

MICHIGAN NATURAL RESOURCES TRUST FUND

BOARD OF TRUSTEES MEETING

Minutes of October 22, 2014
Lansing Community College West Campus
5708 Cornerstone, Lansing
9:00 AM

The meeting of the Michigan Natural Resources Trust Fund (MNRTF) Board of Trustees commenced at 9:00 AM, Wednesday, October 22, 2014.

The following Board members were present:

Brad Canale
Keith Charters
Mark Hoffman (for Keith Creagh)
Sam Cummings
Erin McDonough

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

I. ADOPTION OF MINUTES FOR MEETING OF AUGUST 20, 2014.

Chairperson Cummings called for the adoption of the minutes for the August 20, 2014 MNRTF Board meeting.

MOVED BY MR. CHARTERS, SUPPORTED BY MS. McDONOUGH, TO ADOPT THE MINUTES FOR THE AUGUST 20, 2014 MNRTF BOARD MEETING. MOTION PASSED WITHOUT DISSENTING VOTE.

II. ADOPTION OF AGENDA FOR THE MEETING OF OCTOBER 22, 2014.

Chairperson Cummings called for the adoption of the agenda for the October 22, 2014 MNRTF Board meeting.

MOVED BY MR. CANALE, SUPPORTED BY MR. HOFFMAN, TO ADOPT THE AGENDA FOR THE OCTOBER 22, 2014 MNRTF BOARD MEETING. MOTION PASSED WITHOUT DISSENTING VOTE.

III. INTRODUCTIONS.

Mr. Steve DeBrabander, Manager, Grants Management Section, Finance and Operations Division, DNR, introduced himself and Grants Management Section staff: Mr. Jon Mayes (Unit Manager, MNRTF), Ms. Janet Liesman (MNRTF Financial Analyst), Ms. Linda Harlow (Administrative Assistant to staff and Board), Ms. Christie Bayus (Grant Coordinator), Ms. Amy Matisoff (Grant Coordinator), Ms. Tamara Jorkasky (Grant Coordinator), and Mr. Lance Brooks (Accounting Technician). Mr. DeBrabander also introduced Mr. Joe Frick, Assistant Division Chief, Finance and Operations Division.

Mr. DeBrabander introduced Ms. Jule Stafford, who is a Grant Coordinator, has been with Grants Management Section for over 25 years. She has recently announced her retirement. The DNR will be losing a very knowledgeable and historical staff member and we all will miss her.

Mr. Charters provided some additional comments regarding Jule's retirement. Jule began her career with the DNR as an Account Technician for the MNRTF and other grant programs. Mr. Charters remarked how accurate Jule always was in keeping track of MNRTF expenditures and balances. Mr. Charters wished Jule a happy retirement and that he would miss her.

At this point, Mr. Charters provided Jule with her retirement plaque.

PUBLIC APPEARANCES.

Mr. Tom Bailey, Executive Director, Little Traverse Conservancy

Mr. Tom Bailey, Executive Director of Little Traverse Conservancy, congratulated Ms. Stafford on her retirement and welcomed her to stop by Little Traverse Conservancy when in the area.

Mr. Bailey expressed his support for Hayes Township's development project – TF14-0232, Camp Sea-Gull Boat Launch. The township has received a Waterways Fund grant to help with the development of this project. He urges the MNRTF Board to support funding for this amazing project.

Mr. Charters asked what the Waterways portion would fund. Mr. Bailey responded it would fund the boat launch site.

Mr. Gary Hicks, Parks and Recreation Chairman, Tuscola Township – TF14-0203, Tuscola Township Park Improvements, Tuscola Township

Mr. Gary Hicks, Parks and Recreation Chairman for Tuscola Township, made a presentation in support of the Tuscola Township Park Improvements project (TF14-0203). He wanted to thank the MNRTF Board and Ms. Amy Matisoff for supporting this project. Ms. Matisoff has walked the project area.

Ms. Maggie DeSantis, President/CEO, Eastside Community Network, Detroit – TF14-0118,
Chandler Park Football Field Project

Ms. Maggie DeSantis, President/CEO of Eastside Community Network, made a presentation in support of the Chandler Park Football Field Project (TF14-0118). This project was in the planning stages four years ago. It is Ms. DeSantis' hope that the MNRTF Board will see the merits of this project.

Chandler Park is 220 acres in size. The proposed project has involved several partnerships in the planning and development stages – including educational, state and Wayne County. The City of Detroit has come a long ways in revitalizing the recreational amenities at the park, which had been ignored for 30 years. It was at the point where you could not feel safe and no sports took place in the park. The park was not maintained. Today there is a two-shift police patrol.

There have been commitments from the City of Detroit for maintenance and Wayne County for financing for the park. In addition, there have been commitments from foundations for the football field project. Over \$1.8 million has been budgeted for the new turf.

The \$300,000 the City of Detroit is requesting for the football field is the last piece of resources needed in order to make the project a reality.

Committed funders are \$900,000 from UAW-Chrysler National Training Center, \$200,000 from NFL LISC Fund, \$200,000 from US Soccer Foundation, \$100,000 from the City of Detroit's Community Development Block Grant Program, \$70,000 from the Wayne County Park Millage Fund and \$30,000 in pro bono services.

The park has already begun to be reprogrammed for football practice. Last summer there was T-Ball, baseball and attendance at the water park (the only water park in the City of Detroit).

Ms. DeSantis wanted to thank the MNRTF Board for their consideration of the application, Mr. Rodney Stokes of the Governor's office for his championship of the project, the City of Detroit for applying for the grant, and Wayne County for their commitment.

Mr. Charters mentioned that because the grant would be for a football field it probably would not score very high. Mr. DeBrabander responded that it would score well for urban points and a few other categories.

Ms. DeSantis pointed out that when the football field is built, green infrastructure will be used. The initial funder, the NFL LISC Fund did put out the first \$200,000 as a challenge grant with the stipulation that the field will need to be built by May of 2015. The last \$300,000 could cause all the rest of the funding to go away.

Mr. Charters also mentioned there is the issue of the Legislature not moving in a timely manner. Mr. Cummings asked if the funds had to be “in hand”. Ms. DeSantis responded yes.

Ms. Donna Miller, Administrative Assistant II, Recreation Department, City of Detroit – City of Detroit Applications

Ms. Donna Miller, Administrative Assistant II, Recreation Department, City of Detroit, made a presentation in support of the 2014 applications submitted by the City of Detroit. These applications are:

- TF14-0095, Coleman Young Playground Improvements – located in downtown Detroit and near senior citizens; upgrade athletic fields and enhance walking path.
- TF14-0096, Dorais Playfield Improvements – located near a population of senior citizens; walking path is one of the scope items proposed.
- TF14-0118, Chandler Park Football Field Project – football field.
- TF14-0119, Stoepel Park Improvements – athletic complex; need a comfort station.
- TF14-0122, Farwell Playfield Improvements – improvements to baseball diamonds, playscape, tennis courts, install a green comfort station and walking pathways.
- TF14-0181, Brennan Pool Renovation – renovation of pool and repairs to bathhouse.

Ms. Miller stated that the city has been working very hard with the new Mayor and administration to revitalize and renovate the parks for leisure activities for the community.

Mr. DeBrabander mentioned that the City of Detroit had a conversion issue that staff had been working to resolve for a couple years. Because of this conversion, the city received a -50 points in their scoring. Grants Management has now received a resolution and amendment to the city’s projects involved in the conversion. It has been a long process as these projects were also funded under the Land and Water Conservation Fund. Mr. DeBrabander will be signing the amendment tomorrow, and the city will be in compliance. The city will no longer receive the -50 points for their 2014 applications.

At this point, Chairperson Cummings noted that the Board members had not introduced themselves in the “Introductions” portion of the meeting. The Board members all introduced themselves.

Ms. April Scholtz, Land Protection Director, Land Conservancy of West Michigan – TF14-0192, Saugatuck Dunes State Park – Singapore Dunes

Ms. April Scholtz, Land Protection Director for the Land Conservancy of West Michigan, made a PowerPoint presentation in support of the Saugatuck Dunes State Park – Singapore Dunes acquisition project, TF14-0192. The Land Conservancy has been working in partnership with West Michigan since 1976. One of the first projects the Land Conservancy assisted in was helping the DNR with the Saugatuck Dunes State Park property.

The Singapore Dunes property consists of 322 acres south of the 1,000-acre Saugatuck Dunes State Park. Accessible waterfronts include the Kalamazoo River (3,650 feet), Lake Michigan (1,615 feet) and the Kalamazoo River pier. It is accessible from Michigan's second largest metropolitan area (36 minutes from downtown Grand Rapids and 10 minutes from Holland).

There is a great demand for camping near Lake Michigan, with limited availability, either public or private. The next closest campgrounds from Saugatuck Dunes State Park are Holland and Van Buren State Parks.

Acquisition of the Singapore Dunes would be an opportunity to build resources for the future. Resources could include fishing access to the pier on the Kalamazoo River, with universally accessible structures. A Lake Michigan Water Trail "hub", which would include river to lake access, walk-in camp sites, linkages to bicycle trails and the local community is also proposed.

An economic analysis of the area has been conducted, using conservative analysis and assumptions. It showed that an estimated \$4-6 million in additional economic input is contributed to this area of the state, supporting 96-148 jobs. In addition, there has been a 3.5-5.5 increase in the current economic impact from Saugatuck Dunes State Park. These figures would increase if the park became a "destination" park.

The basic infrastructure is in place for future residential development for the Singapore Dunes property. Development would eliminate the opportunity to expand public use and access, protection for resources, and long-term income for park system and state economy.

Dunes, access to the river, Lake Michigan shoreline, hiking and biking trail connections would be world-class natural resources that could be enjoyed by the public forever.

Mr. Charters mentioned that property in this area has been approved in past years, and then there were complications in the acquisition. Now the application request is for \$500,000. Ms. Scholtz stated that the last time north side property was available was back in the early 1990s. The \$500,000 requested of the MNRTF is a first step in a multi-year process to acquire the property. The Land Conservancy is working with a conservation partner that has the resources, ability and willingness to step in and hold the property. It is estimated that when the property acquisition is completed, the cost will be in the high \$20 million range.

Chairperson Cummings commented that the MNRTF has contributed \$10.5 million to the south side of Saugatuck Dunes.

Mr. Charters asked if the acquisition application was approved, would there be a possibility that the \$500,000 could be lost if the acquisition was not completed. Ms. Scholtz responded she did not believe so, but she could not give a 100 percent guarantee.

Mr. Charters further stated that this is a great piece of property that should be held in public trust, however, there has always been a "gray cloud" around it.

Mr. Vaughn Maatman, Executive Director, Land Conservancy of West Michigan – TF14-0192, Saugatuck Dunes State Park – Singapore Dunes

Mr. Vaughn Maatman, Executive Director for the Land Conservancy of West Michigan, provided some comments regarding the acquisition process of acquiring the Singapore Dunes property. The Land Conservancy has spoken to a number of private donors and foundations. There are commitments for \$7.5 million towards the acquisition at this time.

The property is estimated to be in the \$25 million range. Private donors want the state to step up and demonstrate its commitments to the acquisition of the property. The \$500,000 request from the MNRTF is a first step in making a commitment.

Ms. McDonough asked if, with the \$500,000 first step commitment, the Conservancy is asking the MNRTF for more funds down the road. Mr. Maatman responded he hopes the MNRTF could provide more funding in the future.

Mr. Canale asked about the seller of the property and if there have been discussions. Mr. Maatman stated that with the seller, it is hard to tell what “all or nothing” is pertaining to the property acquisition. Discussions are continuing.

Mr. Charters stated that this property should be held in public trust, but the MNRTF has a fiduciary responsibility to insure that funding is not lost. Mr. DeBrabander responded that if the acquisition did not go through, the \$500,000 would go back into the MNRTF.

Mr. Maatman further stated that the conservation fund will be providing \$20 million to acquire the property. An appraisal has been done on the property. By agreement with the seller, this number will not be shared publicly as they are waiting to see what the MNRTF Board does.

Ms. Rachel Hood, Executive Director, West Michigan Environmental Action Council – TF14-0192, Saugatuck Dunes State Park – Singapore Dunes

Ms. Rachel Hood, Executive Director of the West Michigan Environmental Action Council, made comments in support of the Saugatuck Dunes State Park – Singapore Dunes acquisition project, TF14-0192. The Council serves an eight-county area – including a tri-county region of Grand Rapids, Holland and Muskegon. The area also includes Allegan County and the Saugatuck coastal region. The Council was founded in 1968.

Organizations have worked for the last 20 years to preserve the ecological assets of Saugatuck Dunes for the benefit of nature and wilderness, and also for the benefit of the economy and people of the region. Ms. Hood has served on the board of the Saugatuck Dunes Coastal Alliance for the last two years, and also represents this group today.

Ms. Hood outlined aspects of the 150 acres of the Singapore Dunes property at the mouth of the Kalamazoo River being proposed for acquisition. She further outlined various natural resource and economic advantages this would create on a regional basis for visitors. Development of a water trail could also be a possibility.

Mr. Jon Helmrich – TF14-192, Saugatuck Dunes State Park – Singapore Dunes

Mr. Jon Helmrich, a resident of Saugatuck Township and a small business owner, made a presentation in support of the Saugatuck Dunes State Park – Singapore Dunes acquisition project, TF14-0192. He is also Saugatuck Township's representative on the Kalamazoo Lake Harbor Authority, whose stewardship includes the waters that flow into Lake Michigan from the Kalamazoo River. Last night the Authority unanimously passed a resolution in support of this acquisition to expand Saugatuck Dunes State Park.

Mr. Helmrich grew up in Michigan, left the state and returned to Michigan 10 years ago after venturing into the television business. In 2011, he was invited to speak on television regarding tourism at the International Tourism Conference in Jerusalem. He spoke to the conference attendees on the beauty of the Saugatuck area.

Mr. Helmrich also outlined his work with MyPlace training. He further stated that this area would be a great connector for a water trail.

Mr. Helmrich urged the Board to recommend funding for the Saugatuck Dunes State Park – Singapore Dunes acquisition.

Ms. Felicia Fairchild, Executive Director, Saugatuck-Douglas Convention and Visitors Bureau – TF14-0192, Saugatuck Dunes State Park – Singapore Dunes

Ms. Felicia Fairchild, Executive Director of Saugatuck-Douglas Convention and Visitors Bureau, made a presentation in support of the Saugatuck Dunes State Park – Singapore Dunes acquisition project, TF14-0192. For the past 24 years, she has been in charge of improving the Saugatuck tourism product. Back then the area did not have much of an image and now it is one of the top destinations in West Michigan. This year the area was named the number one weekend destination by USA Today.

The Saugatuck-Douglas area is dependent on tourism. This not only refers to the Saugatuck and Douglas area, but includes the surrounding areas, as well (Saugatuck Township, City of Fennville and Ganges Township, etc.). The economic impact of tourism in the area is \$255 million per year, which includes the recreational boating industry and international market. The Saugatuck and Douglas areas are positioned along the Southwest Michigan shoreline and as such attract millions of dollars of out-of-state tourism revenues. The area receives close to two million visitors a year. The fastest growing market segments coming to the area are campers, kayakers, canoeists, bicyclists and hikers.

The Saugatuck-Douglas Convention and Visitors Bureau has taken the lead position in development and link-up of multi-modal trails for kayaks, canoes, bicycles, hikers and automobiles circling Lake Michigan and connecting with all other Great Lakes states.

Ms. Fairchild further commented that there is a need for a water trail in the Saugatuck-Douglas area.

Ms. Fairchild also outlined the need for low impact primitive tent camping. Camp sites are expertly located and strategically designed to provide complete privacy with exquisite water views devoid of man-made structures. The Saugatuck-Douglas area could provide the opportunity to take advantage of a new international trend called “glamping” or glamor camping.

Ms. Fairchild also outlined the potential for a dog beach. The Visitors Bureau receives hundreds of calls annually inquiring where they can take their pet to play on the beach. At the present time there is no options in the area and has lost a substantial amount of business because we cannot accommodate this request. If a dog beach was established and visitors paid \$5.00 per car, this could provide revenues of \$250,000 per year.

Mr. Dan Stencil, Executive Director and Mr. Jon Noyes, Principal Planner, Oakland County Parks and Recreation; and Mr. Bob DePalma, Supervisor, Groveland Township – ORV Activity – TF14-0191, Oakland County Adventure Park Partnership – DNR, Parks and Recreation

Mr. Dan Stencil, Executive Director of Oakland County Parks and Recreation, presented a video presentation in support of the Oakland County Adventure Park Partnership acquisition project (TF14-0191) submitted by DNR, Parks and Recreation Division. This project is for 312 acres in Holly and Groveland Townships for the purpose of an Oakland County Adventure Park Partnership. This would create close-to-home recreation opportunities, as well as serving as a gateway to outdoor recreation in a highly urbanized portion of the State of Michigan.

At this point, the video was shown to the Board and audience.

The project would be for the acquisition of a gravel pit that Oakland County leased. This property would be used for mountain biking, ORV use and trail running. There is a need for this activity in Southeast Michigan, which as determined over 40 years ago. There are no areas in Oakland County for this type of activity. The property would take a “negative” area and make it into a “positive” area. This would be a great use of a disturbed piece of property and use it for recreation.

Ms. McDonough asked if there would eventually be a trail component on the property. Mr. Stencil responded yes; preliminary layouts have been done and there would be over five miles of trails that would be included in the project. The location is right off I-75 and easy to access and no neighbors.

Chairperson Cummings asked if the property connects to Groveland Oaks Park. Mr. Stencil responded that Groveland Oaks Park is bisected by Dixie Highway. One of the county's efforts would be to brand the area as the "Dixie Bi-Way." Ms. McDonough asked if snowmobiles would be allowed on the site. Mr. Stencil responded no; snowmobiling is available in the Holly Recreation Area which is nearby.

Presentation of DNR Applications – DNR Staff

Mr. Paul Yauk, Parks and Recreation Division; Mr. Earl Flegler, Wildlife Division; Ms. Kerry Wieber, Forest Resources Division; and Mr. Matt Lincoln, Parks and Recreation Division, DNR, outlined the applications submitted by the DNR via a PowerPoint presentation.

Mr. Yauk outlined the Parks and Recreation Division acquisition applications:

- TF14-0187, Showcase Trail Critical Gaps – Acquisition of corridors to complete the critical gaps for the Governor's Showcase Trail. This will help to complete the Governor's Initiative. In addition, it will provide regional trail connections and trail town opportunities. Many local units of governments along the trail route will be partners in the trail. There was a trail naming contest and over 7,000 suggestions were submitted. Request is \$2,000,000.

Mr. Canale suggested that a website be developed to mark progress on the trail connections for the Governor's Showcase Trail so the public can see what has been accomplished, as well as percentages of trail connections completed. Mr. Yauk responded that this could be done.

- TF14-0191, Oakland County Adventure Park Partnership – Acquisition of 14 acres of land located near Mt. Holly Ski Area in northern Oakland County. Oakland County would be a partner to operate and maintain the park. ORV use for the property is the number one priority, but would also be used for mountain biking and trail running opportunities. Request is \$2,900,000.

Ms. McDonough asked if the companies who own the properties are willing to donate the land or reducing the price of the property. Mr. Yauk responded that the DNR has not asked for donations, but have met with each company personally and have indicated they are willing to work with us. The donations aspect can be investigated.

Mr. DeBrabander asked if there has been any discussion regarding Payments-in-Lieu of Taxes (PILT). Mr. Yauk responded that staff has talked to Groveland Township and informed them that the DNR does pay PILT payments. Ms. McDonough asked if the township would be willing to waive PILT. Mr. Yauk responded this was discussed, but the township would not receive that much revenue off this property in any event.

Mr. Yauk also stated that there are materials on the properties that would need to be disposed of. The DNR would have partnerships to take care of this. In addition, royalties would be earned and could be used for operation.

- TF14-0190, Fort Wilkins State Historic Park Trailtown Access – Acquisition of 10 acres adjacent to Fort Wilkins State Historic Park. This would provide trail access from Fort Wilkins to Copper Harbor, with regional connections to the Copper Harbor Trail system. It would also provide access to Lake Fanny Hooe. Request is \$750,000.
- TF14-0189, Paw Paw to Hartford Rail Trail Partnership – Acquisition of 11 miles of former railroad right-of-way, which would further develop the “Fruit Belt Trail.” The trail would connect with Paw Paw, Lawrence, Mattawan and Hartford to Van Buren Trail State Park. There is support from every township and community along the route, as well as supported by regional trail organizations and “friends” groups. Request is \$750,000.
- TF14-0192, Saugatuck Dunes State Park – Singapore Dunes – Acquisition of 150 acres located on Lake Michigan adjacent to Saugatuck Dunes State Park. The property would provide critical dune protection. In addition, it would provide Lake Michigan access and trail connections from the City of Saugatuck to Saugatuck Dunes State Park. The DNR has a partnership with the Land Conservancy of West Michigan. Request is \$500,000.
- TF-0200, Dowagiac Creek Access and Corridor – Acquisition of 120 acres located with 5,500 feet of frontage on Dowagiac Creek. Habitat includes fens, vernal pools, grassland and forest. This is a Fisheries Division project, but Parks and Recreation Division will be responsible for management. Two trout organizations, one in Michigan and the other in Indiana, will be partners in managing the property. In addition, Notre Dame University has issued a letter of support to assist in the management and operation. Request is \$749,900.

At this point, Mr. Earl Flegler outlined the following Wildlife Division acquisition applications:

- TF14-0233, Barry State Game Area Land Acquisition Initiative – Acquisition of a 371-acre parcel. It includes a variety of habitat types. The property also contains over 3/4th mile of Glass Creek, which is a high quality trout stream. In addition, the property is adjacent to the Southwest Michigan Land Conservancy’s Werner Conservation Easement. Acquisition of this property would conserve a unique piece of land while allowing recreational opportunities such as deer, turkey and waterfowl hunting and would provide additional trout fishing opportunities along the Glass Creek. It would also consolidate land ownership in southern Michigan. Request is \$1,100,000.
- TF14-0141, Wigwam Bay State Wildlife Area Acquisition – Acquisition of a 146-acre parcel. This includes 0.5-mile shoreline access to Saginaw Bay and 1,200 feet along the Rifle River mouth. At the mouth of the river is the Arenac County Blue Water Trail stop.

The property would provide for prime waterfowl hunting and shore fishing opportunities and coastal wetland protection for nesting, spawning and flood control. In addition, this is a National Audubon Society Important Bird Area (IBA). Request is \$440,000.

At this point, Ms. Kerry Wieber outlined the following Forest Resources Division acquisition applications:

- TF14-0259, PRC – Upper Black River Property – Acquisition of 40 acres surrounded by State land in the Pigeon River Country State Forest. The property includes approximately 2,350 feet of Black River frontage, a designated trout stream considered the finest pure brook trout fishery in the Lower Peninsula. The property is also located within a mapped winter deeryard and includes a critical wildlife travel corridor along the river. Habitat includes elk, white-tailed deer, grouse, black bear, woodcock and fur-bearing species. There is support from both the county and township. Request is \$150,000.
- TF14-272, Lake Superior Dune Swale Complex – Acquisition of 50 acres in Chippewa County adjacent to State forest land on three sides. The property contains 1,000 feet of Lake Superior shoreline and a portion of snowmobile trail #452. It also provides protection of piping plover habitat and a wooded dune swale complex. Habitat includes moose, black bear, bobcat, white-tailed deer, fur-bearing species and waterfowl. There is support from both the county and township. With the acquisition it would provide long-term protection of snowmobile trail #452. Request is \$530,000.

Ms. Wieber outlined some of Forest Resources Division's recently completed/closed projects: TF12-131, Wheeler Creek Property (closed on parcel); TF12-132, Cranberry Lake Property (closing in process); and TF12-125, Public land Access and Consolidation-Two-Hearted (closed on parcel). In addition, of the three projects approved in 2013, two are closing: TF13-124, Dair Creek Property (closing in process); and TF13-125, Strombolis Lake Property (closing in process).

At this point, Ms. Wieber outlined the following Forest Resources Division development application:

- TF14-0271, Building Demolition Initiative – Development is for removal of 30 structures. So far, 175 structures have been removed on over 70 sites with the assistance of a previous MNRTF grant (to date, \$665,433 has been expended). Removal of structures reduces liability and vandalism, as well as reclamation of habitat. Request is \$300,000.

At this point, Mr. Matt Lincoln outlined the following Parks and Recreation Division development projects:

- TF14-0196, Belle Isle Natural Resource Outreach Infrastructure – Development is for a conservatory/aquarium climate control system repair. This will support natural resource-based education and outreach exhibits and activities. It will also reduce heating/cooling costs and improve efficiency. In addition, this will promote outdoor recreation. The Kresge Foundation will be matching the grant with \$150,000. This is the division's number one priority project. Request is \$300,000.

Mr. Charters asked if infrastructure needs score high. Mr. DeBrabander responded it is not something we do a lot of, however there has been a lot of discussion on this specific project. One thing we wanted to determine was what are the natural resource benefits and components of the project. There are some native fish and vegetation within the structure. It is used for natural resources purposes. Without the infrastructure improvements, Parks and Recreation Division would not be able to continue with the outreach program.

Mr. Charters stated that the division has Proposal P funds and this is kind of stretching the criteria that have been set up. Mr. Lincoln added that all three of the applications submitted this year for Belle Isle State Park have been identified by the Belle Isle Advisory Committee as important projects.

Ms. McDonough asked that if we were to get an application like this from a local community, how that would score and rank. She feels the DNR needs to take this into account as well. We should be looking at all applications equally. Mr. DeBrabander responded that an analysis is done on all applications received – public outdoor recreation, natural resource components, etc. Staff does have to make some judgment calls. The aspect of this project which made it eligible is the natural resource education component.

- TF14-0176, Belle Isle Natural Resource Improvements – Development is for support of the canoe/kayak launch for the Detroit River and inland waterways. It would provide accessible routes, picnic nodes (tables, grills and pads), utilize existing parking lot and provide improvements and a toilet building. This project is located adjacent to Lake Muskoday and the Detroit Yacht Club. Funds for the canoe/kayak launch will be provided by a Coastal Zone Management grant (\$100,000). Request is \$300,000.

Ms. McDonough asked if the project includes a boat launch. Mr. Lincoln responded that it will be an EZ-Dock structure for canoes and kayaks only. Ms. McDonough asked if there are plans to do a motorized launch. Mr. Lincoln responded not in this particular location, but perhaps another part of the park.

- TF14-0155, Belle Isle Recreation Improvements – Development is for picnic shelter relocation, picnic nodes (tables, grills, pads), parking improvements, playground equipment and accessible routes along Woodside Drive. This will align picnicking with existing amenities and reduce maintenance. Request is \$300,000.

- TF14-0137, RAM Center 2-Lodge Accessibility and Modernization – Development is for Lake Erie Lodge and Lake Huron Lodge remodeling and accessibility improvements. Renovations will be in compliance with legislation that “Groups with disabilities” are eligible to use the RAM Center. There is local community support. The project will also improve local economy. Request is \$300,000.
- TF14-0204, Pinckney Recreation Area Equestrian Staging Area Improvements – Development is for parking lot reconfiguration and grading, access gate, mounting block, information kiosk, and picnic tables. The project is supported by the Equestrian Trails Subcommittee, part of Michigan Trails Advisory Council and has designated this project as their number one priority. Request is \$100,000.

At this point, Mr. Lincoln outlined the following Fisheries Division development application:

- TF14-0225, Belleville Lake Fishing Access Development Partnership – Development is for a 10-space parking lot, vault toilet, lakeside trail pathway, fishing decks and shoreline stabilization. This project is a partnership between Parks and Recreation Division, Fisheries Division and Van Buren Township. When the application was submitted the Belleville Library Board was looking at an agreement to put a library on the site. There was to be a partnership with the Library Board and Fisheries Division to maintain the fishing access site. The millage failed in August and no library will be built. Van Buren Township has agreed to become a partner for the operation and maintenance of the project. Request is \$300,000.

Mr. Charters asked who owned the property where the library was to be built. Mr. Lincoln responded it is DNR’s property. Mr. Charters asked if this property was going to be converted to a library. Mr. Lincoln responded it had been discussed. There was a LERC agreement. Mr. Yauk continued by stating that the Library Board was looking at purchasing (exchanging) the parcel. The public would gain more waterfront on the lake. The property was bought by the DNR 20 years ago.

At this point, Mr. Flegler outlined the following Wildlife Division development applications:

- TF14-0132, Upper Peninsula GEMS (Grouse Enhancement Management System) and Trails Initiative – Development is for trailhead sites and to construct and improve accessibility for hunting trails. This project will fund the management plan for the South Marquette County GEM. The division has a commitment to do 13 GEMS areas across the northern lower and upper peninsulas. Five have been completed. Partnerships have been established with several local and private groups. Request is \$40,000.
- TF14-0131, Shiawassee River SGA Bridge Initiative – Development is to construct a single lane bridge to provide access to public land. This will improve hunter access to waterfowl hunting areas and provide access for habitat management. Request is \$300,000.

- TF14-0112, Sharonville SGA Accessibility Initiative – Development is for a universally-accessible platform/pier, parking lots, canoe launches and trails and adaptive equipment that allows people with mobility impairments access to most areas of the state game area. This will provide opportunities for people to hunt, trap and view wildlife. The project will be developed with assistance of a coalition called “Operation Freedom Outdoors” which involves ten organizations providing outdoor recreation for wounded veterans. Request is \$298,700.

Mr. Flegler outlined two of Wildlife Division’s recently completed/closed acquisition projects:

- TF11-142, Wigwam Bay Wildlife Area Initiative – Acquisition of 99.65-acre parcel from the Beardsley family, with one-quarter mile of frontage on Saginaw Bay. The property provides access for ice fishing and waterfowl hunting. The grant was for \$340,000.
- TF12-127, Public Land Access and Consolidation - Gate Property – Acquisition of 125 acres with a five-acre pond. The property is near the Allegan State Game Area, and is used for deer, turkey, waterfowl and pheasant hunting. The property was developed in partnership with Allegan Pheasants Forever Chapter. The grant was for \$400,000.

Mr. Lincoln outlined several Parks and Recreation Division recently completed development projects:

- TF09-149, W. G. Milliken State Park East Riverwalk Final Link – This development project links the Detroit Riverwalk with Dequindre Cut. The grant was for \$450,000.
- TF09-143, Dodge #4 State Park Water Service Connection – This development project provided water service to local water system and abandoned well and line replacements. The grant was for \$400,000.
- TF11-133, Statewide Equestrian Initiative – The development project is for Elk Hill improvements, Brighton Recreation Area campground improvements, Headquarters Lake fire rings and picket poles, Cedar River improvements, trail signs and posts, Stoney Creek improvements, Big Oaks re-opening, Ionia Recreation Area creek crossing and Maybury State Park staging area parking lot. The grant was for \$300,000.
- TF11-131, TF12-133 and TF12-134, CIS (Clinton, Ionia, Shiawassee) Trail – This development project was for surfacing, bridge and amenity improvements. The grant for TF11-131 was for \$300,000; TF12-133 and TF12-134 were \$300,000 each (total \$600,000).

V. OLD BUSINESS.

MNRTF Board Subcommittees – Funding and Finance – **UPDATE**; and Program Review – **FINAL REPORT**

Chairperson Cummings provided an update of the MNRTF Board Funding and Finance Subcommittee. The report presented at the last Board meeting was what we were hoping to do. The goal was to create a collaborative platform to initially acquire, develop and maintain the Statewide Trail System, starting with the Showcase Trail. The Subcommittee has developed a scope of work which will essentially drive towards a “sources and uses statement.” Mr. Yauk outlined the aspects of the Governor’s Showcase Trail in his presentation, what this may cost and what the collaborative opportunities there are to achieve it. The Subcommittee talked a lot about the future of the MNRTF and outdoor public recreation in Michigan and how we could take a more collaborative approach to achieve goals in a shorter time frame. Also discussed by the Subcommittee was if the MNRTF were to “go it alone” in acquiring and developing the trails and focus solely on that.

The MNRTF has a good history of collaboration in the state and there are extraordinary opportunities for natural resources and to be the trails state. Right now Michigan leads the nation in rails-to-trails (2,712) and rapidly expanding.

The scope the Subcommittee developed and shared was pretty simple. It also articulates how we might accomplish goals and potential partners. There has been discussions with an independent third party consultant that could assist in working with constituencies (statewide philanthropic organizations, conservation organizations, businesses, municipalities, individual philanthropists and national organizations). The consultant will help the Subcommittee get to a collective vision that could be used to launch this and a platform for other initiatives.

The goal is to conduct these initial discussions the end of this year or first or second quarter of 2015. A report will be delivered to the full MNRTF Board that could get support for advancing by the second or third quarter of 2015. There is initial support for the consultant by some anonymous individuals/groups. Last week a presentation was made to the Council of Michigan Foundation’s annual meeting in Traverse City and the concept was well received. Mr. Tim Ervin has been the liaison in that area of the state.

Ms. McDonough outlined the MNRTF Board Program Review Subcommittee. She thanked all who participated in attending and offering input to the Subcommittee. The Subcommittee looked at the scoring criteria to make sure it was reflective of what the local units of government and DNR use the program for and what they wish to see incorporated. The current scoring system was reviewed and some of the things that are currently in the system are collaboration, connectivity, natural resources, trails and urban areas.

A lot of concepts came up that could lead to more targeting of the MNRTF dollars. It was decided that because we do not have a clear mechanism to measure those, that for the next

year or so we would note on the applications when the concepts are coming up to eventually derive some sort of scoring criteria that could be incorporated. These things include looking at projects with a regional impact, implementation of strategic land use plan priorities and projects that are unique or innovative.

One of the concepts that came up was should the MNRTF be prioritizing or checking one big thing off the list. It was discussed how we could balance one big focus against the needs of the communities and local groups. It came out that this needs more conversation. Possibly we may need to look at a gap analysis in order to see if the benefits of such a proposal would exceed the drawbacks. Another concept is to measure the economic impact of the MNRTF projects.

The one substantive recommendation that the Subcommittee is making is that a maintenance plan, for both acquisition and development projects, be included in the application. This would include an annual maintenance and schedule costs, life cycle costs, invasive species control and provide a documentation of a budget.

MOVED BY MR. CHARTERS, SUPPORTED BY MR. CANALE, TO ACCEPT THE RECOMMENDATIONS PRESENTED BY THE MNRTF BOARD PROGRAM REVIEW SUBCOMMITTEE. THE REPORT'S CONTENTS ARE AS FOLLOWS:

The 2014 MNRTF Program Review Subcommittee was chaired by Trust Fund Board Members Keith Charters and Erin McDonough. Subject matter expertise was provided by DNR Grants Management Staff: Steve DeBrabander, Jon Mayes, Tamara Jorkasky and Amy Matisoff.

Over the summer, the Subcommittee held 3 meetings with stakeholders who have interest in the MNRTF mission including representatives from regional planning organizations, land conservancies, Michigan Recreation and Parks Association (MRPA - a recreation advocacy group), and divisions of the MDNR. In these meetings there was a brief overview of statewide strategic plans, discussion of current Board priorities and other priorities that should be considered by the subcommittee. The list of "other" priorities was added to and presented at each meeting.

Grants Management staff evaluated the input from the 3 meetings, compared them to the existing scoring criteria (2014) and considered what modifications might be beneficial for the 2015 grant cycle. A draft Program Review Summary was presented for comments at the Trust Fund Board meeting on August 20 and posted on the DNR website. Two comments were received on the draft. They were from the Grand Valley Metro Council and Six Rivers Land Conservancy.

Based on the discussions which occurred during the subcommittee meetings, it is recommended that no scoring criteria changes be made for 2015. The majority of the desired priorities discussed during the input meetings are already addressed in the current scoring system including collaboration, connectivity, natural resources, trails and urban areas.

A few suggested changes that have merit and significance to current regional and State priorities were brought up in the process. It was decided that the best way to handle these topics is to bring them to the Trust Fund Board's attention until a system to measure them can be developed. Examples include projects with regional impact, implementation of strategic land use plan priorities and projects that are unique or innovative. The Board may also still choose to award small acquisition or development projects, projects where the applicant is able to provide a high percentage of match, or those that offer other noteworthy benefits regardless of how they score.

Additional research and assessment is required before consideration of some changes to the scoring priorities. There was discussion of the Trust Fund Board focusing on a priority project for a particular year(s), such as developing the Governor's Showcase Trail or providing access on the Great Lakes every 5 miles. It was determined that additional deliberation and gap analysis is needed in order to determine if the benefits of such an approach would exceed the drawbacks. There was also the desire to measure the economic impact of a Trust Fund project, but it was decided that there is not an existing economic impact assessment tool that would provide relevant information without overburdening grant applicants.

The only change that will be made to the application requirements based on this subcommittee's work is the requirement of a maintenance plan for both acquisition and development projects. This will be an eligibility requirement and not a scoring change. The maintenance plan will include an annual maintenance schedule and costs, as well as lifecycle cost, address invasive species control and provide documentation of a budget.

MOTION PASSED WITHOUT DISSENTING VOTE.

Chairperson Cummings thanked the Subcommittee members and staff for serving on the subcommittee and for all their hard work preparing the report.

VI. NEW BUSINESS.

Update on MNRTF Staff Activities

Mr. DeBrabander outlined updates of various MNRTF staff activities:

- The DNR has received hundreds of support letters for the Saugatuck Dunes State Park-Singapore Dunes acquisition project, both in Grants Management and Parks and Recreation Division (almost 700 letters received).
- Conversions – As previously mentioned, the City of Detroit's conversion issue has been resolved.
- MiRecGrants – We are still making improvements and corrections to the system. This system has been used for three grant programs in 2014. All Board members have access to this system.

- Preliminary scores were sent out via MiRecGrants, with applicants being provided the opportunity to submit supplemental information. Staff will soon be starting final scoring of applications with the final scores being sent out in mid-November.

For conversions, Mr. Charters stated that the Board should be made aware of the reason why a grantee was requesting one. The grantee made a commitment that the project remain for outdoor recreation use in perpetuity. Mr. DeBrabander responded that this was mentioned at the last Board meeting. The Board will be made aware of major conversion issues and it would be brought to the Board for approval.

- Ribbon-cutting/dedication ceremonies – For the last few years, we have had a new requirement that grantees hold a ribbon-cutting/dedication ceremony upon completion of their grant project. Grants Management staff tries to attend as many of these as possible, and when they cannot, make arrangements for DNR Parks and Recreation Division or field staff to attend.
- Invasive Species Program – this is a new grant program that will be announced today. Grants Management will be administering this new grant program. This now makes eleven grant programs that Grants Management administers.
- At the August Board meeting, there was a discussion regarding having an agenda item at a future Board meeting to discuss the constitutional 25 percent restriction for funding development projects.

The Board agreed to put the discussion regarding the constitutional 25 percent restriction for funding development projects on the agenda for the February 11, 2015 meeting. Ms. McDonough had mentioned she will reach out to advocacy groups before the February meeting for their input. Mr. DeBrabander stated that Grants Management staff will get the word out prior to the February meeting that this issue will be discussed.

TF12-017, Boat Launch Park Improvements, Village of Pentwater – **PROJECT WITHDRAWAL**

Mr. Mayes outlined the withdrawal. The village could not absorb the cost overruns for the project.

TF13-017, Green Road Land Preserve Acquisition, Meridian Charter Township – **PROJECT WITHDRAWAL**

Mr. Mayes outlined the withdrawal. The property was sold to another party.

MOVED BY MR. CANALE, SUPPORTED BY MS. McDONOUGH, TO ACCEPT THE WITHDRAWALS OF TF12-017, BOAT LAUNCH PARK IMPROVEMENTS, VILLAGE OF PENTWATER; AND TF13-017, GREEN ROAD PRESERVE ACQUISITION, MERIDIAN CHARTER TOWNSHIP. MOTION PASSED WITHOUT DISSENTING VOTE.

2015 MNRTF Board Meeting Dates

Ms. Harlow outlined the proposed Board meeting dates for 2015. The dates and locations are as follows:

- February 11 Meeting will be held in conjunction with the Michigan Recreation and Park Association Conference, Lansing Convention Center, 333 E. Michigan Avenue, Lansing
- April 15 Lansing Community College West Campus, 5708 Cornerstone, Lansing
- June 17 Thunder Bay Marine Sanctuary, 500 W. Fletcher, Alpena
- August 19 Globe Building, 1801 Atwater, Detroit
- October 21 Lansing Community College West Campus, 5708 Cornerstone, Lansing
- December 2 Lansing Community College West Campus, 5708 Cornerstone, Lansing

Mr. Canale requested that the June 2016 Board meeting be in Marquette.

MOVED BY MS. McDONOUGH, SUPPORTED BY MR. HOFFMAN, TO APPROVE THE 2015 MNRTF BOARD MEETING DATES AND LOCATIONS. MOTION PASSED WITHOUT DISSENTING VOTE.

VII. STATUS REPORTS.

DNR Real Estate Report – State Acquisitions

No discussion.

Completed MNRTF Projects Report

No discussion.

MNRTF Financial Report

Mr. Frick outlined the MNRTF Financial Report for the Board. For operating costs, next year it is planned to break out the Payments in-lieu of Taxes (PILT) line item separately. This cost is \$1.6 million this year; next year it will be \$1.7 million. This is part of the reason why we want to have a growth reserve so that sometime in the future PILT does not end up consuming all of the MNRTF.

There were some additions to the withdrawals, both acquisition and development. There is \$13.8 million in lapses and withdrawals. For the future growth, the Board may want to look at the \$7.6 million for acquisition and \$3.6 million for development as to how much will be available for grants in 2014.

Mr. Frick outlined the Stabilization Reserve and Growth Reserve figures. These are not actual year-end figures, which will be available at the December meeting. The \$14.4 million figure under spending allocations is the figure taking 2.5 percent available to spend.

Mr. DeBrabander added that there were approximately \$18 million requested for acquisition projects and approximately \$26 million available for development requested this year.

Mr. Frick further stated that the financial report in February will provide the first projection for 2015 operating costs. It is estimated to be approximately \$3.4 million for 2015 as opposed to \$3.2 million this year.

MNRTF Land Consolidation and Line Item Department Projects

No discussion.

VIII. OTHER MATTERS AS ARE PROPERLY BROUGHT BEFORE THE BOARD.

Mr. Hoffman mentioned that he heard many presentations where partners were used to assist in funding for many of the MNRTF projects. Partnerships are not only user groups, but local units of government as well. This has been a clear direction from both Director Creagh and former Director Stokes. We need to determine how we as a department engage in local governments and the various roles they have in recreation and economic development.

Mr. Hoffman wanted to thank DNR staff for their work in obtaining partnerships.

Chairperson Cummings stated that it is an honor to participate in the MNRTF Program with all these fine people. He and his family were at the Council of Michigan Foundations meeting last weekend and were out "State Parking" the entire weekend. He expressed what extraordinary assets Michigan has.

Chairperson Cummings also thanked Board members for their services on the Board.

IX. ANNOUNCEMENTS.

The next meeting of the Michigan Natural Resources Trust Fund Board is scheduled for 9:00 AM, Wednesday, December 3, 2014, Lansing Community College West Campus, 5708 Cornerstone, Lansing, Michigan.

X. ADJOURNMENT.

MOVED BY MR. CHARTERS, SUPPORTED BY MS. McDONOUGH, TO ADJOURN THE MEETING. MOTION PASSED WITHOUT DISSENTING VOTE.

The meeting was adjourned at 11:30 AM.

Sam Cummings, Chairperson
Michigan Natural Resources Trust Fund
Board of Trustees

Steven J. DeBrabander, Manager
Grants Management Section
Finance and Operations Division

DATE