

REGIONAL PROSPERITY INITIATIVE APPLICATION

Submission Deadline:
November 1, 2013



The Regional Prosperity Initiative Application Form was developed to facilitate the application process for regional collaboration within designated regions throughout Michigan, as illustrated on the attached map.

The following checklist outlines the sequence of steps to complete an application:

- Study the Regional Prosperity Guidance and boilerplate to understand the requirements and purpose behind the new approach to regional collaboration and whether you are eligible to apply on behalf of your partnership.
- Note any additional requirements beyond the prerequisites of the grant application form (e.g., letters of support, application deadlines, etc.).
- Fill out the application form completely.
- Applications must be accompanied by a cover letter (no more than one page) in which you state your request and proposed use of funds. This letter should be signed by your director and your board president.
- The application for which you are seeking approval is a collaboration with other agencies; include letters of support from the collaborating agencies. (A resolution of support from the lead applicant and a letter of support from each co-applicant are due at the time of submission.)
- Complete the narrative section on page six. Please, no more than four pages total (type no smaller than twelve point, margins no smaller the one inch).
- Enclose your organization’s incorporating documents and pertinent memorandums of understanding.
- Enclose a list of current board members (include member affiliations and any other pertinent information).
- Enclose a list of key organizational staff, including titles and main functions.
- Enclose the most recent audited financial statement (if available).
- Enclose your organization’s current year operating budget.
- Enclose a detailed budget of the project for which funds are being sought (if applicable).
- Application is due to DTMB by November 1, 2013. Submit by e-mail: harkinsc1@michigan.gov.

Additional questions may be directed to:

Sara Wycoff
 Strategic Advisor
 Executive Office of Governor Rick Snyder
wycoffs@michigan.gov

Chris Harkins
 Legislative Liaison and Policy Advisor
 Dept. of Technology, Management and Budget
harkinsc1@michigan.gov

GLOSSARY OF TERMS/ACRONYMS:

CDC: Collaborative Development Council	MPO: Metropolitan Planning Organization
CEDS: Comprehensive Economic Development Strategies	MWA: Michigan Works! Agency
EDA: Economic Development Administration	RPA: Regional Planning Agency
FTE: Full-time Equivalent	SPDR: State Planning and Development Regions
MEDC: Michigan Economic Development Corporation	

APPLICATION MADE FOR: Northwest Prosperity Region (Region 2)

DATE: 10/31/13

NAME OF APPLICANT ORGANIZATION:

Northwest Michigan Council of Governments (NWMCOG)

YEAR INCORPORATED: 1989

ADDRESS: (include street address if different)

600 E. Front St., PO Box 506
Traverse City, MI 49685

Is the name above the same as it appears on the IRS Letter of Determination? Yes No

CHIEF EXECUTIVE'S NAME & TITLE: Elaine Wood, CEO

CONTACT'S NAME & TITLE (if different): Matt McCauley, Director of Regional Planning & Community Development

CONTACT TELEPHONE NUMBER: 231-929-5061

EMAIL ADDRESS: mccauley@nwm.cog.mi.us

NUMBER OF FTE POSITIONS: 90

OPERATING BUDGET TOTAL FOR CURRENT FISCAL YEAR: \$13M

Fiscal Year: 10/1/2012 – 9/30/13

SOURCES OF INCOME:

Government	Federal	76%	Fees/Earned Income	1.5%
	State	11%	Individual Contributions	0%
	County	.5%	Corporate and/or Foundation Grants	2%
	City/Township/Village	0%	Special Events	0%
			Memberships	0%
			Other	9%

Are you applying for (check one of the following):

Regional Prosperity Collaborative

Regional Prosperity Council

Regional Prosperity Board

Are you applying for funds to complete a feasibility study for the purpose of developing a strategy to move to a different tier (check one of the following):

YES

NO

1. What is the total amount of your funding request? Please provide an itemized list of what you intend to do with that funding. Include a timeline, information about any funds you will plan to leverage in your effort and how you intend to measure success.

Region 2 Prosperity Planning & Implementation Total Budget: \$395,000
(Tier 2 planning and implementation activities = \$375,000 + Tier 3 transition costs= \$20,000)

Planning Deliverables

1) 10-Year Regional Prosperity Plan (estimated cost \$145,000)- NWMCOG will begin with the expansion of existing policy/practitioner networks around growth & investment centers, transportation, housing, food & farming, energy, talent, and natural resources to identify the appropriate assessments and planning processes applicable local policy making opportunities around those issue areas. The NWMCOG will also further the creation and integration of other issue areas into its regional planning process- namely, recreation and poverty reduction. Ultimately, the Region 2 Prosperity Plan will be using the above networks and building upon our existing Comprehensive Economic Development Strategy (CEDS), Grand Vision, and Framework for Our Future deliverables. Those policy making resources/tools will be revised and expanded to the 10 County region for the purposes jointly meeting the requirements and intent of both the Regional Reinvention Initiative (state) and the Comprehensive Economic Development Strategy (federal). The entire planning process will include our existing Regional Prosperity Council, the Region 2 CDC and other regional prosperity stakeholders (e.g. local governments, transportation agencies, workforce development, adult education, higher education, chambers of commerce, convention and visitors bureaus, large employers, etc.) as advisors to direction. This portion of the project is expected to be completed by August 2014. Success of this deliverable will be measured by the number of entities integrating the plan into their strategic planning or policy process and the adoption of the plan by the NWMCOG/MI Works Board (Regional Prosperity Council).

2) Prosperity Index/Regional Data Dashboard (estimated cost \$30,000)- NWMCOG staff will work with the networks named in deliverable #1 to identify existing and desired metrics that measure success and provide a “dashboard” of the region’s progress towards achieving prosperity. The Regional Prosperity Index will be web-based and integrated into the Regional Prosperity Plan. The work behind its creation will be in two parts: 1) identification and collection of annual, county level data that can be aggregated regionally AND 2) the hiring of a web designer to present the data online. This portion of the project will be completed by August 2014. Success of this deliverable will be measured by successful integration of the Prosperity Plan’s indices with a web based application.

3) Prioritized List of Local Economic Development Projects (estimated cost \$10,000)- NWMCOG staff will coordinate with the private economic development organizations in the region to create an aggregated list of real and potential projects in the region's pipeline. The list will be organized by sub-regions representing the three primary economic development agencies in the region (i.e. Traverse Bay Economic Development Corporation, Northern Lakes Economic Alliance, and the Alliance for Economic Success). Missaukee and Wexford County data will be collected by the NW MI Works business liaisons. Prioritization will be through the Region 2 CDC group. This portion of the project will be completed by June 2014. Success of this deliverable will be measured by the creation of a prioritized list of regionally significant projects and integration within the shared MEDC/Region 2 Salesforce system; project listings will also be available at a county level.

Prosperity Plan Implementation Deliverables

1) Seasonal Population Study (estimated cost \$50,000) – The NWMCOG will contract with a service provider to administer a seasonal population study for the region. Northwest Lower Michigan is in large part defined and driven by large influxes of people throughout the different seasons. Without question, these large population swings greatly affect prosperity. To better inform policies affected by our population fluxes and to leverage those population dynamics towards greater regional prosperity, decision makers are requiring better data through a seasonal population study. This portion of the project is will be integrated into the Regional Prosperity Plan and completed by August 2014. Success of this deliverable will be measured by the creation of regional seasonal population study with data to be delineated to a county level.

2) Manufacturing Employer Needs Assessment (estimated cost \$60,000) - The NWMCOG will contract with the economic development agencies in the region to create a manufacturing employer needs assessment for the region. Northwest Lower Michigan has a variety of manufacturers, but unlike other parts of the state, they tend to be smaller scale and more niche oriented. To better inform business and talent development policies affecting these employers, there exists an immediate need for our individual economic development agencies to work with one another on assessing the existing needs structure for these businesses and identifying what needs are common for the purposes of creating region wide manufacturing talent development programming. This portion of the project will be integrated into the Regional Prosperity Plan and completed by August 2014. Success of this deliverable will be measured by the creation of regional manufacturing needs assessment with data to be delineated to a county level. This project is a component of the Workforce Development Board's Strategic Agenda.

3) Regional Talent Needs Assessment (estimated cost \$15,000) NW MI Works will partner with adult and higher education institutions in the region to create a regional talent needs assessment for the region. Northwest Lower Michigan acts an attractor in the state for highly

talented individuals; however, their talents are historically either unknown or underutilized. There exist a clear need and desire to broaden the region's definition of workforce development and begin engaging the region's most talented individuals as a means to build prosperity. This portion of the project is will be integrated into the Regional Prosperity Plan and be completed by August 2014. Success of this deliverable will be measured by the creation of regional talent needs assessment. This project is a component of the Workforce Development Board's Strategic Agenda.

4) Non-profit Network Needs Assessment (estimated cost \$5,000) The NWMCOG will partner with Rotary Charities and its NorthSky Nonprofit Network to create a non-profit network needs assessment for the region. Region 2 believes that prosperity will be driven by collaboration among the public, private and non-profit sectors. Currently, the NWMCOG acts as a "backbone" entity for the public sector and our northern Michigan Chamber Alliance provides the private sector that functionality. There exists a desire for NorthSky Non-profit to provide similar functionality to the non-profits throughout Region 2. This portion of the project will be integrated into the Regional Prosperity Plan and completed by August 2014. Success of this deliverable will be measured by the creation of a non-profit backbone acting as the convening of many of the non-profits engaged in the networks named in deliverable #1.

5) Community Prosperity Grants (estimated cost \$60,000) - The success of the Regional Prosperity Plan will be dependent on local buy-in and implementation. To facilitate this process, the NWMCOG is requesting funds to continue its Community Growth Grant program (previously supported by the Kellogg Foundation and the MEDC), which provides funds to local communities for implementation of locally identified projects supporting regional prosperity. This activity is a proven method to garner local support for regional initiatives and to advance implementation of placemaking projects. This portion of the project will be integrated into the Regional Prosperity Plan and completed by August 2014. Success of this deliverable will be measured by the successful allotment of dollars to at least one community in each of the ten counties that comprise Region 2 of the Regional Prosperity Initiative.

6) Tier 2 to Tier 3 Agency Transition (estimated cost \$20,000) The NWMCOG will work to transform its existing regional prosperity council to a regional prosperity board, including the necessary formal agreements and legal paperwork. Estimated costs associated with this activity is staff time with the boards and legal costs associated with the actual organizational transformation. This activity is expected to be completed by October 2014. Success of this deliverable will be measured by the creation of a Regional Prosperity Board.

Each of the processes and deliverables listed above will be open and transparent. As a public agency, the NWMCOG complies with Open Meetings Act and Freedom of Information Act.

Further, as a best practice, the agency has always prided itself on putting all meeting schedule, documents, and activity information on its website.

2. List all partners participating in this application. Please specifically denote those that are required partners as identified in the boilerplate language. Please outline any additional prospective partners you will be approaching to participate in this effort.

<u>Economic Development (required)</u>	(letter of support included)
Alliance for Economic Success	TC-TALUS (letter of support included)
(letter of support included)	MDOT
Northern Lakes Economic Alliance	
(letter of support included)	<u>Workforce Development (required)</u>
Traverse City Chamber of Commerce	Northwest MI Works/Adult Education
(letter of support included)	(letter of support included)
Cadillac Area Chamber of Commerce	Northwestern Michigan College
(letter of support included)	(letter of support included)
Region 2 CDC	North Central Michigan College
(core leadership represented by the above)	(letter of support included)
MEDC	<u>Other anticipated partners</u>
	Michigan Land Use Institute
	(letter of support included)
<u>Transportation (required)</u>	MSUE
MDOT Rural Task Force 10A	MDNR
(letter of support included)	MDARD
MDOT Rural Task Force 10B	

In addition to the above, all local units of governments (198 in the Region 2 area) will be invited to participate in the process and will be provided assistance to adopt the final prosperity plan if they so choose. Special attention will be given to identified “growth & investment” centers in the region which will be identified in the prosperity plan as those communities in the region best poised and most appropriate for future growth and development.

3. Are the proposed counties to be served in accordance with the regional prosperity map? If not, why not? How do you intend to begin to work in the region outlined in the aforementioned map going forward?

Yes. The NWMCOG currently serves and will continue to provide services to the 10 County region of Antrim, Benzie, Charlevoix, Emmet, Grand Traverse, Kalkaska, Leelanau, Manistee, Missaukee, and Wexford Counties- representing Region 2 of the Regional Reinvention Initiative. Work will begin utilizing the NWMCOG’s existing networks of people, organizations, and issue areas but using its Regional Prosperity Council and the Region 2 CDC as its advisory committee during the process.

1. LEAD APPLICANT ORGANIZATIONAL BACKGROUND:

Include organizational mission statement and purpose, organizational qualifications, history of accomplishments, governance, area and population served, and role of volunteers. (As this is collaboration, describe the lead agency and its relation to others involved.)

Northwest Michigan Council of Governments (NWMCOG) is a ten-county consortium in northwest lower Michigan, originally established in 1974 and reformed in 1989, for the purpose of providing an economy of scale for rural services, and a forum for common issues and needs across rural counties. The mission of the Northwest Michigan Council of Governments is to build stronger communities and improve quality of life in Northwest Michigan. The ten-county region has a population of 300,000 with four main labor market sub-regions. NWMCOG and its various programs serve about 30,000 individuals, 4,000 businesses, and dozens of units of government and community-based organizations each year.

The agency is organized as a unit of regional government under Michigan Public Act 7. Since its inception, NWMCOG has received and successfully administered an estimated \$500 million in federal, state and privately-funded grants. Annually, the agency administers grants from over 40 different sources, with about 75% of those funds being federal. NWMCOG's annual budget fluctuates between \$15-20 million. NWMCOG serves as the administrative entity for the following regional functions: talent development system (Michigan Works, including Workforce Investment Act, welfare to work programs, Trade Act, Wagner-Peyser Employment Service, Adult Education, and others); Beaver Island Lighthouse School (residential alternative school); Michigan Prisoner Re-Entry Initiative; Economic Development Administration; Small Business & Technology Development Center (SBTDC); Procurement Technical Assistance Center (PTAC); Global Trade Alliance; and Regional Planning and Community Development (a wide variety of inter-governmental and public-private initiatives in economic development, natural resources, transportation, mapping, housing, water quality, data research and others).

The agency is built upon a foundation of public-private partnerships. It is governed by two boards through a formal partnership agreement: the NWMCOG Board is comprised of one county commissioner from each county, and the Workforce Development Board is comprised primarily of private sector business executives. Operating under the NWMCOG name since 1989, the agency represents a consolidation of two previous regional entities – the Northwest Michigan Employment and Training Consortium (operating since 1974) and the Northwest Michigan Regional Planning and Development Commission (operating since early 1970s). The two boards share one CEO and one administrative system. The website is www.nwm.org.

NWMCOG employs a fund accounting system and follows generally accepted accounting procedures that safeguard receipt of cash for, and expenditure of, grant funds that includes appropriate internal controls. Single audits by independent auditors, as required by OMB Circular A-133, have been performed annually. In its thirty-eight year history NWMCOG has had no questioned costs as a result of those audits.

NWMCOG has a well-established ability to collect and manage data in a way that allows consistent, accurate, and expedient reporting. The agency has a long history of building and managing databases to meet its program management and reporting requirements. The agency has exceeded all of its performance standards for every program each year, and consistently exceeds state averages on all workforce system performance measures. Ongoing professional development and LEAN process improvement are inherent in all operations.

NWMCOG enjoys strong and trusting collaborative partnerships with all the Chambers of Commerce in the region, sector groups such as manufacturing councils, all the sub-regional economic development entities, the four post-secondary institutions, four Intermediate School Districts, 2 Career Tech Centers, the region's 198 units of government, and countless non-profit organizations. NWMCOG serves as the region's Collaborative Development Council (CDC) convener. Its Workforce Development Board includes an active, engaged Education Advisory Group, Youth Council and Adult Learning Partnership. NWMCOG executive leaders serve their communities on a number of community boards such as the regional hospital system, United Way, Rotary Charities, Goodwill, Chamber Leadership Development programs, and others. Volunteers are utilized by the agency primarily through the region's volunteer network run by United Way and through other agencies such as Experience Works.

2. IDENTIFICATION OF REGIONAL ASSETS:

Identify the defining assets of your region (geography, economy, education, talent, transportation, etc.) and explain why your organization, with your co-applicants, is uniquely qualified to bring all of the appropriate partners together to leverage the region's assets to create, strengthen and support regional economic prosperity.

Northwest Lower Michigan is the 10-County region encompassing Antrim, Benzie, Charlevoix, Emmet, Grand Traverse, Kalkaska, Leelanau, Manistee, Missaukee, and Wexford Counties (Prosperity Region 2). The largest urbanized communities in the region are Traverse City, Cadillac, Boyne City, Charlevoix, Manistee, Petoskey, and Kalkaska. These communities are the commercial / industrial centers for the region, with Traverse City and Cadillac considered by the Census Bureau as micropolitan areas based on their respective population densities. Outside of these urban areas, a rural atmosphere, including villages, parks, farms, orchards, vineyards, forests, and coastal lands all contribute to local and regional economies, too.

Growth rates and demographic changes in population continue to have clear implications for the region's labor force. A steady population growth can produce the continued labor force expansion that is necessary to meet the labor demands of area employers. The age structure of the population will also be critical, as an imbalance of workers entering and leaving the workforce can result in shortages or oversupply of workers in specific occupations or entire industries. Population increases continue to be a leading issue, both positively and negatively for economic growth and planning in the region. Responding to this trend will be a vital element in any economic development strategy.

Transportation issues remain a critical issue for the entire ten county region. Current road quality, road capacity, traffic congestion, and gasoline costs are limiting factors for specific economic development activity throughout the 10-County region. Roadway transportation is dependent on State highways and county primary roads– there are no interstates within the region; however, I-75 does serve many businesses throughout the area. Moreover, all counties in the Northwest Lower Michigan rely on out-of county workers for a substantial portion of their employment. In 2010, five counties in the region (Emmet, Grand Traverse, Kalkaska, Leelanau and Wexford) depended on out-of county labor for more than 20% of their workers. Commuting flows in the region illustrate the importance of Grand Traverse County as the economic hub for the region.

With regards to education and talent, there exists a wide array of organizations that provide direct education, training, or employment services (e.g. technical schools, colleges, and universities, vocational rehabilitation centers, apprenticeship programs community based organizations, one-stop centers, welfare to work training programs, literacy programs, unions, and labor/management programs). The NWMCOG acts as the MI WORKS! service provider for the Northwest Lower Michigan Region, managing and operating four workforce development service centers in Traverse City (Grand Traverse County), City of Petoskey (Emmet County), City of Cadillac (Wexford County), and the City of Manistee (Manistee County). Each Center services multiple counties.

The proposed investment would addresses the continual need to look beyond the immediate horizon, anticipate changes, and seek to diversify the local and regional economies by looking to support and create strategies for the region that build upon current and anticipated assets. Currently, NWMCOG’s economic development, job training, and workforce development services support economic changes and diversification by remaining alert to the needs of industry and supportive of the efforts of local economic developers. With DTMB investment, NWMCOG will be able to continue to foster an increasingly diversified and stable local economy and job base, by continuing to plan for public and private investment for the purposes of building regional prosperity.

3. NEEDS STATEMENT:

Explain the need for a collaborative economic strategy in your region. Identify the needs you will address. Acknowledge similar existing projects or agencies, if any, and explain how your proposal differs, and what effort will be made to work cooperatively.

Northwest Lower Michigan historically experiences the negative effects of state and national economic woes; increasing cost of living; average wage disparity as compared to state and national levels; high unemployment rates as compared to state and national levels; inadequate rural infrastructure; and emerging threats to the region’s natural resources. The recent economic crisis hit Northwest Lower Michigan very hard. As a result, unemployment in the region is higher than the State and the Nation. Therefore, there is an increased need for economic development planning, business investment and, ultimately, employment opportunities in the region.

Additionally, the fiscal crisis of the State of Michigan has burdened many local communities in the region with inadequate economic development planning resources to spur economic growth and sustainability. Despite the preceding challenges, the region does enjoy some significant opportunities. Opportunities in northwest lower Michigan are built around encouraging job growth and business expansion in recreational opportunities; clean energy; green technologies; sustainable manufacturing; broadband deployment; value-added agriculture; density centered infrastructure; industry restructuring; and innovative capital access for enterprises.

The NWMCOG has the experience and capacity to continue its long tradition of being a lead innovator and collaborator in northwest lower Michigan. The proposed DTMB investment to the NWMCOG will serve as the foundation for further innovative and entrepreneurial measures relative to economic development strategy implementation. Realizing the importance of communication and continued coordination of planning efforts related to productivity, innovation and entrepreneurship, the NWMCOG works closely with local economic developers and community members to assist in project planning and data collection/analysis. By compiling and providing data and analysis, NWMCOG encourages responsible and responsive decision-making by regional stakeholders.

The most similar project to this in the region would be the existing Comprehensive Economic Development Strategy (CEDS), as required by the US Department of Commerce Economic Development Administration (EDA). Because the geography is the same between the CEDS program and the Regional Prosperity program, the NWMCOG sees a wonderful opportunity to integrate the two processes together. To meet the requirements of both programs would be a challenge, but in doing so would create future tax savings in the region and provide a more unified vision for prosperity and economic development in the region.

4. ADDITIONAL INFORMATION:

Please address anything else about your organization or project you think is relevant to the proposal.

The proposed investment would support and continue the collaborations between local EDCs, non-profits, community colleges, individual developers, transportation agencies, business owners, local government, public, and the NWMCOG. Realizing the limiting factors associated with living in a rural community, the NWMCOG remains committed to seeking sustainable partnerships and collaborations for the betterment of Northwest Lower Michigan's economic health. The NWMCOG has historically played a leadership role in the region, but is also pointed out as a best practice in the state and nation.

The NWMCOG recognizes the many challenges associated with this type of project- even in a region with a high degree of collaboration. However, we feel confident that we have the capacity and drive to be the model for how regional reinvention can occur in the state.