



**MISSISSIPPI RIVER
REGIONAL PLANNING COMMISSION**

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

MINUTES

MISSISSIPPI RIVER REGIONAL PLANNING COMMISSION (MRRPC)

BIMONTHLY MEETING

10:00 a.m., August 13, 2014

Best Western Riverfront Hotel, 1835 Rose Street, La Crosse, Wisconsin

Director Flogstad said Chairman Jim Kuhn and Vice Chairman Marge Baecker were unable to attend today's meeting.

Call to Order

Secretary Treasurer Vicki Burke called the meeting to order at 10:00 a.m. and asked for the roll call. Guests: Francis Schelfhout, Wisconsin Department of Transportation. The attendance roster is attached.

Minutes of June 11, 2014 Bimonthly Meeting

Secretary Treasurer Vicki Burke asked for a motion to approve the June 11, 2014 bimonthly minutes. Commissioner Twidt made a motion to approve the minutes; the motion was seconded by Commissioner Ehrsam to accept the June 11, 2014 bimonthly meeting minutes and the motion was carried unanimously.

Treasurer's Report

Mr. Flogstad was asked to give the treasurers report. Mr. Flogstad said the May 31, 2014 balance in all MRRPC accounts was \$267,943.02 and the June 30, 2014 ending balance was \$248,337.72. He reported the beginning balance in June 30, 2014 was \$248,337.72 and July 31, 2014 balance was \$228,871.49.

Mr. Flogstad said the MRRPC Business Revolving Loan Fund report for the period of June 2014 through July 2014 shows all revolving loan fund activity since the last bimonthly meeting. The Business Capital Fund (BCF) began with a June 1, 2014 balance of \$238,597.40. Activity from June 1, 2014 through July 31, 2014 included loan repayments of \$14,263.04 and interest earned of \$82.24 leaving a July 31, 2014 balance of \$252,942.68. The BCF Sequester Account began with a June 1, 2014 balance of \$333,713.90. There was no activity from June 1, 2014 through July 31, 2014 leaving a July 31, 2014 balance of \$333,713.90. Mr. Flogstad said the Business Capital Fund 2 began with a June 1, 2014 balance of \$59,718.37. Activity from June 1, 2014 through July 31, 2014 included loan repayments of \$953.62 and interest earned of \$20.11 leaving a July 31, 2014 balance of \$60,692.10. Mr. Flogstad said the Business Capital Fund 2 Sequester Account began with a June 1, 2014 balance of \$155,248.91. There was no activity from June 1, 2014 through July 31, 2014 leaving a July 31, 2014 balance of \$155,248.91.

Mr. Flogstad said the CMV Growth Development Fund began with a June 1, 2014 balance of \$39,190.46. Activity from June 1, 2014 through July 31, 2014 included loan repayments of \$518.50 and interest earned of \$7.46 leaving a July 31, 2014 balance of \$39,716.42. Mr. Flogstad said the CMV Growth Development Fund Sequester Account began with a June 1, 2014 balance of \$164,047.50 and said that activity from June 1, 2014 through July 31, 2014 included interest earned of \$31.01 and an interest payment of \$34.76 to the U.S. Treasury leaving a July 31, 2014 balance of \$164,043.75.

The La Crosse County Business Fund began with a June 1, 2014 balance of \$47,169.99. Activity from June 1, 2014 through July 31, 2014 included loan repayments of \$2,710, interest earned of \$12.21, and MRRPC Administrative expenses of \$800 leaving a July 31, 2014 balance of \$49,092.20. Mr. Flogstad said the La Crosse County Economic Development Fund Sequester Account began with a June 1, 2014 balance of \$74,489.67. Activity in this account from June 1, 2014 through July 31, 2014 included interest earned of \$24.89 and an interest payment of \$28.93 to the U.S. Treasury leaving a July 31, 2014 balance of \$74,485.63.

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*

Commissioner Schroeder made a motion to approve the treasurer's reports as presented. The motion was seconded by Commissioner Ehram and approved unanimously.

Mr. Law reported there was no new activity in the revolving loan fund (RLF) accounts. He said if anyone knows of any businesses looking for gap financing, let them know the revolving loan fund products are out there. Commissioner Schroeder questioned why borrowers weren't using the funds. Mr. Law outlined several reasons. He explained that lack of awareness of the revolving loan funds may be one reason and another is that the financing arena has become challenging. Federal regulations have made it harder for banks to make loans and they can't take the risk they use to. He said the RLFs can only fund one third of the project so the other two thirds has to come from other private financing sources. Commissioner Ross said that is a key point and added that most young companies do not have strong enough profit and loss statements to secure outside financing so it is a bit of a conundrum. Commissioner Jaekel questioned if a loan can only be made if a bank participates. Mr. Law said the required financing from private sources just has to come from the private sector and doesn't necessarily have to come through a bank. Commissioner Purdy asked if the federal regulations establishing the financing requirements could be changed. Mr. Law said it would require an act of Congress to give the U.S. Department of Commerce-EDA that rule changing authority. There was some discussion on federal and state regulations.

Regional Comprehensive Plan Public Open House

Mr. Flogstad said this part of the meeting is for meeting attendees to view poster boards and review the draft comprehensive plan. He said comment sheets are available and comments on the plan can be emailed, entered via the MRRPC web site, or mailed to the MRRPC office. The purpose of a comprehensive plan is to provide greater awareness of regional resources, and needs and opportunities that when analyzed in a regional context will help the region's communities deal with growth and development issues. Mr. Flogstad said four public open houses were held on the Regional Comprehensive Plan in Jackson, La Crosse, Pierce and Vernon counties. He said an entire copy of the comprehensive plan will be mailed to all Commissioners before the October meeting. He said that staff will be holding five more public open houses on the plan in Buffalo, Trempealeau, Crawford, Pepin and Monroe counties. He added the plan is available on the MRRPC's web site at www.mrrpc.com. He said all comments received will be documented. The Commission then recessed to allow time for the public open house.

Presentation on Regional Comprehensive Plan Content, Goals and Recommendations and Public Comments

Mr. Flogstad said in March 2011, UW-River Falls conducted a public opinion survey for the Regional Comprehensive Plan. The survey dealt with several key issues: taxes and economic development; recreation and tourism; land use, housing, and quality of life; and alternative energy. He reviewed the results of the survey. He said the top three taxes and economic development issues receiving the highest agreement from survey respondents were: 81% felt the amount of local food used in schools should be increased; counties should be allowed to share law enforcement costs (79%); and the long term environmental impact of sand mining should be studied (66%). Mr. Flogstad said the top accepted tourism and recreation choices by survey respondents were fishing (96%), hunting (94%), camping (93%), bicycling (91%), baseball and softball (90%), agriculture and industry tourism (90%), nature recreation (88%), non-motorized water activities (88%), and golfing (88%).

The highest agreed upon issues for Land Use, Housing and Quality of Life were: Need regulations to protect natural resources (71%); Higher priority for redevelopment of existing areas (68%); and Need regulations to protect farmland and forests (64%). Commissioner Ross asked how the question was asked on the survey regarding the need of regulations to protect natural resources. Mr. Flogstad said the statement was "Government regulations or funding is needed to protect natural areas, including wetlands, wildlife habitats, lakes, rivers, woodlands, open spaces and groundwater resources", and survey respondents were asked to agree or disagree. Commissioner Ross commented there are already regulations in place to protect natural resources. Commissioner Jaekel commented there is a need for more land use planning and the resistance to land use planning could be lack of information. Mr. Bonifas said people don't understand planning can alleviate development issues that can arise in the future. Mr. Fletcher said often people don't care about an issue until it directly affects them. Mr. Flogstad said almost 60% of survey respondents felt the quality of life in the region is high but only 38% felt the quality of life will improve in the future.

Mr. Flogstad said the top accepted sources of alternative energy by survey respondents were solar power (89%), burning wood or other forms of biomass (78%), wind power (77%), and hydropower (77%). Mr. Flogstad said all survey results in detail by county can be found on the MRRPC's web site at www.mrrpc.com.

Mr. Law presented information on the region's population trends. He said the population in the region has been steadily increasing for the last six decades and is expected to level off between 2030 and 2034. He said these trends parallel the trends of the state and

nation. He said between 2000 and 2010 the region grew at a pace faster than the state and that trend is expected to continue through 2020. Mr. Law said the percentage of population age 65 and older is expected to continue to increase through 2034. He said the region has a higher percentage of population age 65 and older than the state and nation and that trend is expected to continue through 2034. He said there are two reasons this population group is increasing: 1) people are living longer due to advancements in health care; and 2) the baby boomers are advancing through their ages. Commissioner Leys commented another reason is that young people are leaving the region and we could keep these young people if we had decent jobs. Mr. Law said coinciding with the increase of our aging population is the working population decline.

Mr. Law said the region also has a population that is disproportionately white and looks less like America as a whole. He said the fastest growing population groups in America are minorities and it's important to look at these growing race groups as potential business owners. We need to make sure the region is welcoming of other race groups. Mr. Law said that poverty rates in the region are also on the rise.

Mr. Law then presented the regional economic development goals and discussed employment trends in the region. He the last two years unemployment in the region has been declining. He said there are more people working and there is also a decline in the number of people unemployed. He said we still have a ways to go. Commissioner McMillan-Urell mentioned the color coding in the unemployment chart doesn't match the other charts. Commissioner Savage said some of the unemployment numbers uses are unreliable because they are based on the number of people paid by the federal government for not working and they also count part time workers. He mentioned some occupations are not counted or measured in the unemployment numbers. Mr. Savage said another issue is the shadow economy. He said the shadow economy is expanding and that it's estimated about 20% of workers work for cash only. Commissioner McMillan-Urell said another issue is how many are out of work and actively seeking work. Mr. Law said there are people on the margins who are willing to work but no longer looking because they are discouraged.

Mr. Law continued by reviewing the change in employment in leading employment sectors from 2000-2012 in the region. He said the largest growing sector was the retail sector (176.63%) followed by Health Care and Social Assistance (28.82%), Accommodation and Food Services (12.9%) and Public Administration (7.16%). He said the Manufacturing and Construction sectors declined during this period. He reported that people employed in the manufacturing sector often have good paying-family supporting jobs so the decline in manufacturing jobs is a concern. Mr. Law said the top three employment sectors in the region in 2013 were Government, Manufacturing and Health Care and Social Assistance. He said these sectors tend to pay on average at least the median income in the region. Mr. Law said however the region's median income has been going down since 2000 when adjusted for inflation. Commissioner Leys commented that as we are coming out of the recession the fact the median household income is still going down is very discouraging. Mr. Law said many factors contributing to this include pay freezes, the rising prices of goods etc. Commissioner Ross asked what measurement do we use to say we are coming out of the recession. Commissioner Murray said we have to have three quarters in a row with increases in the GDP. There was more discussion on the recession.

Mr. Flogstad presented the Utilities, Energy and Community Facilities goals. He said that the region has 65 wastewater treatment plants. He said each plant is assigned a Grade Point Average (GPA) and the average of all the GPAs is 3.76. He said there is a lot of excess capacity so overall the systems are doing quite well. Commissioner Leys questioned why some of the plants had "0" for a GPA. Mr. Flogstad said a GPA may have not been reported but he would look into it.

Mr. Flogstad then discussed the generating capacity of electric generating facilities in and near the region. He said the coal plants located in Genoa and Alma could supply the entire region with electricity so there is excess capacity. The electrical generation in the region is higher than what residents consume. Mr. Flogstad then discussed what renewable energy sources are needed to become 100% independent from fossil fuels. He also reviewed a listing of current renewable electrical energy project installations in the region and their output. He also displayed regional maps showing the location of wastewater treatment facilities; solid waste origin and final disposal location; park and recreation sites and facilities; and solar, wind, biogas and hydroelectric installations.

Mr. Bonifas reviewed the regional housing goals. He said 36,000 new housing units are projected for the region in the next 20 years. The counties projected with the most housing growth are Pierce, Monroe and Jackson counties. Mr. Bonifas referred to a graph showing a declining in housing building permits in the region since 2005. He said an uptick in housing is expected in the future. Mr. Bonifas said we have an older housing stock in the region. We have more housing units built prior to 1939 than the State or Nation. The region does have a higher percentage of homes built after 2000 than the State. Mr. Bonifas said the median sales price of a home in the region between 2007-2012 was \$115,302. This is lower than the state median sales price of \$144,167.

Mr. Bonifas reviewed a table show statistics on income spent on housing mortgages in the region. He said that Vernon, Buffalo, and Jackson Counties had the most homeowners spending 30% or more of their income on a housing mortgage.

Mr. Bonifas presented the Agriculture, Cultural and Natural Resources goals. He reviewed a chart showing State Natural Areas (SNAs) in the region. He said that Jackson County has over 9,000 acres of SNAs, followed by Buffalo County (7,592 acres), and Crawford County (5,661 acres). He said the region has over 2,600 miles of Class I, Class II, and Class III trout streams. Commissioner Leys commented that trout fishing is the best it has ever been but some DNR reports show participation in trout fishing has declined 60%.

Mr. Bonifas said the region has over 1.7 million assessed agricultural acres. He said the assessed agricultural acreage has declined since 2002 but some of this decline is due to changes in the designation of agricultural acres; it's not all due to housing development etc. Commissioner Schroeder said another reason is that a lot of land planted in CRP came out and was designated as forest land. Mr. Bonifas said the region has 1.6 million forest land acres, and 396,241 total forest crop/managed forest land acres. He then displayed a map showing the legacy places and ecological landscapes in the Mississippi River Region and a map showing the operational frac sand operations in the region. Mr. Bonifas said the map showing frac sand operations needs to be updated with some new data.

Commissioner Fletcher presented the Transportation goals. He said that within the region we have over 11,600 miles of U.S., State, County, Town, Village, and City roads. He said the region has over 250 miles of dedicated bike/pedestrian trails. He said Map 3.03 shows transportation services in the region. He said the region has one commercial airport and seven small airports with 13 runways total. The region has two harbors and four Class I freight railroads. He discussed several transportation goals and recommendations that included increasing passenger rail, development of biking/hiking rails and better connections, and maintaining and increasing transportation services (especially serving the aging population). He said the aging population is going to significantly impact housing needs and transportation needs for the future. The aging population is a huge issue for transportation in the future and something we need to plan for.

Mr. Fletcher presented the Land Use goals. He said the eight goals identified are Wisconsin Smart Growth Goals. He said the region's total acreage is about 3.9 million acres and that 48% is agricultural, 32% is forest, and less than 2% is actually developed. Mr. Fletcher said the region's population is projected to increase by 13% from 2010 through 2034. He said one of the most challenging planning issues is projecting land use needs for the future. Mr. Fletcher presented future land use projections through 2034 for the region and explained how they were calculated. He said a projection ratio was developed using 2010 Census data. Mr. Fletcher said overall the land use projections show the region will need about 20,000 acres for development through 2034 (15,131/residential acres, 3,136/commercial acres and 1,285/manufacturing acres). Mr. Fletcher referred to Map 7.03 showing future land use areas recommended for growth and development. He said development should be focused on areas where there is existing public sewer and water. He said we need to look at policies that provide greater development densities. He said that staff provides the region's communities planning and development assistance, zoning ordinance development and revisions, and farmland preservation planning.

Public Comments on Regional Comprehensive Plan

Ms. Burke then asked if there are any other comments from the public or commissioners based on viewing the poster boards and staff presentation. No additional comments were made.

Commissioner Input on Regional Cooperation Project Best Practices, for Inclusion into Intergovernmental Cooperation Chapter of the Regional Comprehensive Plan

Mr. Flogstad said to help encourage intergovernmental cooperation throughout the Mississippi River Region he presented several examples that could be replicated by other communities or counties to promote efficiency on future projects and to make tax dollars go farther. The examples included shared wastewater treatment plants, the Mississippi Regional Transit Bus Service (SMRT) bus, Mississippi Valley Health Services, shared use of Xcel Energy's waste-to-energy facility, La Crosse Medical Health Science Consortium, Aging and Disability Resource Centers etc. Mr. Bonifas said other examples of intergovernmental cooperation are Clean Sweep, shared libraries, sharing of UW-Extension agents, and buying of salt together between several counties. Mr. Flogstad asked that if anyone knew of any other areas of intergovernmental cooperation to please send information on those areas of cooperation to MRRPC staff.

Report on Regional Solid Waste Generation Rates, Projections and Land Fill Status

Mr. Bonifas said the region has three operating landfills in La Crosse, Monroe and Vernon Counties. He said the life of the La Crosse County landfill is 28 years, Monroe County (14 years) and Vernon County (10 years). He said the region sends its solid waste to five different landfills – La Crosse, Monroe and Vernon County landfills as mentioned earlier and to Janesville and Eau Claire. He said that recycling removes 30% of all solid waste before going to the landfill. He said the percentage of solid waste recycled has increased due in part to new regulations. He said laws were passed banning electronics from the waste stream. He said recycling in Wisconsin is conducted by Responsible Units (RUs) and is handled differently in each County. He said that solid waste generation projections were made using 4 pounds of solid waste per person per day. He said these projections show a 13% increase in solid waste generation to 2034. He said however that recycling should also increase due to the comingling recycling method used by many communities now where residents can throw all recyclables in one container with no sorting. He said in 2013 estimates show 70,000 tons of solid waste recycled and by 2034 it's projected 79,000 tons will be recycled. He said solid waste composted and combusted for energy recovery are also expected to increase. Commissioner Christenson commented that it very probable that 70% of solid waste can be recycled and referenced his personal experience.

Update on Scenic Mississippi Regional Transit (SMRT) Bus Service Running in Crawford, Vernon and La Crosse Counties

Mr. Fletcher said the SMRT Bus averages 1,300 riders per month. He said that ridership has declined with the reduced routes but should pick up again when school goes into session. He said the SMRT bus will now also be making stops at the VA Center in La Crosse and VA Clinic. He said working with La Crosse County Aging Department the SMRT Bus was recently awarded a \$25,000 grant from the Bremer Foundation for 2014.

Old Business and New Business

Director Flogstad said that he received an email from John Medinger with Congressman Baldwin's office regarding the chain of command if there was an oil spill on the Mississippi River. This question was raised at the June bimonthly meeting. Mr. Flogstad said that based on the correspondence received, EPA is positioned as Chair of a national response team, the Coast Guard as Vice Chair, and other positions are designated in the U.S. Code of Federal Regulations. Mr. Flogstad said the Code of Regulations is not regionally specific but hopefully the Federal and State emergency response people know the specifics of who their response team personnel are in this area by name and what the chain of command is.

In other business Ms. Burke said everyone should have received the letter of resignation from Economic Development Planner, Bryan Law effective August 22, 2014. Mr. Burke said the Commission really appreciates all Mr. Law's hard work and that he will be missed.

Secretary Treasurer Burke asked for a motion to adjourn the meeting. Commissioner Schroeder made a motion to adjourn the meeting. The motion was seconded by Commissioner Nickelatti and unanimously approved.

Vicki Burke, Secretary-Treasurer