



MICHIGAN NATURAL RESOURCES TRUST FUND

BOARD OF TRUSTEES MEETING

Minutes of April 21, 2021
Virtual Webinar Meeting
9:00 AM



Dan Lord, Grants Section Manager, Department of Natural Resources (DNR), provided an overview to all participants on how the Michigan Natural Resources Trust Fund Board's virtual webinar meeting will be conducted and how to navigate the screens.

Chair McDonough called the meeting of the Michigan Natural Resources Trust Fund (MNRTF) Board of Trustees (Board) to order at 9:02 a.m., Wednesday, April 21, 2021.

I. INTRODUCTIONS

The following Board members remotely participated in this meeting, as permitted under the Ingham County Board of Commissioners Resolution #21-138, Public Act 228 of 2020 and DNR Policy 17.01-07, from the following locations in the State of Michigan:

Erin McDonough, Chair; City of Williamston, Ingham County
Sam Cummings, Vice-Chair; City of Grand Rapids, Kent County
Steve Hamp; City of Ann Arbor, Washtenaw County
Bill Rustem; Alaiedon Township, Ingham County
Dan Eichinger, DNR Director; Village of Lake Isabella, Isabella County

Jon Mayes, MNRTF Grants Program Manager, introduced the section's new Grant Coordinator, Alexandria McBride. Alexandria is a native of Ontario, New York and moved to Michigan from California. She has a Bachelor's Degree in Environmental Science from the University of Nevada. She worked for the Siskiyou County Economic Development Council in northern California since 2018 and spent time with the U.S. Forest Service in the Pacific Northwest doing forestry and biological science work in many western states, including Colorado. Alexandria is well traveled. She started with the DNR on March 8, 2021 and will be responsible for managing the western region of the state.

Dan Lord introduced himself and Grants Management staff: Jon Mayes, MNRTF Grants Program Manager; Mike Chuff, MNRTF Financial Specialist; Merrie Carlock, Lindsay Ross, Andrea Stay, and Alexandria McBride, Grant Coordinators; Yolanda Taylor, interim Administrative Assistant to staff and the Board; and Erik Eklund, DNR Finance and Operations Division Chief Budget Officer, who will address the MNRTF Financial Update or other budget questions.

Also participating were various staff members of the DNR and other interested parties.

II. ADOPTION OF MINUTES FOR MEETING OF FEBRUARY 17, 2021

Chair McDonough called for adoption of the minutes for the February 17, 2021 MNRTF Board meeting.

**MOVED BY HAMP, SUPPORTED BY CUMMINGS, TO ADOPT THE MINUTES
OF THE FEBRUARY 17, 2021 MNRTF BOARD MEETING.
MOTION PASSED WITHOUT DISSENTING VOTE.**

III. ADOPTION OF AGENDA FOR MEETING OF APRIL 21, 2021

Chair McDonough called for the adoption of the agenda for the April 21, 2021 MNRTF Board meeting.

**MOVED BY RUSTEM, SUPPORTED BY EICHINGER, TO ADOPT THE
AGENDA FOR THE APRIL 21, 2021 MNRTF BOARD MEETING.
MOTION PASSED WITHOUT DISSENTING VOTE.**

IV. PUBLIC COMMENT

Michael Kelly, Director, Great Lakes Office, The Conservation Fund

TF21-0033 - Kawkawlin River Access Improvements, Monitor Charter Township (Bay County)

Michael Kelly addressed the Board in support of development grant application TF21-0033 - Kawkawlin River Access Improvements, Monitor Township (Bay County) to increase and provide public access to the Kawkawlin River. The township is requesting \$269,400 with a match of \$182,000, for a total project cost of \$451,400. This project did not receive funding in the last round, but they were so close they decided to come back this year with a few tweaks and a greater match that was raised locally.

The river's watershed covers Bay, Midland, Gladwin, and Saginaw counties and incorporates land area in about fourteen townships. The name stems from the Native American word "ogohcawnig" meaning "place of pike fish." The Kawkawlin is one of the primary walleye spawning rivers for the Saginaw Bay.

Despite the size and length of the river, there are only two public access sites. One is an unimproved turn-around site owned by the DNR and the other is at Steih Park. Project improvements would include creating a new river facing canoe/kayak and small motorboat launch site, stabilizing the riverbank, development of more formalized fishing locations with steps, an improved parking area, and proposed pavilion.

Chris Bunch, Executive Director, Six Rivers Land Conservancy

Chris Bunch thanked the board and staff and wished them Happy Earth Day tomorrow. He again reminded the Board that the invitation to meet/tour the Detroit area is still on the table, and the conservancy is ready to go whenever the Board and the department can resume in-person meetings. He proposed October of this year.

He was also interested in the status of the MNRTF appropriations bill for 2020 acquisition and development projects. A lot of communities are ready to get started on their projects.

Chris also mentioned a Marine City project they are working on to help them acquire a public marina on the Bell River, just off the St. Clair River. They are excited to be working on this placemaking, access and economic development project with the city to provide much needed access to the St. Clair River. There currently is no access point for 22 miles from the City of St. Clair to Algonac. They will present this project to the Board in the future.

Chair McDonough thanked them for their flexibility with hosting a meeting in Detroit and asked if there were any additional public comments. There were no additional requests.

V. NEW BUSINESS

Recent Updates on the Open Meetings Act

Dan Lord gave the Board an update on the Open Meetings Act. Following up from the February meeting, and the fact that the Board regularly meets in the Lansing area (Ingham County), the Board can continue virtual meetings under the emergency declaration from the Ingham County Board of Commissioners Resolution #21-138, Public Act 228 of 2020 and DNR Policy 17.01-07. He continues to coordinate with the department's Legislative and Legal Affairs office and the Attorney General's office. He will update the Board on any changes moving forward, and the meeting format that will be used on a month-to-month basis.

Historic Recreation Grant Funding to Communities (Population Overlay)

Chair McDonough introduced Lindsay Ross, Grant Coordinator, who gave the Board an overview of where grant funds have historically been disbursed, based on location and population, and how the Board can utilize this information in making better informed grant funding decisions in the future.

Pursuant to the Board's request from the February meeting, Lindsay gave a historical overview of grant funding to communities from 2014 to 2020, removing all DNR applications. The data is based on the 2010 census to include different population thresholds and their definition of urban and rural populations. The data can also be filtered by geographic boundaries, higher populations versus lower populations, the number of applications submitted by county, filtered down to funded versus unfunded applications by county.

The data presented was for information only to give the Board an idea of how the data can be used or filtered when the Board makes their funding recommendations in December.

Dan Lord further explained that this evolved from a conversation at the December 2020 meeting where the Board was making funding decisions and trying to recollect on communities that have or have not been funded in the past. Moving toward this December's decision-making process, data can be provided to the Board showing who returned this year (came back again), those that have not been funded in the past five to ten years, smaller community projects versus large community projects, and those that have received significant funding over the past years.

Jon Mayes also explained that this data does not include Land and Water Conservation Fund or Recreation Passport funding.

Chair McDonough stated it would also be nice to see a map showing Great Lakes access point projects that have been funded, to include previous recipients and current applicants.

Director Eichinger commented that smaller communities are really struggling to break through. This data will assist the Board in identifying those communities or projects that may need to be elevated to ensure equitable distribution of trust fund dollars. Some communities may not have grant writers on staff and may need additional assistance or support. This data allows the Board and staff to be more sensitive to these communities, where our liaisons could do some outreach and help them with their grant applications. He further commented that he is also fond of smaller projects. It could make a big impact on communities if the Board were to get trust fund dollars into these smaller communities with left-over dollars.

Sam Cummings commented that this is excellent data that will be very useful when the Board makes their decisions in December. He further commented that, to the Director's point, smaller grants can be extremely transformational for some of these communities.

The Board thanked Lindsay and staff for gathering this data.

Overview of Historical Development Application Requests and Grant Awards

Also following up on the Board's request from the February meeting, Dan Lord and Mike Chuff, MNRTF Financial Specialist, provided the Board with data/metrics on development projects, a theme that the Board and staff will revisit moving towards decision making. The idea came up about raising the maximum amount allowed on development application requests. This is not a recommendation. Staff are just providing the raw data for the Board's information and consideration.

The information provided showed the Board the number of development projects (only), going back to 2015, ranging from those that were at the \$300,000 maximum threshold, those that were between \$150,000 to just less than \$300,000, those that were between \$50,000 and just below \$150,000, and those that were below \$50,000, broken down by the number of applications, percentages, and dollar amounts.

Bill Rustem commented that, from 2015 to 2020, the percentage of development projects at the \$300,000 threshold has almost doubled, from 31% to 60%, which raises the question if the \$300,000 maximum is enough, and if this dollar amount is discouraging larger communities from applying for development projects because it does not meet their needs or requirements (City of Grand Rapids and the City of Detroit, for example).

Steve Hamp agreed that this is a good point and, although the number of the applications has remained steady, the amounts being requested have completely changed, which has everything to do with the value of the dollar.

Sam Cummings asked when the Board recommended the \$300,000 maximum amount; Dan Lord responded it was in 2011.

Chair McDonough commented that, based on the data they saw earlier, there is a lot of need throughout the state. If the Board sticks with the \$21 million for development grants in the foreseeable future to maintain the buying power of the trust fund, are there going to be fewer and fewer communities that will benefit, while the bigger communities are more successful. There are many communities that could greatly benefit from receiving \$300,000.

Bill Rustem responded that, on a per capita basis, he is not so sure the larger communities are benefiting. For example, is the City of Detroit receiving proper funding to meet the size and needs of their community?

Sam Cummings also commented that smaller grants can be beneficial for smaller communities, but smaller limits may not be worth the application process compared to larger transformational grants that would have a larger economic and conservation benefit to a community and the state.

Steve Hamp also commented that if the Board increases the maximum dollar amount of a development grant, then the Board will be giving out fewer grants.

The Board further discussed other scenarios, but eventually agreed that this is something that needs to be discussed and considered as they move forward. It may not be a decision they can

make this year, but it is something that the Board needs to constantly evaluate; how smaller communities compare to larger communities, specifically in development.

Director Eichinger also reminded the Board that there are other grant programs that help supplement communities, the federal Land and Water Conservation Fund and Recreation Passport grant programs. It may be possible that communities are accessing these grants to leverage or supplement their projects. Also, the costs associated with development projects is higher than it was two years ago, especially since the cost of materials is escalating rapidly and \$300,000 does not buy much these days. However, if the Board raises development to \$500,000, for example, then that could cost four to five smaller community projects.

Dan Lord responded that there are approximately \$9 million dollars in additional (other) grant program funding available, and there could be more funding coming that communities could leverage. He also noted that the second page of the data shows the grants awarded, but the Board can review that information in their packets.

2021 Application Summary

Jon Mayes provided information about the total number of grant applications received in 2021. The application deadline was April 1.

The annual distribution map showed where development and acquisition applications are coming from geographically throughout the state for 2021. The bar graphs show the pattern and dollar amounts of grant applications from 2012-2021 (both acquisition and development) and, in member's packets, all applications are listed by county with basic information about the applicant, the type of application, the name of the project, and the dollar amount requested.

The department has received 30 acquisition applications, totaling \$36,877,600, and 118 development applications, totaling \$28,046,400, for a total of \$64,924,000 in requested funding. Of the 30 acquisition applications, four are from the department; and of the 118 development applications, 18 are from the department.

Jon also informed the Board that staff can provide more detailed information about any grant application at the Board's or any member's request.

Keweenaw Peninsula Nominations and DNR Action

Director Eichinger reported to the Board that, over the last couple of months, there has been quite a bit of interest expressed by numerous people and organizations towards the department purchasing 15,000+ acres of land with a lot of mixed recreational use in the Keweenaw Peninsula through a recent land nomination campaign. The department has engaged in a lot of conversation with local units of government, legislative interests, and others that are interested in putting together an application from the department for this acquisition.

This proposal would result in a significant purchase by the department. The department has assembled a group of individuals, which will be led by Stacy Welling Haughey, the Upper Peninsula Field Deputy, that will continue to evaluate this nomination, the lands, engage with various stakeholders, identify potential partners, and come to agreements on how to plan for and manage these lands if the department chooses to move forward.

Although the department will not be submitting an application this year, he felt it was noteworthy and worth mentioning. The department may submit an application next year, depending on the outcome of these conversations and plans. The Director will update the Board as things progress.

Update on MNRTF Staff Activities

Dan Lord announced there were no withdrawals submitted. He also reported that House Bill 4469, the MNRTF appropriations bill, is still waiting for action by the full Senate before it is presented to the Governor. He will notify the Board and a press release will be issued if/when the Governor signs the bill.

Dan also reported that the grant application deadline was April 1, and the total application figures were reported by Jon Mayes. The dust has settled, but the four grant coordinators will continue to balance their workloads and focus on the first steps by reviewing and following up with all grant applicants on administrative completeness.

Their new on-line platform, the MiGrants system, launched on Monday. It has a different look and feel about it, but everything transferred over to the new system and they are now just working through a couple of bugs in the system. He credited Lance Brooks and Lindsay Ross for this successful transition. They will have a webinar on Friday, April 23, and Monday, April 26, from 1 to 3 p.m., focusing on their applicants and grantees so they understand how to navigate the system. A tutorial will also be posted on their website.

He again welcomed Alexandria (Alex) McBride to the team and mentioned how nice it is to have all grant coordinators in place to cover the entire state. Lindsay Ross and Jolene Priest are also updating and creating a new look and feel to the grant booklets and documents.

He also noted that the department has kicked off the Statewide Comprehensive Outdoor Recreation Planning (SCORP) process. That is the department's 5-year recreation plan for the Land and Water Conservation Fund to keep dollars flowing into Michigan. It does not need to be completed until the end of calendar year 2022, but the committee is onboarding a consultant to do some of the survey and data work. Brad Garmon, Director of the DNR Office of Outdoor Recreation Industry, is leading this effort. He has a robust team with representatives from across the board, including various divisions within the DNR, the Michigan Department of Health and Human Services, as well as Christie Bayus and Lindsay Ross from the Grants Section. Dan Lord will invite Brad Garmon to a future meeting of the Board to provide an update.

Dan closed by thanking the production crew behind the scenes --- Mike Chuff, Lindsay Ross, Jon Mayes, and Yolanda Taylor, for all the work they do to prepare for and conduct these meetings.

VI. BOARD PACKET REFERENCE MATERIALS

- MNRTF Financial Report
- DNR Real Estate Report – MNRTF State Acquisitions
- MNRTF Completed Projects Report
- MNRTF Open Projects Status Report

Dan Lord reminded the Board that the listed reports are part of the Board's meeting packet and can be accessed by clicking the links that are embedded in the agenda. He also welcomed any questions about the materials.

Chair McDonough asked the Board if they had any questions about the remaining meeting materials. No discussion of the remaining materials was offered.

VII. OTHER MATTERS AS PROPERLY BROUGHT BEFORE THE BOARD

None.

VIII. ANNOUNCEMENTS

Chair McDonough announced that they received a combined acquisition and development grant application from the City of Ann Arbor, similar to the application they received for the Outdoor Adventure Center in Detroit. They will be starting conversations in June to make sure they are creating an equal playing field and setting parameters if they decide to continue to look at applications and projects of this nature.

Chair McDonough announced the next meeting of the Michigan Natural Resources Trust Fund Board is scheduled for Wednesday, June 16, 2021, beginning at 9:00 a.m. It will be a virtual meeting, and information will be posted on the Board's website.

IX. ADJOURNMENT

Chair McDonough asked for additional comments or discussion. None were offered.

She then asked for a motion to adjourn.

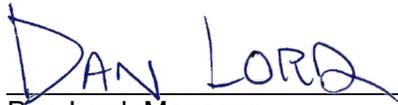
**MOVED BY CUMMINGS, SUPPORTED BY HAMP, TO ADJOURN THE MEETING.
MOTION PASSED WITHOUT DISSENTING VOTE.**

Chair McDonough thanked the Board members and staff.

The meeting adjourned at 10:06 a.m.



Erin McDonough, Chairperson
Michigan Natural Resources Trust Fund
Board of Trustees



Dan Lord, Manager
Grants Management Section
Finance and Operations Division

April 22, 2021
DATE