The meeting of the Michigan Natural Resources Trust Fund (MNRTF) Board of Trustees commenced at 9:00 AM, Wednesday, August 15, 2018.

The following Board members were present:

Sam Cummings, Chair
Keith Creagh
Erin McDonough
Bill Rustem

Also in attendance were various staff members of the Department of Natural Resources (DNR) and other interested parties.


Chairman Cummings called for the adoption of the minutes for the JUNE 13, 2018 MNRTF Board meeting.

MOVED BY MR. RUSTEM, SUPPORTED BY MS. MCDONOUGH, TO ADOPT THE MINUTES OF THE JUNE 13, 2018 MNRTF BOARD MEETING.
MOTION PASSED WITHOUT DISSENTING VOTE.

II. ADOPTION OF AGENDA FOR MEETING OF AUGUST 15, 2018.

Chairman Cummings called for the adoption of the agenda for the AUGUST 15, 2018 MNRTF Board meeting.

MOVED BY DIRECTOR CREAGH, SUPPORTED BY MR. RUSTEM, TO ADOPT THE AGENDA FOR THE AUGUST 15, 2018 MNRTF BOARD MEETING.
MOTION PASSED WITHOUT DISSENTING VOTE.
III. INTRODUCTIONS.

The Board members introduced themselves.

Mr. Dan Lord, Section Manager, Grants Management Section, Finance and Operations Division, DNR, introduced himself and Grants Management staff: Mr. Jon Mayes (Recreation Grants Manager), Ms. Rachel Schumaker (Administrative Assistant to staff and Board), Mr. Mike Chuff (MNRTF Financial Specialist), Ms. Merrie Carlock (Grant Coordinator), and Ms. Lindsay Ross (Grant Coordinator).

Mr. Lord also introduced Ms. Sharon Schafer, Chief of Finance and Operations Division.

IV. PUBLIC APPEARANCES.

Chairman Cummings thanked Delta County, Delta County Board of Commissioners, the Delta County Conservation District, Gladstone Parks and Recreation, Rory Mattson and Nicole Sanderson for hosting.

Mr. Bill Rustem thanked Senator Casperson for his tenaciousness on Senate Joint Resolution O. He stated that the Senator lead the way on that and the Board appreciates it very much.

Director Creagh also thanked Senator Casperson. He then welcomed commissioner JR Richardson. Commissioner Richardson welcomed the Board and staff and thanked them for their support throughout the years.

Mr. Chris Bunch, Executive Director, Six Rivers Land Conservancy

Mr. Bunch thanked the Board for the volunteer work that they do and the commitment that is made to Michigan and its great natural resources.

Ms. Caitlin Donnelly, Director of Land Protection, Little Traverse Conservancy

Ms. Donnelly acknowledged Mr. Tom Bailey’s retirement, but stated that the Little Traverse Conservancy fully intends to attend the board meetings and be full supporters of the MNRTF.

Mr. Bruce Peterson, Supervisor, Portage Charter Township

Mr. Peterson presented on their acquisition grant request. This acquisition is for approximately 8.7 acres. There are hydric areas and natural areas that they intend to keep natural. They are proposing construction of three soccer fields, a pavilion with ADA accessibility, ADA accessible trails to view the soccer fields and a parking lot. They have several partners that include: The Copper County Soccer Association, the City of Houghton and a consortium of churches. The grant amount requested is $187,500. The Copper Country Soccer Association has agreed to match with $37,200, the church consortium has matched with $4,000, and the Charter Township of Portage has agreed to match with $23,500, bringing the total match to $64,700. There are approximately 647 children enrolled with The Copper Country Soccer Association. This park draws people all the way from Calumet, City of Houghton/Hancock, Chassell, and all the way into...
L’Anse and Baraga. Also, they are interested in adding a complex that would allow players to play year-round because there is so much snow where they are, over 300 inches last winter alone.

Mr. Harold Beauchamp, Supervisor, Breen Township and Mr. Richard Smith, CUPPAD

Mr. Beauchamp and Mr. Smith presented on Breen Township’s Stromberg Park Renovation project. Stromberg Lake is a 300-acre lake that fronts this property. There are also another 900 acres of backwaters. There is no public access to this lake other than accessing it from this park. In 2015, Dickinson County proposed to donate this park to Breen Township. Breen Township accepted. The DNR has already funded a boat launch that was installed at this site. There are great elements to this park such as great fishing in Stromberg Lake and the wildlife and bird watching. The Township passed a half mill millage, that brings in approximately $10,000 a year. They also have a lot of great volunteers to help manage the park. There is an 11-member park committee that is very dedicated. In the last three years, the improvements to this park include: repairs to the road to make it more accessible, repairs to the boat launch and the camp sites and cleaning up the trees and brush. In 2010, there were 15 campsites put in. The closest dump station is 35 miles away. They propose to build a pumphouse, as the current pump is hard to use, and also create a dump station. They added power to five campsites and plan to redevelop the 15 existing sites. It is $20 per night to stay. They are requesting $140,000 from the MNRTF. They would provide $37,000 in match.

Mr. Rory Mattson, CEO, Delta County Conservation District

Mr. Mattson thanked the Board for coming to the UP and for having the opportunity to present. He presented on their Rapid River Falls Park Campground project. This park sits on the Rapid River. Their application is for development of a 45-acre ORV/ATV trail and 25 site campground with electricity. There are 80 acres in this park that the County owns. There is a 3-acre day-use recreation area that is a little road-side park on this property; there is already playground equipment and a flowing well (that will be a water source for the campground). This well is broken and in need of repair. The water continuously flows. It is a great local source for water. They also need to have a main road/path that will get them to the campsites, as it is on the back of the property. They feel that this will be a regional destination. This is a great park that adds great connectivity to trails, county roads and more. This can all be accessed through this campground. They are requesting $76,000 from the MNRTF.

Mr. David Oellerich, President, Friends of the Betsie Valley Trail

Mr. Oellerich presented on the Betsie Valley Trail project. He is also the Chairman of the Betsie Valley Trailways Management Council, they provide the day-to-day operation of the trail; the maintenance and upkeep. This project is to reconstruct about a mile and a half of the existing trail. Their grant request is for $140,600. They will match that with $49,400, this money has already been raised by the Friends of the Betsie Valley Trail. The total project cost is just under $200,000. The Friends of the Betsie Valley Trail have also raised $200,000 in their endowment fund. Each year, the interest from that amount goes towards the maintenance of the trail. The trail itself is a 22-mile multi-use regional trail; bikers, walkers, snowmobilers, runners, etc., are able to use this trail. The trail runs from the sand dunes in Frankfort, along Crystal Lake, through
Beulah and down through Thompsonville and the Pere Marquette State Forest. There are paved sections, aggregate sections, off-road bike sections and more. One of the unique things of this trail is the diverse land types that you move through; rivers, marsh lands and the diversity of the wildlife; birds, squirrels and more. The population on the trail varies. The county has a high percentage of disabled people, 17% overall, and that number goes up to about 25% when you’re in the 64-75 age bracket. They have collaboration with “The Joy to Ride Benzie” where they have purchased a tandem bicycle modified with a wheelchair with a motor on it so that anyone that cannot walk or ride can use the trail just like anybody else. They also plan to redo the catch basins, the drainage, paving, etc., so that water channels properly away from the trail.

Mr. Thomas Bergman, Community Development Director, City of Ironwood

Mr. Bergman presented on their Miners Memorial Heritage Park Mountain Bike Trail System project. They are requesting $296,000 from the MNRTF. They have $104,000 match. It is a partnership between multiple organizations; the Ironwood Tourism Council is providing $50,000. The Local Mountain Bike Organization is providing $40,000. The City is going to have $14,000 of in-kind match for this project. Ironwood is the most western community in Michigan and the UP. It is right on the Wisconsin boarder. They see themselves as the “gateway to adventure” for the UP. People come from Wisconsin, Minnesota and Illinois. People come there for adventure and they have focused on that for their marketing and Parks and Recreation opportunities within the City. This trail is on 167 acres. It is located within the center of the community. There are snowshoe trails, cross-country ski trails, hiking trails and baseball fields. This grant is going to be used to develop 12 miles of mountain bike trails within this park. There will be a parking lot, that will also assist the local dog park. There will be a platform for viewing sections of the trail and they will provide universal access along that platform. There will be a small section of trail in which they will purchase a hand cycle, which is a mountain bike specifically for disabled people. This trail will connect directly into the Iron Belle Trail. This is going to be a progressive trail; it will start out beginner and become more advanced. There is a youth mountain bike program that they conduct once a week for 8 weeks in the summer. This introduces kids to nature and getting out there on a bike. They also conduct a cross country ski program like this in the winter time. This engages the youth and connects them to the area.

Mr. Dan Wyers, Parks & Recreation Director, City of Sault Ste. Marie and Mr. Kevin Kapuscinski, Lake Superior State University

Mr. Wyers thanked the Board for the opportunity to present. He stated this was a collaborative effort with Lake Superior State University. The amount requested is $300,000 with matching funds of $128,600, for a total project cost of $428,600. For over a decade they have worked together to site a Center for Freshwater Research and Education.

Mr. Kevin Kapuscinski stated the importance of the City proposing to donate a footprint within Alford Park, for the site of the Center for Freshwater Research and Education. This has been a great model with public/private partnership among the university, the DNR, the City of Sault Ste. Marie, Cloverland Electric, and more. In 2016, they were approved for planning by the State of Michigan, as a capital outlay project to build this center. Just this summer they were approved for construction. They will provide hands-on training to undergraduate students, as this is a center for collaborative research. Part of the mission is to transfer their research findings to the community. So, within the Center for Freshwater Research and Education, there will be a visitor’s center that will be open to the public. The City’s application is not to just build a park in isolation, but to leverage some of these other activities going on locally. They have brought in over $12,000,000 to the region. They employ over 10 people annually, but that number will go up
substantially when the facility is built. They address regional needs; invasive species, issues limiting access to clean water, fisheries management, etc. There are a number of benefits to the community, other than the research; it will be a premier educational resource, which will increase enrollment, it will have a substantial economic effect on the City and the region. It will improve waterfront access. This is a tourist destination with the Soo Locks, the hydro power plant and National Border. The park will provide amenities to attract and have people stay a little longer and support growth of the City and redevelopment for revitalization for this area of the City.

The Center for Freshwater Research and Education is going to be right in the middle of Alford Park. The application is to add enhancements to the park’s amenities, such as; picnic tables, benches, bike racks and more. This is a great park for freighter viewing and bird watching.

Director Creagh asked how this project ties into the Soo Locks and the waterfront that is already existing; what is the distance and connectivity? Mr. Wyers stated that they are working towards being a walkable community. This park has been in need of development for years. Developing this park and connecting it to the waterfront walkways will provide connectivity.

Director Creagh stated that the DNR and MNRTF Board has been trying to have comprehensive visions for cities and waterfronts; for example, the City of Detroit. Having accessibility from bridge-to-bridge, Belle Isle, etc. and having these waterfronts be an economic driver. The Director asked staff to go back and develop that comprehensive viewpoint and how that fits into the broader vision.

Mr. Wyers stated that their 5-year recreation plan includes; connecting to the waterfront trails, better community access and improving the waterfront. This is just another step. The City has also completed Voyager Island Park with the idea to connect the upper river with the lower river. They are conducting canoe races and kayaking, to connect these areas. The Rotary Voyager Island is about 3 miles from the Soo Locks. The proposed park is in between the Rotary Voyager Park and the Soo Locks, so it will act as a connector, of sorts. So, it is essentially in between the downtown area and the Soo Locks.

Mr. Marvin Radtke, Supervisor, Green Lake Township and Ms. Lisa Leedy, Executive Director, Alliance for Economic Success

Mr. Radtke presented on their Bass Lake Property Acquisition project. There are roughly 500,000 visitors to this community every year. This project is to acquire 515 acres of land that contains roughly 3,800 linear feet of frontage on Bass Lake. The total cost of the project is $932,000. They are requesting $686,000 from the MNRTF. The match would be $186,000 from Rotary Charities and $60,000 from the City. This is undeveloped land. They hope to preserve the natural features.

At this point Ms. Lisa Leedy presented. Their parks and recreation master plan covers all of the updates to include acquiring this property. The community has identified the need for natural resources and park areas available to the public, water access and trails. Most of the parks and such are owned by Interlocken Center for the Arts and are not necessarily open to the public. Green Lake Township has one other park, which is more of a sports park. It is beautifully maintained; however, it is simply ball fields and a playground. Saunders Lake is also on this property and currently there is no public access to it. There will be future trail development on this site to connect to the existing trail system in Long Lake Township, a future kayak launch and more.
Mr. John Noonan, Program Director, Rotary Camps and Services

Mr. Noonan presented on the request from Elmwood Township in connection with Rotary Camps and Services, which is the real estate arm of the Traverse City Rotary Club. They are requesting $300,000 from the MNRTF. This project was based on a consensus plan that was developed with stakeholders over a period of two years. It will protect a unique waterfront. The Rotary Charities offered $1,000,000 to help purchase this property and they now own it. It is part of their camps mantra that part of their vision is access to water and natural resources for all ages, abilities and need. They have the largest tall ship harbor on the American side of the Great Lakes. Across the road from the Pier is the discovery center, which is a multi-tenant non-profit center, comprised of 5 organizations; a hands-on children’s museum, maritime history, a stewardship and advocacy organization that also takes responsibility for the watershed plan and more. The total project costs are about $8.5 million. This is a multi-year, multi-phase project. They want a seamless visitor experience with the connected walkway. They have the first seasonal pedestrian island in the State of Michigan. It goes in every May and comes out every October. It has made it much safer to cross the main road. Rotary Camps and Services is committed to the maintenance of this property. This project consists of the 2 floating docks, the bridge and the ADA personal water craft lift launch. There is also talk of possibly having boat slips that charge a fee to help with the maintenance fund.

Mr. Nathan Miller, Copper Harbor Trails Club

Mr. Miller presented on their grant request to construct a 15 ½-mile rugged multi-use non-motorized trail. The Keweenaw Tip Management Area has a plan created for this. As part of that plan, the committee identified public trails as something that would be an amenity that they would want to add someday. That day has come. Once this section of trail is complete this will be a 30-mile loop of continuous hike/bike trail. It is going to be accessible for intermediate riders. A lot of the Copper Harbor trails are known for their rugged expert terrain. This trail will be fairly level and will not have too much elevation change. It follows the shoreline of Lake Superior. They are a Silver Level designated ride center with the International Mountain Bike Association, one of only 12 in the nation. They had a study done in 2016 by Michigan Tech, that showed that the people that came to the area visited for three to four days and were spending on average $500. There were 25,000 people in 2015 that visited the trailheads. The trail will be 3-4 feet in width for most of its length. The total project cost for this is $497,000. They have $200,000 in match, $125,000 of that has been committed by the Recreation Trails Program and the Copper Harbor Trails Club has committed $75,000.

VI. NEW BUSINESS.

Update on MNRTF Staff Activities

Mr. Lord outlined various MNRTF staff activities:

- Staff has completed site-visits for all 2018 applications.
- Staff is now in the group scoring phase. They are about a month away from having preliminary scores available. Applicants will have from mid-September to October 1st to provide supplemental information.
- 5-Year Recreation Plans are now due February 1st, rather than March 1st.
- The City of Flint received a $30,000,000 HUD Grant. This has a matching component with the Grand Traverse Greenway, which is one of our oldest open grants. They were one of 5 in the nation to receive this funding.
- Riverside Park, in the City of Detroit, was one of the larger conversions that we’d been working on for the past couple of years. The conversion package has been submitted to the National Park Service. We anticipate a decision from them this fall. This is 3.7 acres that is being converted, with a value of $645,000. The mitigation property that they are gaining is 4.8 acres that was appraised at $1.5 million. They have a multi-phase redevelopment plan for the entire park.

**MNRTF Financial Report**

Ms. Sharon Schafer, Chief, Finance and Operations Division, outlined the MNRTF financial report. She reminded everyone that wherever the market is at on September 30th reflects on our investment income.

The beginning balance for this year was $605 million. We are projecting a 5% return. We have $200,000 in other income, such as easements. There were a number of projects that we concluded, as well as lapses and withdrawals; that total is $3.3 million.

Ms. Schafer reminded everyone that the Trust Fund board has adopted a 2.5% spend plan. The policy states that it is at their discretion to adjust that through motions. Based on Treasury’s advice, the proposed amount available for projects is $25 million. You would then add in the other income of $200,000. The first thing that we do with those numbers is take off the payments for our staff and our payments-in-lieu-of-taxes. We also have to pay Treasury for their services provided. The total for all operating expenditures including PILT is $3.7 million. The PILT amount for 2017 was $1.8 million. The development maximum, per the Constitution, is 25% of the $25 million. That would total $6.2 million. At the last meeting the Board awarded $195,000 for the Scarlet’s Playground project. That will come off of the $6.2 million available for development projects. The acquisition has to be a minimum of 25%. That would total $15 million. The total available for projects would be $21.2 million.

**VII. STATUS REPORTS.**

**DNR Real Estate Report – State Acquisitions**

Mr. Jon Mayes filled in for Mr. Scott Goeman, Manager of Real Estate Services Section, who was not in attendance.

Since the last Board meeting, there were no MNRTF acquisitions taken to Director Creagh for approval.

**Completed MNRTF Projects Report**

No discussion.

**MNRTF Land Consolidation and Line Item Department Projects**

No discussion.

**VIII. ANNOUNCEMENTS.**
The next meeting of the Michigan Natural Resources Trust Fund Board is scheduled for 1:00 PM, Wednesday, October 17, 2018, Outdoor Adventure Center, 1801 Atwater Street, Detroit, MI.

IX. ADJOURNMENT.

MOVED BY CHAIRMAN CUMMINGS, SUPPORTED BY MR. RUSTEM, TO ADJOURN THE MEETING. MOTION PASSED WITHOUT DISSENTING VOTE.

The meeting was adjourned at 11:35 AM.

Steve Hamp, Vice-chairman
Michigan Natural Resources Trust Fund
Board of Trustees

Dan Lord, Manager
Grants Management Section
Finance and Operations Division

10.17.18
DATE