use was insufficient. Since we have excess funds the U.S. Department of Commerce – Economic Development Association (EDA), can or could demand that the excess funds be returned. He said that in the letter we had received there was an opportunity to write a request regarding the extenuating circumstances for the excess capital. Mr. Flogstad said that he had written a response about the extenuating circumstances. He said this letter too was in the meeting packets. He went on to explain that at the time the fund was established the prime rate was 10% and the RLF's low interest rate financing was in much more demand by businesses and banks than it is today. He said since the BCF 1 was established, there have been millions of HUD-CDBG dollars that have gone to counties and communities in the region which compete with the BCF1 RLF. He stated that with the current low interest rates banks can make a low interest loan with a SBA guarantee and are in much less need for gap financing from the BCF 1. He also pointed out the 2007-2009 recession and associated banking rules made banks less receptive to riskier loans that the BCF 1 participates in. He pointed on-line market place business lending has been increasing too and is a new source of business funding. Plus crowd funding options such as GoFundMe have made it easier to raise capital for businesses. He also pointed out in the letter to EDA that the number of business establishments in the four county service area decreased by 6% from 2005-2016.

Mr. Flogstad then discussed the steps taken to assist with lending the excess funds. He said that a direct mass mailing to all financial institutions and business organizations have been sent out, a teleconference call with the Business Capital Fund board took place to brainstorm ideas. Mr. Flogstad said that he has been visiting financial institutions to make them aware of the program and has recently visited 5 banks to market the BCF1 RLF. Commissioner Schlesselman asked about the response from the banks. Mr. Flogstad said that some of the banks were aware of the funds and showed him his letter and brochures that were mailed out. Others were not aware of it but mentioned it was good to know it was available now with interest rates going up. Commissioner Folcey asked how long we have had excess funds. Mr. Flogstad replied that we have been reporting excess funds for several years. Commissioner Schroeder asked if the funds can be used for operating costs or capital investments. Mr. Flogstad responded that the funds can be used for most anything: working capital, real estate, and equipment and the BCF 1 loan can be subordinate to the bank.

Commissioner Ross asked if there has been any feedback about the application process if it was too cumbersome. Mr. Flogstad said that the loan application requires the same information as the lending institution needs plus more details on employment and compliance other federal regulations that are tied to the loan. Mr. Folsom commented that it really is an awareness situation with the individuals making loans at the lending institutions and realizing that there is another tool they can use. Commissioner Stittleburg asked how the recent CMV Fund recipients knew about the revolving loan fund and if our interest rates are lower. Mr. Flogstad said that one of the business partners and the bank in Viroqua were familiar with the CMV Fund. He said that the CMV Fund interest rates are lower than the banks. Commissioner Schroeder asked if agricultural loans were possible. Mr. Flogstad responded that they would be eligible if they are a private business. Commissioner Baecker asked if the criteria for the loan is solely for job creation. Mr. Flogstad replied that it can also be used for refinancing or for a job retention project, but bank participation is required with new capital.

Decision on 2018 Budget

Mr. Flogstad reviewed the 2018 budget. He reviewed the revenue sources that total \$374,762 and noted new contracts of the Pierce County CDBG Revolving Loan Fund in the amount of \$6,000. He mentioned the contract for this will be presented at the April commission meeting. New multi-hazard mitigation plan grant revenue is budgeted for preparing Jackson and La Crosse County plans. Expenditures are also budgeted for \$374,762. Mr. Flogstad pointed out that the fringe benefits have gone down due to everyone being enrolled in the new health insurance provider. He also stated that salaries assume a 2% increase beginning July 1, 2018, but this actual amount would be determined at the April 2017 MRRPC Meeting. Vice-Chairman Baecker asked for a motion to approve the MRRPC 2018 Budget as presented. Commissioner Schlesselman asked about the differences in the equipment and software portion of the budget since the expenses for 2017 were lower than what was budgeted. Mr. Flogstad responded that the color printer is getting older so the funds were budgeted in the event that the printer failed and needed to be replaced. Commissioner Twidt made a motion to approve the 2018 Budget as presented. The motion was seconded by Commissioner Schroeder and was unanimously approved. Commissioner Schroeder thanked Mr. Flogstad for keeping the expenses low and maximizing the income for the commission year after year.

Presentation on opportunities for wood fuels as a regional renewable fuel for heat and electricity by Scott Sanford, UW Extension Agricultural Engineer, Rural Energy Program and Statewide Wood Energy Team.

Mr. Flogstad said one of our regional goals is to increase the use of the region's overstocked woody biomass resources for heat and electricity to curb our dependence on imported fossil fuels such as propane, heating oil and coal. He said that there has been federal legislation that has been introduced by Senator Susan Collins and Senator Angus King to provide tax credits to households that install wood heating furnaces and stoves. He said that this is the first time that this heating source has been considered for these types of tax credits. Mr. Flogstad then introduced Mr. Sanford who is part of the UW Extension Statewide Wood Energy Team. Mr. Sanford said that the Wood Energy Team was created through the US Forestry Service to promote the use of wood energy (www.wisconsinwoodenergy.org). Mr. Sanford said that if the Forestry Service can make a market for low grade wood it would help with the fire suspension in our federal forests and is their main goal. The team provides consultations, feasibility wood energy studies, and to promote cluster development of wood energy. He discussed opportunities for the use of renewable fuel for heat and electricity in the region and how it can be an economic development tool. Mr. Sanford said that wood biomass is the original renewable energy for heating and is more widely used than other renewables such as ethanol and hydro power in the state. He said that the use of biomass for generating electricity is different and more than 50% of our electricity is generated by coal. In Wisconsin residential energy use for heating and electricity comes from natural gas. He said that in Wisconsin there is a very good natural gas network and the price of natural gas is very low. Most businesses build near a natural gas line. In Wisconsin he is looking for counties with high propane and oil use where he can make the most difference. He said that the largest barrier to conversion is the low natural gas prices. He said that there are several varieties of wood products including cord wood, wood pellets, kiln dried lumber, green mill residue are some waste materials that can be used. He discussed the original outdoor wood burners which were just a box that you threw wood into and they needed to be 1500 degrees to burn the products in combustion. These original outdoor wood burners operated at a 20-50% efficiency. The EPA implemented a program to raise the efficiency standards for wood burners and now the efficiency has been raised to 70%. He said that the less emissions that are released the more efficient the wood burner will be and will make a better use of the biomass material that is burned. In 2020 the standards are even higher but there are already manufacturers that are ready to meet this standard, so this is an opportunity. He said that the EPA has a website with this information (www.epa.gov/burnwise). He said that there is an economic and environmental opportunity for wood burner users to convert to the new stoves. He said that the technology of wood burning stoves has changed from a firebox surrounded by air to a firebox that is surrounded by brick and has a secondary burn chamber which separates out combustion from heat transfer in order to get higher efficiency and lower emissions. All new stoves will work this way. He said that other wood products include briquets which are a coal substitute and can be used instead of coal. Wood pellets have low moisture content and are very thermal efficient.

Mr. Sanford explained that cluster development can be a way to increase the use of wood products because the bigger the unit invested in the more one can spread those costs over multiple buildings and houses and have a dedicated staff to manage it. Some examples that he gave included Crawford County Pennsylvania where they have a school, a hospital, a Tech College, and an exercise complex that uses heat and power generated by wood products, in Wisconsin Barron High School uses wood pellets to heat their three schools and then sell the extra energy to a community center and hospital. He

said that St. Paul has a heating district, the biggest in North American, which includes 200 buildings where they are transitioning away from coal by 2021.

There is an initiative in Wisconsin to have 15% of heating and cooling through wood products by 2025. In Wisconsin 34% of homes have no natural gas. He said that if homes use oil or propane 75% of expenditures leave the state. He said that if homes use biomass sources it will stay within the state because we use very little oil or diesel to produce these products. He said that if 10% of homes in Wisconsin switch to pellets that would be 139,000 homes. This supply chain would create jobs in Wisconsin through deliveries and wood pellet manufacturing. Mr. Sanford said that in conclusion energy is the lowest value of wood and the emphasis should be wood product manufacturing and use the waste wood for energy. Commissioner Schlesselman asked about the efficiency of briquets over pellets. Mr. Sanford responded that wood pellets are for residential uses, briquets are for industrial uses and will take more energy to make and raises the overall cost of the energy. Mr. Flogstad asked what is the cost of a wood briquet versus the cost of coal. Mr. Sanford responded that the wood briquet would be more than coal. It is a specialty product that might have other uses for filtration. Commissioner Schlesselman asked if there were any innovative breakthroughs for the use of wood products. Cost is the issue since fossil fuels are so inexpensive. Job creation from wood harvesting - supply, production and distribution is what can spur interest and support for woody biomass products for heat and electricity.

Decision on contract between City of Prairie du Chien and MRRPC for MRRPC to provide management services for Scenic Mississippi River Transit (SMRT) service serving parts of La Crosse, Vernon, Crawford, and Monroe counties.

Mr. Fletcher said that this is a renewal of the same contract from last year between the MRRPC and the City of Prairie du Chien for the MRRPC to continue to provide management services to the SMRT Bus. Commissioner Nickelatti made a motion to approve the contract between the MRRPC and the City of Prairie du Chien for the MRRPC to provide management services for the Scenic Mississippi River Transit service serving parts of La Crosse, Vernon, Crawford, and Monroe counties. The motion was seconded by Commissioner Ross and was unanimously approved.

Report on Buffalo County zoning ordinance public meetings and open houses.

Mr. Bonifas reported that 4 of the 5 of the public open houses for the Buffalo County Zoning Ordinance have been held. He said that there have been good turn outs with 20-25 people at each open house. He said that the biggest concern so far has been with chicken barns. The original ordinance had required a cement foundation which adds quite an expense and the farmers said that studies have been done that show clay that is hardpacked and remains dry is sufficient to protect ground water and can be applied at a lower cost. He said that the information has been brought back to the committee to make adjustments to chicken barns in the ordinance. He said that the other issue that has been brought up is with a vision triangle. This affects all the intersections at all of the roads. Some were concerned that it is too large and if the liability would be with the landowner. Being rural most of the of items in the vision triangle will be agricultural such as corn from a corn field. They may exempt agricultural in the vision triangle. He said the meetings have thus far gone well.

Commissioner Schlesselman questioned how the new zoning ordinance compares to the surrounding counties and other rural counties in Wisconsin. Mr. Bonifas responded that they are very similar to Trempealeau County. He said that updating the old zoning ordinance with the changes that have happened in the last 50 years has caused it to increase in size. Mr. Fletcher said that the zoning ordinances all vary because of the timeframe when they have been updated. He said that changes in legislation that has been passed has changed the size of the signs posted and required zoning ordinances to be changed to meet the changes. This is the first draft. There have been 5 public open house meetings and then there will be a second draft presented at 2 open house meetings, and then a third draft will be presented for a public hearing. He said that questions and comments will be taken at each meeting to be incorporated into the final document. Commissioner Schlesselman asked if it is a negative or a positive to any economic development. Mr. Fletcher said that zoning provides regulations that can protect a business property and investments from surrounding activities that could be detrimental to it, but along with this are the regulations that say what land uses are compatible and incompatible in the various zones. There have been farm based business industries built into the zoning ordinance which wasn't part of the original 50-year-old zoning ordinance and allows for a secondary income without people having to rezone. He said the zoning ordinance will continue to be reviewed within 10 years to review what works well or make any needed changes. Commissioner McMillan Urell commented that broadband is expanding so people can have those homebased businesses.

Introduction and welcome to Joe Folsom, Director Pierce County Economic Development Corporation.

Mr. Flogstad introduced Joe Folsom the Director of the Pierce County Economic Development Corporation. Mr. Folsom began work in his new position in December and looks forward to working with the Commission.

Report on regional process to prepare regionally coordinated county human services transportation plans for 2018-2023 for state and federal transportation aids funding eligibility.

Mr. Fletcher reported that every 5 years counties due to the federal funding of public transportation systems in the Ageing Disabilities Resource Centers (ADRC) and human resources departments are required to have a locally developed county human resource transportation plan. He said that one had been completed for each county 5 years ago. Mr. Fletcher said that the Department of Transportation wants the regional planning commissions to assist counties with these plans. He said each county is asked to see if they would like assistance because there is an option from them to do it on their own. If they would like assistance, we provide the assistance at no charge, the plan will consist of an inventory of all the public and private transportation providers in each county, compilation of demographic data, and assessment of needs in the area. He said that from this information we will then create strategies and overall goals for the transportation plan. He said the process involves a regional meeting with all transportation providers in the region who review social and economic data, and a transportation provider - vehicle inventory. From this, plans are developed by the transportation providers for each of the nine counties. These plans are then sent to the DOT for approval and upon approval the counties remain eligible for state and federal transportation funding. He said that the same process will be followed as the planning process in 2013. The regional planning meeting will occur in July 2018 with plans completed in October 2018.

Old, Business, New Business and Adjourn

Vice-Chairman Baecker asked if there was any old business. Vice-Chairman Baecker asked if there was any new business. Mr. Flogstad asked Ms. Folcey to comment on their upcoming conference. Ms. Folcey stated that the Monroe County Economic Development Conference will be February 21-22 and a copy of the schedule was included in the commissioner packets. A motion was made to adjourn by Commissioner Schroeder and seconded by Commissioner Twidt. The motion was unanimously approved.

Vicki Burke, Secretary-Treasurer

MISSISSIPPI RIVER REGIONAL PLANNING COMMISSION

MEETING ATTENDANCE ROSTER

DATE: 2-14-18

PLACE: Americ Inn

	NAME	REPRESENTING
1.	Craig Flogstad	MRRPC Staff
2.	Mary Anne McMillan Urpell	Buffalo County
3.	John Schlesselman	Buffalo County
4.	Del Twist	Buffalo Co.
5.	Sharon Falcey	Monroe Co.
6.	Shelly Miller	Village of Bangor
7.	Wes Cornell	Verdon co.
8.	Ernest Vold	Zumbach
9.	Sarah Ofte	MRRPC staff
10.	Peter Pletcher	"
11.	Dave Bonds	"
12.	Todd Stubbings	Jackson
13.	Ron James	"
14.	Rich Purdy	Pierce Co.
15.	Bill Schroeder	Pierce Co
16.	David Katz	Cumford Co.
17.	James Sloan	Pierce County
18.	John Nicklath	Nelson Co.
19.	Wishi Buske	La Crosse Co.
20.	Margaret Baucker	Trempealeau Cty.
21.	Scott Sanford	UW Extension
22.	Joe Folsom	PCEDC
23.		
24.		
25.		