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CRDC/EDD MEDA Working Group Quarterly Meeting

Helena, Montana

August 8, 2011

8:00am – 5:00pm

Present: Marcy Allen, Jim Atchison, Kathie Bailey, Cindy Blake, Matt Chase, Sarah Converse, Jim Davison, Cindy Gleich, Chelle Isle, Billie Lee, Chris Mehus, Terry Myhre, Brian Obert, Gloria O'Rourke, Michael O'Rourke, Jason Rittal, John Rogers, Tom Rogers, Karyl Tobel, Gib Turner, Paul Tuss, Linda Twitchell, Warren Vaughn, Janice Wannebo and Larry Watson.

Welcome and introductions

Paul Tuss called the meeting to order welcoming everyone and inviting introductions.

Federal Policy/Budget Update

Paul Tuss presented Matt Chase, Executive Director of NADO. Matt reviewed the political climate in Washington DC noting that both houses of Congress are very partisan as they face a 10.3 trillion dollar debt. The Deficit and Debt Commission has been charged with finding about 2.5 trillion dollars in cuts and savings. Thus, maintaining the status quo is no longer possible. The focus is on reform, consolidation and mergers, or closedown and reductions. Focus is likely to shift spending from Federal sources to State sources with the direction moving from economic development to broader and more difficult to define efforts at community development.

Programs being targeted at present: CDGB, Justice system programs (COPS), Work Force Investments, transportation programs like high speed rail and essential air service, and FEMA's flood insurance programs.

- EDA funding: Presently enjoys broad-based bipartisan support with some question of direction (infrastructure vs. innovation);
- The CEDS process is moving toward more peer review with focus on strategies and best practices;
- Rural Development (USDA) faces funding and staff cuts, possibly losing housing programs to HUD, retooling to focus on regionally driven initiatives;
- Transportation: With no earmarks transportation funding will be much less, will see continued discussion about raising the fuel tax.

Matt summarized that the present political and economic environment means the need for collaborative efforts on a regional basis will be key to continuing success. Matt suggested that EDDs need to develop into full-service COGS (Councils of Governments) targeting transportation and other key programs and in turn receiving payment for services rendered.

Matt's presentation was followed by a listening session identifying both the challenges of conducting economic development activities on the federal level and identifying what is working.

Capacity Building of EDDS and CRDCs

Paul Tuss led a roundtable discussion about the challenges and opportunities before Montana's communities.

- Terry focused on the problem of finding reliable statistics especially those ranking Montana economically. Matt suggested that the use of statistics needs to be more focused ; i.e. quality of life, patents, etc... Matt also suggested statistical information being generated by Kansas State University as a good model for state involvement in establishing a baseline of statistical information building on MEDA's regional sector analysis project.

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- Kathie suggested the need to better understand and utilize the SBDC system beginning with a discussion with the Department of Commerce. Paul suggested this be tabled and added to the agenda for the next meeting.
- Jim Atchison suggested that those who are working on updating CEDS consider using an Americorps VISTA volunteer. He has used a VISTA volunteer for nearly a year and found it very helpful. Chris is using a volunteer with the farmers' market in a similar capacity. Billie has also had success in using program volunteers.
- Several brought up the challenges in using USDA programs. The programs are not user friendly and carry very little administrative funding. Matt suggested a model from West Virginia that uses a contractor/consultant approach to administrative funding. NADO has a copy of the contract they use if anyone is interested. So far USDA/RD has not objected to this approach.
- Brian addressed concerns about Capital Improvement Plans. Local leadership is sometimes hesitant to make plans public due to negative public reaction. One solution is to focus on the fact that these are simply plans for future development and may change or never happen.
- Kathie addressed the need for capacity in addressing local disasters and their effects on economic development issues. Often in disaster situations, years of carefully planning are changed over night with a single event. Matt referred to a situation in Vermont where there are 88 statewide planners available, but also 11 bookkeepers. Sometimes, he suggested, redeployment of staff positions is the best way to begin the change process. Collaboration in staffing, purchasing and in planning can make everyone more effective. Matt also referred to Missouri as a model of how to collaborate. EDDs determined to work together, hired a full time quality control manager and work with DOT and DOC to develop regional plans and responses.

In summary:

Matt summarized the discussion by stating where there is growth in economic development despite budget cuts EDDs are seen as problem solvers, working with local governments, and addressing both short and long term visioning.

Lunch and Discussion

Chad Hultin, Broadband Program Manager and Trudy Skari, Broadband Program Specialist led their team in a presentation about the Montana Broadband Project. The next steps in the Project will involve gathering information from areas across Montana and will need the help of CRDCs.

Presentation by Jim Lynch

Jim Lynch, Director, Montana Department of Transportation reported on the Transportation Development in Montana. The [presentation is available](#) on the CRDC/EDD Working Group webpage.

Q and A with Jim Lynch

Q: Is there any way to include and/or increase administrative funding in CTEP grants?

A: Jim suggested DOT do the application and discussed the possibility of reducing or eliminating the local match requirement.

Q: What role can CRDCs/EDDs play in regional transportation development?

A: Jim suggested that the best thing in the present would be to help locals understand the importance of the economics of highways/roadways and transportation.

Q: What about Essential Air Service?

A: Jim admitted that he is uncertain about what will happen with EAS. Recommendations and feedback from local EDs and CRDCs will be essential in defending this program.

Montana EDD/CRDC Website

- Gloria O'Rourke demonstrated the EDD/CRDC blog. Most had not yet visited it but saw it as a potentially valuable tool for sharing information within a limited field. Gloria will re-tool the usernames and passwords and check privacy settings. The working groups page is available at <http://www.medamembers.org/groups/crdcedd/>

Creating and Maintaining Effective Partnerships Between CRDCs and Local Development Organizations (LDOs)

Jim Atchison led the discussion sharing about partnering with the Miles City EDO as their RLF manager. Billie shared that in her region all of the LDOs subcontract jobs and services from them. Kathie shared about the "Big Eight", a group of LDOs from her area that meet regularly to develop common directions and to build solutions. Brian, Marcy, and others talked about their area interactions as well. Matt emphasized the importance of keeping in close touch with Local Development Organizations.

An evolving issue with how to partner more effectively with MTCDC was raised. Several suggestions were put forward.

Re-use of Vacant/Underused Scholl Building in Rural Montana

Jim Atchinson led this discussion. Several success stories were shared involving re-use as a community kitchen, business incubator, warehouse and assisted living facility. There are issues of ownership, fair market value, and others which make each situation somewhat unique.

Other Topics, Summary and Conclusions

- Next quarterly meeting will take place prior to the MEDA conference on October 5th.
- Agenda topics for the next meeting:
 - SBDC Discussion
 - Ways to save on costs and efficiencies for common needs/expenses...i.e. marketing, branding, audits, etc.
 - Continue to share success stories regarding interaction with LDOs.
- Thanks were extended to Jim Lynch, Matt Chase and the Montana Broadband Program, Department of Administration, for providing lunch.