



GVMC Legislative Committee

8:30 a.m. Wednesday October 12, 2011 – Metro Council Offices

AGENDA

- 1. Call to Order by Chair**
- 2. Approval of Minutes from the September 14, 2011 Committee meeting**
- 3. Issues Update from Lansing with Jason Mancini, Legislative Associate, Michigan Municipal League**
- 4. Update on Infrastructure Financing – Lansing and Washington**
- 5. Review and Analysis of Proposed Michigan Regional Councils Act**
- 6. Other Issues**

**GRAND VALLEY METROPOLITAN COUNCIL
LEGISLATIVE COMMITTEE MEETING**

September 14, 2011

8:30 p.m.

GVMC Offices
678 Front Ave., Suite 200
Grand Rapids, MI 49504

MINUTES

1. Call To Order

Chair Rick Root called the meeting to order at 8:35 a.m.

2. Roll Call

Present:

Haris Alibasic	City of Grand Rapids
Alex Arends	Alpine Township
Sam Bolt	City of Wyoming
Jim Buck	City of Grandville
Chris Burns	City of Cedar Springs
Daryl Delabbio	Kent County
Mike DeVries	Grand Rapids Township
Don Hilton	Gaines Township
Denny Hoemke	Algoma Township
Andy Johnston	Grand Rapids Area Chamber of Commerce
Rick Root	City of Kentwood
Ken Snow	City of Greenville
Don Stypula	Grand Valley Metro Council
Don VanDoeselaar	City of Hudsonville

3. Approval of Minutes

MOTION – To Approve the Minutes of the September, 2011 GVMC Legislative Committee. MOVE – Arends. SUPPORT – Burns. MOTION CARRIED.

4. Municipal Partnership Act SB 8

Don Stypula reported on the Urban Cooperation Act. The Senate passed SB8, a section of which allows governing bodies to go to the people to vote on millage request to pay for new collaborative arrangements up to 5 mills. A conservative tax group is opposing it in the House. Don feels SB8 will go nowhere and the Senate does not want to move the House bills.

Rick Root noted either the House or Senate version would probably be acceptable to this group. He encouraged members to talk it over with their legislators.

Haris Alibasic reported SB8 is the strongest proposal as it allows funding and more collaboration. He had a good discussion with Senator Jansen regarding it. Jansen said he expects a vote soon. All of the unions support SB 8 and the Governor's office is also in favor.

Rick Root stated he felt the MML would support either House or Senate proposal, but he doesn't think SB 8 will move.

5. Personal Property Tax

The group discussed the Governor's drive to eliminate the personal property tax.

Rick Root questioned how the funds would be replaced. The Governor is unwilling to talk about a sales tax increase.

Andy Johnston said the Governor is not looking at creating new revenue, but maybe using the battery credits as they come off the books. The Chamber of Commerce realizes the need to replace the revenue. Andy passed out a confidential draft of a new white paper the Chamber has created. They want to come forward with solutions, not just push for repeal.

Rick Root stated there is a larger discussion that should include schools.

Haris Alibasic said the replacement funding needs to be in a constitutional amendment to put teeth into it.

Andy Johnston added the PPT could be phased out after 5 or 10 years.

Denny Hoemke said most townships have been dropped from statutory revenue sharing. Guaranteeing the revenue makes it back to locals is very important.

Andy Johnston said there won't be a lot of drive to create new funding, but his

proposal is a change in format to existing funding.

Daryl Delabbio said the state has been hammering at local government for efficiency, consolidation, etc. If they are really serious about bringing industry in, they need to focus on workers comp., labor and unemployment laws.

Andy Johnston asked if the concept outlined in his paper is something GVMC should be considering.

Denny Hoemke said there is concern in how these cuts could affect other formulas and distributions.

Andy Johnston will follow up with Don on the Senate/House fiscal analysis of the Chamber's white paper.

Mike DeVries asked if there was any consensus of opinion we could give Andy. He said GVMC cautiously appreciates the Chamber's efforts. Our biggest concern is with the assurance of distribution and that the language is modified to say "keep funding whole."

6. Legislative Priorities

Andy Johnston discussed the proposed new bridge to Canada. The only real opposition to the bridge is being funded by the owners of the current bridge. A new bridge is expected to generate 10,000 construction jobs. In West Michigan, 109,000 jobs are tied to exports to which the new crossing is vital.

Mike DeVries also reported the Governor was able to secure additional transportation funding by using the bridge as soft match. If the new crossing is not approved, federal funding for other Michigan road projects will be in jeopardy.

Daryl Delabbio said Kent County is looking at endorsing it or adding it to their legislative priorities. He felt GVMC should just endorse it rather than change the legislative priorities.

Haris Alibasic agreed.

MOTION – To Move the Endorsement of the New Bridge to Canada to the Next GVMC Board Meeting. MOVE – Hoemke. SUPPORT – Bolt. MOTION CARRIED.

7. Adjourn – 10:00 a.m.

PROPOSED MICHIGAN REGIONAL COUNCILS ACT

Draft Legislation Circulated for Stakeholder Review & Comment

Prepared by the
MICHIGAN ASSOCIATION OF PLANNING
LAW COMMITTEE

With assistance from a subcommittee of the Michigan Association of Regions

And approved for release to interested stakeholders for review and comment
by the Board of Directors of the
MICHIGAN ASSOCIATION OF PLANNING

on
June 17, 2011

TABLE OF CONTENTS

Whitepaper on Regional Councils and State Planning & Development Regions
“The Case for Modernizing the Institutional Structure for Regional Councils
and State-Designated Planning & Development Regions in Michigan”

Overview of Proposed *Michigan Regional Councils Act*

Draft of Proposed *Michigan Regional Councils Act*

Frequently Asked Questions

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Please Note: All of the documents in this package are in draft form and are likely to be changed, based on stakeholder input. *Please submit your suggestions for refinement, or questions ASAP to Andrea Brown above.* Any questions that relate to the Michigan Association of Regions can be directed to Matt McCauley at mccauley@nwm.cog.mi.us, (231) 929-5000; Phone toll-free at 1-800-692-7774. Thanks in advance for your review of this material.

A DRAFT White Paper On

THE CASE FOR MODERNIZING THE INSTITUTIONAL STRUCTURE FOR REGIONAL COUNCILS AND STATE-DESIGNATED PLANNING & DEVELOPMENT REGIONS IN MICHIGAN

Background & Analysis of Existing Enabling Legislation for Regional Councils and for Michigan's State-Designated Planning & Development Regions (SPDR)* **AKA: Regional Planning Commissions, Regional Planning & Development Commissions, and Councils of Government*

Prepared by the Law Committee of the Michigan Association of Planning
With assistance from a Committee of the Michigan Association of Regions
June 14, 2011

*Released for Stakeholder Review and Comment by the Board of Directors of the
Michigan Association of Planning on June 17, 2011*

Opportunity to Modernize Enabling Authority for Regional Service Provision in Michigan

Ten straight years of statewide economic struggles have resulted in greatly reduced property values, corresponding reductions in local property tax revenues, less revenue to run state government, and thus less money to share with local governments. In response, an increasing number of local governments are looking to intergovernmental service sharing as one option for continuing vital public services at a lower cost. Former Governor Granholm and new Governor Snyder have both focused on intergovernmental service sharing as an important underutilized opportunity for lower cost, more effective public service provision. Governor Snyder has also offered financial incentives for service sharing to those jurisdictions eligible for statutory revenue sharing. It appears likely that there will continue to be an emphasis placed on intergovernmental service sharing for the foreseeable future.

There is considerable intergovernmental service sharing going on in Michigan. The Southeast Michigan Council of Governments has published several documents over the past decade documenting local government service sharing. The Michigan Townships Association and Michigan Municipal League have also documented many examples of service sharing, as have school districts across the state. However, there remains significant potential for provision of more public services by regional planning commissions to some or all of the member communities that make up these regional commissions. To date, most of the existing services provided by these regional planning commissions are, not surprisingly, planning (e.g. regional plans for transportation or economic development) or planning related (e.g. data management, mapping, GIS services, etc). The two statutes generally relied upon to provide these services (the Regional Planning Act, 1945 PA 281, and the County or Regional Economic Development Commission Act, 1966 PA 46) offer very little guidance on how a region should be structured to do so, and generally other statutes must be consulted for service sharing on anything non-planning related. These other acts (such as Acts 7 and 8 of the extra session of 1967) are sometimes difficult to work with, and result in little predictability in service provision when used in different areas of the state. Another statute, the Metropolitan Councils Act (1989 PA 292),

which permits the formation of regional councils, is well suited for such service sharing but only one metro council has been formed under it, and that council is not one of the fourteen state-designated planning and development regional commissions.

For two decades there have been reports prepared by state blue ribbon commissions and national experts on the value and benefits of some public services being provided at a regional level. Newspaper editorials, business groups, and other stakeholders provide a steady drumbeat urging consideration of both a more consistent look at some public issues on a regional basis and for more serious examination of regional service provision. Unfortunately, even for those interested in considering more regional service provision, the existing statutory structure is not exactly welcoming, let alone easy to use to achieve this objective.

Added to these barriers are continuing challenges created by state agencies using a wide array of regional boundaries for the provision of particular state services. In some states, like Kentucky, state agencies provide services to the same geographic areas as regional planning commissions and the public has a common understanding of the same geography when the word “region” is used. That seemingly small consideration, greatly improves consistency and uniformity in communication, planning, and coordination—if the regional service boundaries are reasonable in the first place.

Should not every dollar spent at the state level be coordinated and, where possible, leveraged at the regional and local level when a particular service is delivered at that regional and local scale? Should not economies of scale be captured wherever possible? Should not regional plans connect with state plans, and local plans connect with regional plans so that we have coordinated and consistent planning for the future of transportation, economic development, and protection of sensitive environments and limited natural resources? Should not we leverage federal investments in regions with state and local dollars so we get the biggest return on the investment? There are many state, regional and local officials that have been frustrated for years at the disconnect between public entities at different levels of government and across a wide range of geographies. Perhaps the circumstances today lend themselves to rethinking these relationships and examining the critical role that regional planning commissions can play between state and local governments—on not just regional planning, but also on delivery of other regional services.

Further complicating the situation is the fact that existing acts authorizing regional entities make no attempt to coordinate authority or geography. This omission virtually guarantees the sort of overlapping service provision we frequently see today. Without clear legislative guidance, consistency in organizational structure, governance, service authority, or public access to decision making does not exist. Further, there is no common registry of those entities organized under the three regional planning and economic development statutes mentioned above making it difficult to cooperate, coordinate, or even study existing regional entities if they are not well known to exist.

The provision of some services on a regional basis may never be predictable, coordinated and effective if the statutory structure for provision of such services is not modernized. The importance, stature, and permanence of regional planning in Michigan could also be greatly improved by modernizing the enabling legislation authorizing regional planning commissions.

Now is an opportune time to modernize the institutional structure for regional service provision in Michigan given Michigan's recent economic struggles. Michigan's state-designated planning and development regions all voluntarily prepared regional economic development strategies last year as a part of the Michigan Prosperity Initiative. Twelve of the fourteen regions annually prepare or update regional economic development plans recognized by the federal Economic Development Administration. Opportunities exist to better coordinate such regional planning with state economic development plans and with the provision of economic development services by other regional economic development entities (often quasi-public entities). If Michigan is to effectively compete in the global New Economy, linking state and regional economic development planning, with state, regional and local economic development service delivery would seem to be an essential first step. Regional planning commissions could be a critical asset in the state's efforts to jumpstart Michigan's economy. Now is the time to take advantage of this opportunity and carefully think about the role of regional planning commissions vis à vis state and local government economic development.

This paper addresses five topics related to potential comprehensive reform of the institutional structure under which Michigan's regional councils generally, and state-designated planning and development regions (SPDRs) specifically, operate. The paper:

1. Identifies basic reasons why consolidation and modernization of the three regional council/regional planning commission enabling statutes is a good idea;
2. Outlines the existing structure of, and services provided by, regional councils generally and Michigan's SPDRs, specifically;
3. Summarizes the history of regional councils and SPDRs and summarizes the existing statutes under which they are organized and operated;
4. Identifies problems that exist with the present institutional structure;
5. Identifies benefits associated with consolidating the three existing enabling acts into a single statute.

While these topics are not all addressed in this paper in the order presented above, because many of the topics overlap one another, all will be discussed before the end of the paper. Let's begin with a review of the importance of regional planning in Michigan.

Importance of Regional Planning in Michigan

Regional planning is arguably the most important of the sub-state (regional) services, yet for a variety of reasons, it is the least recognized and least appreciated. Most regional planning commissions prepare transportation plans and economic development plans, and many provide a wide array of other planning services at the regional level (these are discussed in detail later). Yet these voluntary associations of local governments have carried the burden for regional planning without a guaranteed base of fiscal support since the early 1980s. In part as a result, there are tremendous differences in the way they are organized, the range and quality of services provided, and the size and capacity of their staffs. Yet despite the lack of recognition and appreciation for the benefit of their work, if these regional planning commissions had not prepared many of the regional plans they have, local governments would not have been eligible for federal and/or state financial assistance to implement local plans and projects, especially in the transportation and economic development arenas. In some cases, funds for private projects would also have been jeopardized. These services alone justify not only the existence of regional planning commissions, but their cultivation and continued support. But regional planning commissions have long provided far more services than these examples under an antiquated and

overlapping legal structure that does not ensure the continued relevance of their service to their constituents; the people, businesses and communities of the state of Michigan.

Michigan is not unique in having regional planning commissions. Most states have them. But the means of financing regional planning services, and the nature of state-regional relationships varies dramatically in other states compared to Michigan. A quick review of resources on the National Association of Regional Councils website and the National Association of Development Organizations website illustrates some of these differences.

The services provided by regional planning commissions cannot (for the most part) be provided at a lower level of government, such as a county, because the geographic area is too small for the issue being considered (e.g. transportation, economic development, affordable housing, etc.). With that said though, in an era when every level of government is under scrutiny as to its purpose and function, the MAP Law Committee believes it is time to examine regional planning more critically and consider a new statute to enable regional planning services in ways that are more adaptable to changing social, environmental and economic circumstances.

Reasons for Examination of the Statutory Structure for Regional Planning in Michigan

In 1989, the then Michigan Chapter of the American Planning Association (now Michigan Association of Planning – abbreviated MAP), started its examination of options for modernizing the role and structure of planning at all levels of government in Michigan with the creation of a Planning Law Committee. That volunteer Committee worked for a decade to draft omnibus legislation to consolidate all planning enabling acts (Municipal Planning Act, Township Planning Act, County Planning Act and the Regional Planning Act) into the proposed Coordinated Planning Act. The draft was completed and released in November 1999. This lengthy draft legislation proposed clear roles for state, regional, county and local planning with a hierarchy of responsibility and coordination requirements. It was considered by the Legislature from 1999-2001, but only the coordination elements were enacted as part of amendments to the three local planning enabling acts in 2003, along with new but, separate joint planning commission legislation.

At that point, the MAP Law Committee made the decision to strategically separate legislative efforts to consolidate regional planning from efforts to consolidate city, village, township and county planning. Consolidation of city, village, township and county planning enabling legislation occurred in 2008 in the form of the Michigan Planning Enabling Act (MPEA, PA 33 of 2008), two years after successful consolidation of the three zoning enabling acts in the form of the Michigan Zoning Enabling Act (MZEA, PA 110 of 2006).

In 2009, the MAP Law Committee circled back to address modernization of regional planning commission legislation, and determined that three statutes should be targeted for consolidation. Beyond modernization, some of the other purposes for this effort include:

- Providing a common mechanism for regional service delivery of non-regional planning services.
- Providing a common mechanism for regional planning in Michigan.
- Creating a structure for more predictable and consistent delivery of regional planning services in Michigan. This is in light of concern about wide disparities in funding and

capacity of regional planning agencies across the state and a desire to make the playing field more uniform and predictable.

- Clarifying the roles, responsibilities and structure of regional planning commissions in Michigan.
- Spelling out the state role and the governor's responsibility for support of regional planning in Michigan.
- Extending the different authorities that exist in each of the three regional planning statutes to all regional planning commissions, not just to those organized under one of the regional planning statutes.
- Enabling regional planning commissions to do more than planning, if their constituents want them too. This is especially important in light of rising costs and the declining ability of state and local governments to provide services at reasonable costs with declining revenues. Regional planning commissions could provide some of those services.
- Improving state and local planning by linking them better with some regional plans (especially regional framework plans and regional economic development plans).
- Improving the ability of regional planning commissions to help communities in their region to better compete in the global New Economy.
- Positioning Michigan to be better able to adapt to changing economic, fiscal and political circumstances.

Background on Regional Planning Commissions in Michigan

Over the past 65 years the Michigan legislature has created three separate, but different statutory approaches to addressing regional planning through voluntary sub-state units of government known variously as *state-designated planning and development regions*, *regional planning commissions*, *regional planning and development commissions*, and *councils of government* (these terms are used interchangeably in this report). These Acts are:

- Regional Planning Act, 1945 PA 281 (hereafter abbreviated as RPA).
- The regional planning portion of the County or Regional Economic Development Commission Act, 1966 PA 46 (hereafter abbreviated as CREDCA).
- The regional planning portion of Metropolitan Councils Act, 1989 PA 292, (hereafter abbreviated as MCA).

The second of these Acts also authorizes county economic development commissions, and the third, regional service provision through regional councils.

The statutory approaches in each of these three Acts are quite different, they arguably do not result in a predictable or uniform service delivery, and they fail to address contemporary and emerging planning, economic and other sustainable development needs of the 21st Century. Only one of the Acts addresses the potential for a wide range of public services to be provided on a regional basis (MCA).

A growing concern among regional planners is that failure to modernize the regional planning structure will reduce the ability of Michigan to effectively compete at the regional level in the global New Economy and to not fully capitalize on the opportunity to provide some public services more cost effectively and efficiently at the regional level. Since regions are the geographic unit of global economic activity, this is no small concern.

State Planning & Development Commissions

What are the SPDRs?

SPDRs are voluntary organizations comprised of local governments dedicated to serving the regional planning needs of multi-county areas in all parts of Michigan. They are a form of local government voluntarily created by their members, which are largely persons appointed to represent local governments in the region; although membership also includes road authorities, nonprofit organizations, private citizens, and representatives of the business community in many regions. There is no state or federal constitutional acknowledgement of SPDRs (under any name) unlike specific provisions in the state constitution for counties, townships, cities and villages. But that doesn't make them a non-governmental entity, it just clouds how citizens might view them. For example, at the federal level some regional planning commissions are specifically recognized as official public entities providing valuable regional services (e.g. the U.S. Department of Commerce, Economic Development Administration of Economic Development Districts (EDDs), and MPOs by the U.S. Department of Transportation). Additionally, regional planning commissions are also recognized under Presidential Executive Order A-12372 as the sub-state regional clearinghouses for a variety of projects seeking federal funding.

The oldest of today's regions, the Tri-County Regional Planning Commission (Region 6 in Lansing, formed in 1956), and the three-county Detroit Metropolitan Area Regional Planning Commission (formed in 1947 and subsequently replaced by the Southeast Michigan Council of Governments in 1968) SEMCOG (which covers seven counties in SE Michigan), originated out of a desire by local officials to coordinate transportation infrastructure planning and to serve as a forum for other regional issues.

In the late 1960s, Governor Romney asked the Dept. of Management and Budget to undertake an analysis and determine the appropriate boundaries for SPDRs in all parts of Michigan. After a thorough study that considered dozens of variables (trip to work data, newspaper readership, population characteristics, common land characteristics, business types, etc.), thirteen regions were identified and given official status by Executive Directive of the Governor. Since then, the counties that originally comprised Region 8 were reorganized and Region 14 was established out of Region 8.¹ Subsequently, a number of state and federal departments have officially recognized the regional planning commissions as official partners in the delivery of a variety of services (this has occurred across the nation, not just in Michigan). The strongest of these federal partnerships are related to transportation planning and economic development. In these areas, the services of SPDRs are critical in helping state and federal agencies allocate resources such as road repair and improvement funds, traffic safety improvement funds, economic development implementation funds and other similar funds. This is not done by arbitrarily picking and choosing projects to support, rather it is accomplished by applying standards and principles contained in regional transportation and economic development plans to local needs and projects identified by local governments and businesses in the region as critical to the long term viability of the region. This model could also be applied for other service areas, through recreation plans, watershed plans, environmentally sensitive area plans, heritage route plans, etc.

¹ For additional background on the history of regions in Michigan, see **Regionalism**, by the League of Women Voters of Michigan, 1981, 111 pages.

Regional planning commissions have been around in some parts of the country since near the start of the last century (notably, the Regional Plan Association of New York). SPDRs look at planning issues from a larger geography than that examined by counties or local units of government in the region. That allows regional planning commissions to identify issues and opportunities that are not apparent at a smaller level. In that regard, they are generally less parochial. They also can help local governments resolve issues of overlapping services, help fill gaps in services through service sharing arrangements, and help find resources from the federal and state governments to address unmet needs.

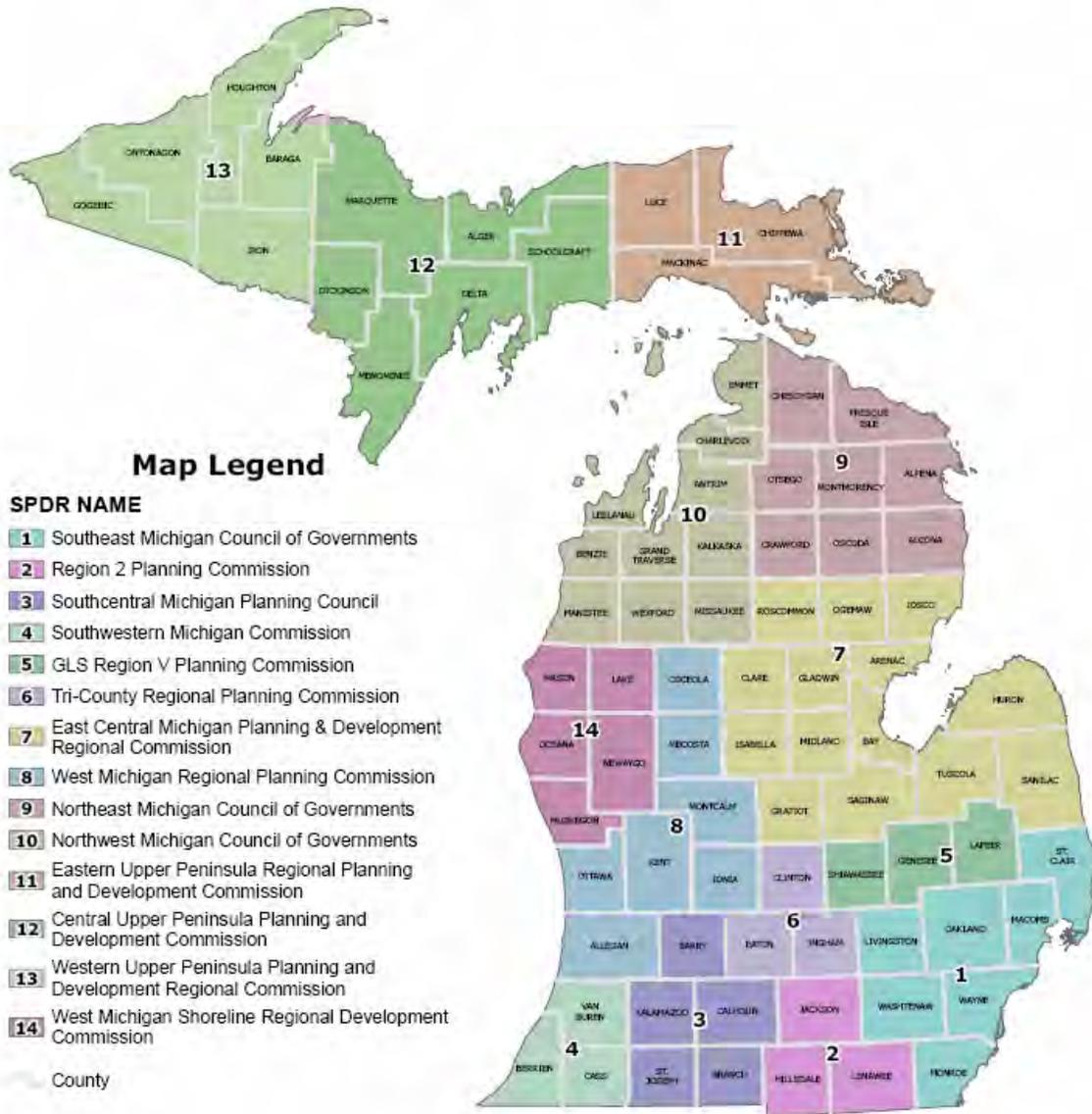
SPDRs are financed by dues paid by member communities and organizations, as well as from state, federal and foundation grants, from contracts with local governments and from some fee for service activities like training programs and temporary staffing arrangements they make with local governments within the region, or with adjacent regions.

Where are the SPDRs located?

The land area of Michigan is divided into 14 SPDRs (see Map 1) with counties as the organizing unit. They range widely in size as illustrated in Table 1. Five have only three counties, while one has fourteen counties. The two smallest are only 1,711-13 square miles each in size, while the largest is 8,735 square miles in size. Population served varies from 57,510 persons to 4,833,493 based on Census estimates in 2000. Population density ranges from under 14 persons/square mile in Region 13 (Western U.P.), to over 1,043 persons/square mile in Region 1 (Southeast Michigan).

Map 1

MICHIGAN STATE PLANNING & DEVELOPMENT REGIONS (SPDRs)



Produced by
Michigan Center for Geographic Information
Department of Information Technology
January 2006



Note: Region 7 has been renamed East Michigan Council of Governments, since this map was created.

Table 1 -- Size Characteristics of Michigan's SPDRs

Region Number & Name	Number of Counties	Land Area 2000 Sq. Miles	Population 2000 Persons	Largest Jurisdictions	General Location
1 – SEMCOG	7	4,632.25	4,833,493	Detroit & metro area	SE MI
2 – Region 2 PC	3	2,090.27	303,839	Jackson	Southern MI
3 – SCMPC	5	2,914.53	541,552	Battle Creek & Kalamazoo	Southern MI
4 – SWMPC	3	1,711.38	289,820	Benton Harbor & St. Joseph	SW MI
5 – GLS Reg. V PC	3	1,852.22	595,732	Flint	Flint & I-69
6 – TCRPC	3	1,713.35	447,728	Lansing	Capital area
7 – EMCOG	14	8,734.94	796,595	Saginaw, Midland, Bay City	Saginaw Basin
8 – WMRPC	7	4,733.20	1,104,848	Grand Rapids	W. Central MI
9 – NEMCOG	9	4,991.70	141,199	Gaylord & Alpena	NE Lower Pen.
10 – NWMCOG	10	4,950.51	281,468	Traverse City	NW Lower Pen.
11 – EUPRP&DC	3	3,798.63	57,510	St. Ignace & Sault Ste. Marie	Eastern UP
12 – CUPP&DC	6	7,032.90	174,717	Escanaba & Marquette	Central UP
13 – WUPP&DRC	6	6,204.47	85,389	Houghton	Western UP
14 – WMSRDC	5	3,017.79	284,554	Muskegon	W. Central MI

Who do the SPDRs serve?

Regional planning commissions serve all the communities that exist within the region. Some SPDRs make no distinction between “member” and “non-member” communities when it comes to service provision, whereas others provide service only to communities that are formal dues-paying members. Many regions have a policy that “qualifies” communities as members if the county in which the community is located is a dues-paying member of the regional planning commission.

What do the SPDRs do?

The overwhelming bulk of the services provided by SPDRs are planning and planning-related activities (e.g. data collection, mapping, various types of analyses and regional plan preparation.) These include the preparation of regional transportation plans, watershed protection plans, county solid waste plans and a host of other possibilities. There are also grant development and

grant administration activities and some regions are active as forums for discussion of a wide range of regional issues. Table 2 lists the programs and services offered by each of the SPDRs as of May 2011.

Missing among these services are any core services required by statute, because the enabling acts do not list specific services, except for a regional economic development plan in the two regions operating under the CREDCA. At a minimum, it should be appropriate to require that regional planning commissions all prepare: a regional land resource, transportation and other important infrastructure (such as public sewer and water) plan, and a regional economic development plan.

Other critical services provided by regional planning commissions are responses to unique local community needs. For example, community X calls and relies on the regional planning commission for Y information or analysis. Effectively in these cases, the regional planning commission is serving as an extension of the local government's own staff capacity. This frequent scenario is often part of the reason that local governments value regional planning commissions, but may not be recognized by the community at large. This is because regional planning commissions rarely take credit for their services and allow the local governments to take the credit instead. This is a double-edged sword, it helps cement local government support, but puts the regional planning commission at such a low profile, that citizens often don't know about them.

How have the SPDR functions changed over time?

Throughout the 1970s the regions received annual funding from state government through a redistribution of federal "701" funds. This resulted in the regions having a more common set of services from one to the next and more flexibility in responding to local dues collection issues and general economic ups and downs. Early in the 1980s, these funds were discontinued as the federal funding dried up. Regions became more entrepreneurial in order to cover staffing costs, but also became more different from one another in terms of service provision, culture, personality, and local significance. Federal transportation and economic development agencies became more rigid in their requirements related to multi-jurisdiction service areas and some regional planning commissions began to carry several banners, such designations as Metropolitan Planning Organizations (MPOs), and/or Economic Development Districts (EDDs). Some of the boundaries for these service areas were smaller than the geography of the entire region. Not all regions sought or received designation to provide these specialized planning services and they are in some cases provided by other regional entities (especially some MPOs which operate independent of a regional planning commission, but within an existing regional planning commission boundary). Map 2 illustrates some of these overlapping boundaries as relates just to transportation.

Over time, the SPDRs have settled into a service set, culture and financing arrangement that typically does not vary markedly over a 3-4 year period. Nevertheless, the level of staffing and funding varies tremendously from one region to the next. Table 3 illustrates some of these differences.

Table 2 – Services Provided by SPDRs

	1 SEMCOG	2 Region 2	4 SWMPC	5 GLS	6 TCRPC	7 EMCOG	8 WMRPC	9 NEMCOG	10 NWMCOG	11 EUPRPDC	12 CUPPAD	13 WUPDR
Federal/State Programs¹												
BRAC Military Base Closure or Expansion	3	3	3	3	3	2	3	3	3	2	2	3
CDBG Administration	3	2	2	2	2	2	3	1	2	2	1	1
Census Depository	1	1	1	2	1	1	1	1	1	2	1	1
Commuter Rail	1	2	1	2	3	2	3	3	3	3	2	3
EDA Planning	1	1	1	2	1	1	1	1	1	1	1	1
FEMA Fires Assistance Grants	3	2	3	2	2	2	3	2	2	2	2	2
Heritage Route Planning	3	2	1	2	2	1	2	1	1	1	1	1
HOME Program	3	3	3	2	3	3	3	3	3	3	3	1
Homeland Security Grant Administration	3	2	3	3	3	3	3	1	2	2	1	2
Metropolitan Planning Organization (MPO)	1	1	1	1	1	3	3	3	2	3	3	3
Public Transportation Coordination Planning	1	1	1	2	1	2	3	3	2	1	3	1
Regional Transit District	1	1	3	2	1	3	3	3	3	3	3	2
Regional Water Planning	1	2	1	2	1	1	3	1	1	2	2	2
Rideshare Facilitation	1	2	1	1	3	2	3	2	1	3	2	2
Rural Transit Funds	3	1	1	2	1	3	3	3	3	2	2	2
Rural Transportation Planning	3	1	1	2	1	1	1	1	1	1	1	1
State Clean Energy Grants	2	2	2	2	2	2	3	1	2	2	3	2
State Data Center/Affiliate of State Library	3	1	1	2	1	2	1	1	1	1	1	2
State Special Needs Projects	2	3	2	2	3	2	2	3	2	2	2	2
Transportation Asset Management	1	1	1	1	1	1	1	1	1	1	1	1
Urban Transit Funds	3	1	1	2	1	3	2	3	3	3	2	2
Workforce Investment Board	3	2	3	3	3	3	3	3	1	1	3	3
Business Loan Programs²												
EDA Revolving Loan Fund	2	2	3	3	3	1	3	3	2	3	3	1
SBA Small Business Development Center	3	3	3	3	3	2	3	2	1	3	3	3
Micro Loan Fund	3	3	3	3	3	2	3	1	1	3	3	3
Regional/Local Programs³												
Code and Ordinance Writing	2	1	3	2	2	2	3	1	2	2	1	2
Comprehensive Planning	3	1	1	2	1	1	1	1	1	1	1	1
Criminal Justice	3	2	3	3	3	2	3	1	1	3	1	3
Economic Profiles	1	1	3	2	1	1	1	1	1	1	2	1
Facilitation of Joint Public Services	1	2	2	2	1	2	2	1	1	2	2	2
G.I.S	1	1	1	2	1	1	1		1	1	1	1
Grant Administration	3	1	2	2	1	1	2	1	1	1	1	1
Grant Writing	3	2	1	2	1	1	1	1	1	1	1	1

Table 2 – Services Provided by SPDRs

	1 SEMOG	2 Region 2	4 SWMPC	5 GLS	6 TCRPC	7 EMCOG	8 WMRPC	9 NEMCOG	10 NWMCOG	11 EUPRPDC	12 CUPPAD	13 WUPDR
Historic Preservation Grants	3	2	2	2	2	3	3	2	2	2	2	2
Housing Outreach and Homebuyer's Education	3	3	3	2	3	3	3	3	3	3	3	2
Land Use/Zoning Ordinances	2	1	3	2		1	1	1	2	1	1	1
Local Land Use Education (Local Planning Board, etc.)	2	1	2	2	1	2	2	1	1	2	1	2
Public Administration	3	2	3	2	3	2	2	1	1	2	2	2
Public Works/Solid Waste	1	2	3	2	1	2	3	1	2	2	2	1
Recreational Planning	3	1	1	2	1	1	1	1	1	2	1	1
Regional Population Projections	1	1	2	2	1	1	1	2	1	2	2	2
Strategic Planning	1	2	1	2	1	1	2	1	1	1	1	2
Tourism	3	3	2	3	3	2	2	1	2	2	1	1
Transportation Modeling	1	1	3	2	1	2	3	3	1	3	2	2
Transportation Access Management	1	1	2	2		2	1	1	1	1	1	1
Water Associations	1	2	2	2	1	2	3	1	2	2	2	2
Watershed & Water Quality Education	1	2	1	2	1	2	3	1	1	2	2	2
Watershed Planning	1	2	1	2	1	2	3	1	1	2	2	2
Coastal Zone Management Grants	2	3	2	3	3	1	2	1	1	2	1	1
Community Surveys	2	1	1	2	2	1	1	1	1	2	2	1

1 = Core Function 2= In-house Capacity 3= No Capacity

FOOTNOTES

¹ **Is your agency involved in any other Federal/State programs? If so, explain.**

EMCOG	Coastal Zone Management projects, Sub-state regional clearinghouse review (A-12372), EDA RLF (2-counties), Economic Gardening (USDA), Local/Regional Food Systems (USDA)
WUPDR	MSHDA Voucher Program
EUPRPDC	FEMA Pre-Disaster mitigation planning, USDA Solid Waste Management Planning, State Solid Waste Management Planning (unfunded mandate), Michigan Council for the arts and cultural affairs mini re-granting administrator, Scenic Byways grant administration
CUPPAD	MDEQ & EPA Great Lakes Restoration Initiative, MDOT Emergency Management planning, Heritage Route and Arts Minigrant administration
TCRPC	Stormwater NPDES management; USDA and USGS programs, hazard mitigation planning
WMRPC	Michigan Coastal Management Program; Michigan Natural Resources Trust Fund/MDNR Recreation Plans
SEMOG	Air and water quality planning agency
GLS	We operate a multitude of federal and state programs, but only for Genesee County. Wasn't completely sure how to answer the questions where we clearly have expertise but do not currently do those tasks for the other two counties. We also are the Energy Efficiency Block Group administrators for Genesee County, and have administered Emergency Shelter grant and are administering HPRP monies. Our office has also participated in leveraging MSHDA LIHTC to construct senior housing with our HOME funds. We have constructed or rehabbed over 1000 units. Currently our large HUD housing project is the Neighborhood Stabilization program. We have demolished approximately 300 homes and are currently rehabbing 70. We have sold 15 to date.
Region 2 PC	EDA CEDS Grant; OHSP Safety Grants
NEMCOG	Community Corrections, Juvenile Delinquency Prevention Program, Solid Waste, Heritage Route, Scenic Byways, Ecotourism Planning.

² Does your agency participate in any other Business Loan programs? If so, explain.

EMCOG	Not yet - anticipating IRP designation (USDA).
SEMCOG	In-process of becoming EDA District.
GLS	The counties of Genesee, Shiawassee and Lapeer all have separate economic development entities located in their Chambers of Commerce.

³ Does your agency participate in any other Regional/Local programs? If so, explain.

TCRPC	Regional economic development; consortium of social services providers
GLS	Currently our agency provides the above services only for Genesee County. We do have the expertise in our staffing to provide for the other two counties, it is something that is currently being looked at.
Region 2 PC	Multi-jurisdictional recreation and master plans

Table 3 – Staffing and Funding Levels of SPDRs

	1 SEMCOG	2 Region 2	4 SWMPC	5 GLS	6 TCRPC	7 EMCOG	8 WMRPC	9 NEMCOG	10 NWMCOG	11 EUPRPDC	12 CUPPAD	13 WUPDR
Total Staff	65	6	12	24	14	4	3	10	26	3.5	6	10
Professional Staff	65	4	8	20	11	3	2	8	16	3.5	4	8
Support Staff	3	2	8	4	3	1	1	2	10	0	2	2
Total Funds	\$9,600,000	\$786,507	\$907,679	\$70,000 ¹	-	\$500,000	\$220,000	\$1,015,671	\$1,100,000	\$289,000	\$541,000	\$800,000
% Funds from Local Dues/Fees	2	4	1	1	-	1	1	1	1	1	2	1
% Funds from State Funds	6	1	3	1	-	7	6	4	6	1	1	6
% Funds from Federal Funds	2	5	5	8	-	1	3	2	3	7	1	2
% Funds from MPO Status	N/A	5	3	4	-	N/A	N/A	N/A	N/A	3	N/A	N/A
% Funds from WIB Status	N/A	N/A	N/A	N/A	-	N/A	N/A	N/A	9	N/A	N/A	N/A
% Funds from Other Sources ²	N/A	N/A	1	N/A	-	1	N/A	3	N/A	N/A	6	1
How many members are on your agency's governing body?	47	81	42	30	-	35	35	21	10	19	30	43
How many members are on your agency's CEDS advisory committee?	50	17	20	N/A	-	15	18	20	27	27	8	23

Legend for % of Funds by Source

1 = 10%, 2 = 20%, 3 = 30%, 4 = 40%, 5 = 50%, 6 = 60%, 7 = 70%, 8 = 80%, 9 = 90%

FOOTNOTES

¹ Approximately \$4 million for Genesee County Planning Commission, GLS Region V is approximately \$70,000

² Do you have any other stable funding sources? If so, explain.

EMCOG	RLF administration funds
SWMPC	Other-private foundation funding (probably does not qualify as stable however)
NWMCOG	Private foundation funding

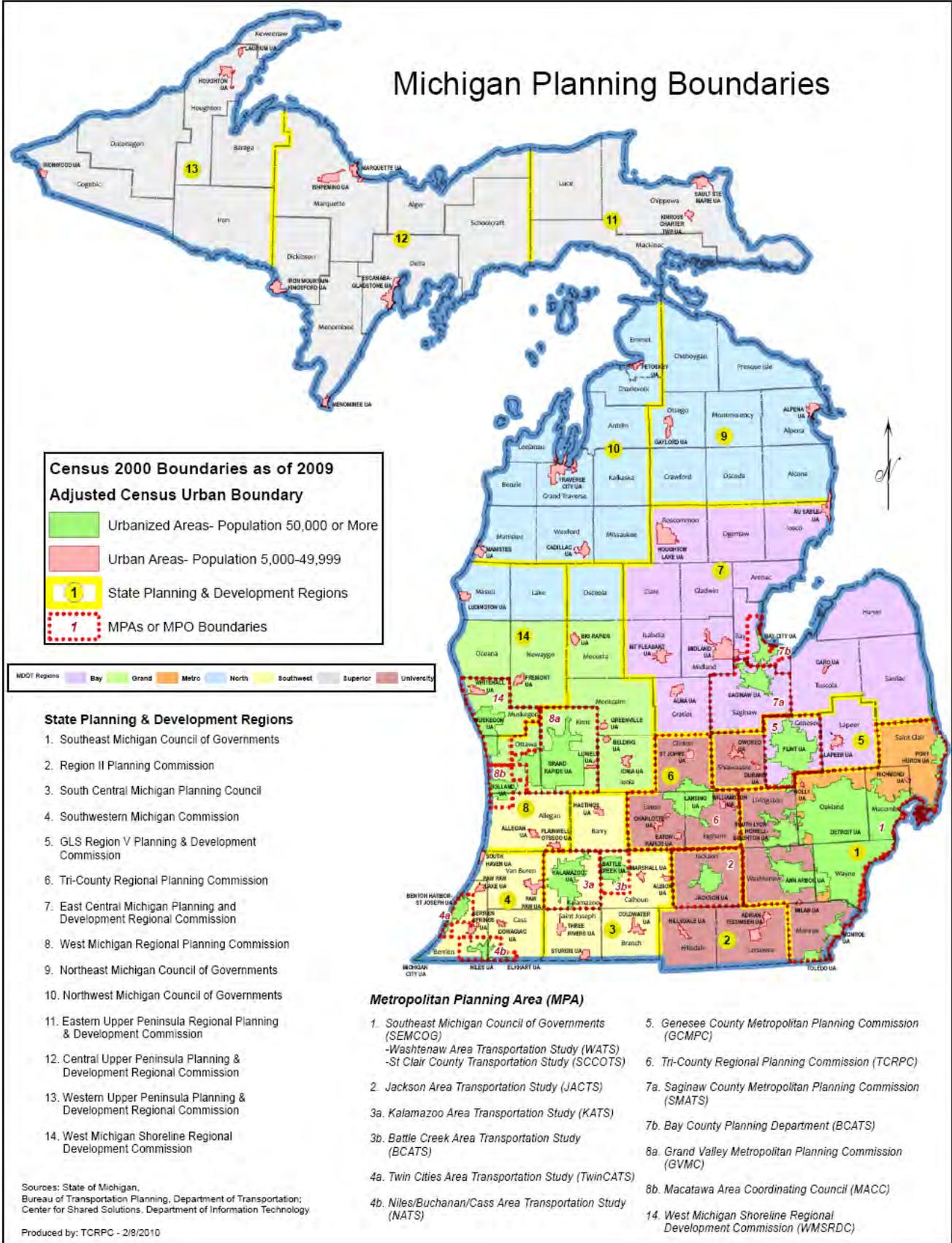
Summary of Existing Statutory Options

All of the SPDRs are believed to be organized under the Regional Planning Act, PA 281 of 1945, as amended. At least two are also organized under the County or Regional Economic Development Commission Act, PA 46 of 1966, as amended. At least one region was reorganized in the early 1980s under the Intergovernmental Transfer of Functions and Responsibilities Act, PA 8 of 1967, in order to combine regional planning with workforce development activities (Region 10 headquartered in Traverse City).

Both PA 281 of 1945 and PA 46 of 1966 are very simply structured enabling acts permitting regional planning activities. In the case of the Regional Planning Act (RPA), a broad range of planning activities is permitted. In the case of the County or Regional Economic Development Commission Act (CREDCA) the focus is on planning and implementing various economic development and expansion activities. No other types of planning activities are specifically mentioned in the RPA or the CREDCA.

To add to the complexity, a third statute authorizes regional planning and provision of a broad range of other services as well. This is the Metropolitan Councils Act (MCA), P.A. 292 of 1989. The Grand Valley Metropolitan Council (GVMC) is organized under this statute. The GVMC serves about three dozen communities in the Grand Rapids area (including communities in Allegan, Kent and Barry Counties). It is NOT recognized by the state as an SPDR, but is recognized by the Michigan Department of Transportation (MDOT) and the Federal Highway Administration (FHWA) as an MPO. As such it does the transportation planning for the Grand Rapids metro area. It also operates a geographic information system (REGIS); engages in metropolitan land use, green infrastructure, and watershed planning; and prepares model regulations (notably a model Form-Based Code) for use by local governments in the metro area. The West Michigan Regional Planning Commission (Region 8) also provides regional planning services for the same geographic area, as well as for quite a bit more area than the GVMC, but does not provide the same services as GVMC within the GVMC service area. See Map 3 for the GVMC service area and compare to the Region 8 service area on Map 1. Note also on Map 3, the cities in Barry County (which is in Region 3) that belong to the GVMC, but that are not within Kent or Ottawa County (Region 8). Despite the authority in the Metropolitan Councils Act, the GVMC does not appear to provide any regional services beyond a set of services similar to those provided by many of the SPDRs.

Map 2



Map 3 – Service Area of the Grand Valley Metropolitan Council

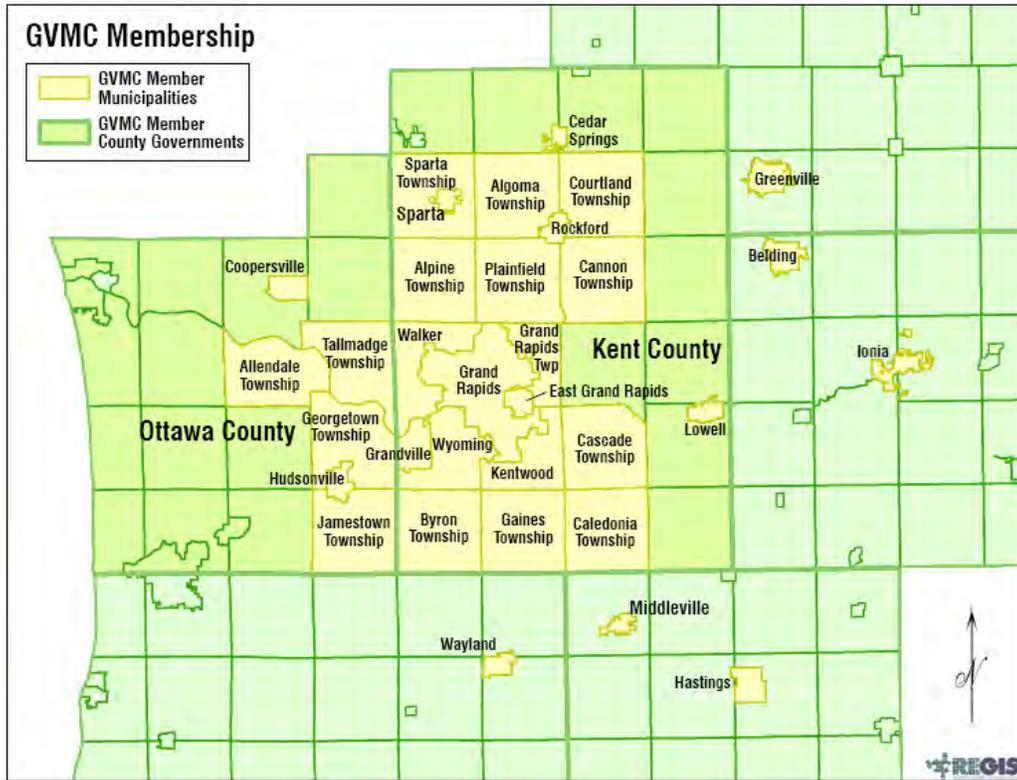


Table 4 illustrates the principal focus of each of these three regional planning enabling acts.

Table 4 – Comparison of the Three Regional Planning Enabling Acts

Key Provisions	RPA PA 281 of 1945 MCL 125.11 et seq	CREDCA PA 46 of 1966 MCL 125.1231 et seq	MCA PA 292 of 1989 MCL 124.651 et seq
Number of Regions Organized Under or Utilizing the Act	Believed to be 14 SPDRs	Perhaps 2 SPDRs	1 (not an SPDR; can be a metropolitan area council, a metropolitan region council, or a metro arts council—different provisions for each one; only the metropolitan area council is a general regional planning entity, but it can also provide other regional services, the other two metro councils enabled under the Act are for establishing and running regional cultural facilities, like a stadium or art museum). The following summary in this column applies to a metropolitan area council.

Key Provisions	RPA PA 281 of 1945 MCL 125.11 et seq	CREDCA PA 46 of 1966 MCL 125.1231 et seq	MCA PA 292 of 1989 MCL 124.651 et seq
Basic Purpose & Scope of Authority	May conduct all types of research studies, collect and analyze data, prepare maps, charts, and tables, and conduct all necessary studies for the accomplishment of its other duties; may make and coordinate the development of plans for the physical, social, and economic development of the region, and may adopt, by resolution of its governing body, a plan ... for the development of the region;	Plan and direct the carrying out of an economic development and expansion program for the county or region; including promotion, marketing, research and implementation	(1) The articles (<i>of incorporation</i>) may authorize a metropolitan area council to propose standards, criteria, and suggested model ordinances to regulate the use and development of land and water within the council area. (2) To the extent authorized in the articles, a metropolitan area council may plan, promote, finance, issue bonds for, acquire, improve, enlarge, extend, own, construct, replace, or contract for public improvements and services including, but not limited to, the following: (a) Water and sewer public improvements and services. (b) Solid waste collection, recycling, and disposal. (c) Parks, museums, zoos, wildlife sanctuaries, recreational facilities. (d) Special use facilities. (e) Ground and air transportation and facilities, including airports. (f) Economic development and planning for the metropolitan area council area. (g) Higher education public improvements and services. (h) Community foundations as that term is defined in section 261 of the income tax act of 1967, 1967 PA 281, MCL 206.261.
Who Creates	2 or more legislative bodies of any local governmental units by resolution.	County Board of Commissioners of two or more contiguous counties. County	2 or more local governmental units in a metropolitan area (MSA under 1.5 million persons) may form a

Key Provisions	RPA PA 281 of 1945 MCL 125.11 et seq	CREDCA PA 46 of 1966 MCL 125.1231 et seq	MCA PA 292 of 1989 MCL 124.651 et seq
	Commission once formed makes its own rules. Can be converted to a regional council of governments after first created.	Boards make the rules, but additional rules may be established by the commission.	metropolitan area council by adopting articles of incorporation. May adopt bylaws.
Basic Membership Options	Local units of government, which includes counties, cities, villages, townships, school districts and special authorities like road commissions or sewer and water authorities.	Not less than 3 nor more than 35 members	Established in articles of incorporation.
Funding	May accept aid, gifts or grants and (apparently) enter into contracts; may establish a budget and ask local governments to contribute funds to its operations	Allowed to apply for and implement grants, contracts and accept other sources of funding	May accept aid, gifts or grants and enter into contracts; may impose taxes in jurisdictions served with approval of the jurisdiction members (detailed provisions in act)
Express Statutory Limitations	Can not impose costs on local governments without their approval. May be restricted in providing some services that are available from the private sector.		A council established under this act may not contract for the operation by another person of a public improvement or service acquired by the council pursuant to this act.

There are substantial differences across the three statutes in terms of what is authorized and, which topics are addressed. The oldest of the three statutes, the RPA, is the most general and enables largely just planning and related services, but there are a few limitations. It is also extremely sensitive in the way it treats local financing of the regional planning commission activities. This puts regional planning commissions at risk of losing funding and/or a membership in any given year. That also makes it difficult for them to budget with any confidence from year to year. However, while the vagueness does not restrict the regional planning commission from doing much, and there is considerable flexibility in how a regional planning commission functions and what it does for local governments, it also does not explicitly

permit them to do much, and this could result in litigation over their authority to provide regional services that may be outside the direct scope of regional planning.

The CREDCA only authorizes economic development planning and implementation activities, but it leaves support for them completely at the discretion of the member county boards of commissioners. While the statute is very short, it otherwise covers the most elementary issues associated with its purpose. Many rural counties have created economic development commissions under this act. When used by a regional planning commission, the commission serves as the regional economic development commission.

The Metropolitan Councils Act authorizes not only planning, but also provides specific authority to implement various public services at a regional, or (presumably) sub-regional level. It permits development of model land use regulations, but does not specifically permit the development of regional land use plans. Specific services that may be provided at a regional level that are spelled out include water and sewer, solid waste, parks and recreation, transportation, economic development and higher education improvements.

None of these statutes clearly establishes whether regional planning commissions are equivalent to local governments, or as arms of state government. In every case, regional planning commissions are established voluntarily by local units of government (and sometimes other stakeholders) in each region. As such, the federal government considers them local units of government, and the state considers them "political subdivisions of the State of Michigan."

Another statute, the Joint Planning Act, P.A. 226 of 2003, MCL 125.131 et seq authorizes planning (and zoning) on a multi-jurisdictional basis. However, it is not included in this analysis because it only applies to cities, villages and townships (not counties or other governmental entities), and it is tied to implementation of local master plans and zoning ordinances pursuant to the Michigan Planning Enabling Act, and Michigan Zoning Enabling Act, respectively. It does not authorize a broader range of services. The Urban Cooperation Act, PA 7 of 1967 and the Intergovernmental Transfer of Functions and Responsibilities Act, PA 8 of 1967 mentioned earlier, could also be used to engage in regional planning and regional service provision, but it is an awkward and cumbersome tool to use for more than two entities and would result in very different arrangements across the state instead of a common structure for regional planning. Thus, it is not considered in this analysis.

Problems with the Present Institutional Structure

The Regional Planning Act has served regional planning commissions in Michigan well since 1945. Despite the RPA being 65 years old and showing some rust around the edges compared to the more contemporary Metropolitan Councils Act (MCA), one might ask "*why consider making any changes?*" There are many reasons. Some of the most frequently cited reasons are briefly discussed below.

1. There is a general lack of understanding among citizens and local officials as to why regional service provision is important, what regionalism is, and why it is important to Michigan's future. Until this general attitude is changed, regional service provision will remain a limited service sharing choice, but education must continue until we get to get a critical mass of

people that understand the value and importance of regional service provision as another important option in maximizing cost effective service provision.

2. Uneven ability to provide key services on a regional basis depending on which statute regions are organized under. As long as regions can organize under different statutes, there will be a difference in the services provided, and hence less uniformity in terms of what services are available at each regional planning commission. Michigan's citizens, businesses and communities all deserve a core set of services from their regional planning commission. These core services should be specified in the enabling statute. While all 14 SPDRs appear to be organized under the RPA at this time, the GVMC is not. Since the GVMC is organized under the MCA, it has the authority to provide a much wider range of services than Region 8 can. The overlapping geography does not appear to be much of a distraction at the present time, probably because of close staff coordination between the two entities, but that could be an issue in the future. It is a needless issue if all SPDRs were organized under a single statute that authorizes a broad range of regional services, not just planning, and if there were not more than one state-designated planning and development regional commission in each region. The same is true with MPOs. If all MPOs were within designated SPDRs and the transportation planning services were provided by the SPDR, there would be fewer separate sub-state planning entities. It is fine to have multiple regional councils in a region providing different regional services, but there should be only one state-designated regional council authorized to do regional planning tied to transportation, economic development and other functions specified in enabling legislation or requested by the state.
3. Not all regions provide the same services. This is probably a good thing where the services provided are a response to local needs. However, there are a core set of planning services that probably should be provided by every regional planning commission. Core services could include: regional land resource, transportation and other important infrastructure (such as public sewer and water) plan, and a regional economic development plan. Periodic audits by the state tied to review of spending of state support to the regions would ensure adequate provision of core services. This is already done with regard to transportation planning and EDA supported regional economic development plans (CEDs plans). By not listing these core regional plans as requirements in the statute, they may or may not be provided in a given region, and if not, then the communities and residents of that region are denied the benefits of those planning services. Only a few regions provide comprehensive regional land use planning, and regional infrastructure planning (other than transportation). Some regional planning commissions provide a variety of affordable housing planning services, and environmental protection and groundwater planning services, but it is very uneven. In a few cases, some of these services are provided by individual counties or cities, villages or townships in those regions (but only for the geographic area of the community affected). If regional planning is to have a chance to be uniformly effective, many of these services should be uniformly provided across the state. This would require a statutory change and a change in the means of financing, as regions presently provide only those services for which they have funding. This issue is also somewhat confounded by the fact that there is not a state agency with responsibility in all of these functional areas as well. Without a state agency connection, there is no way to coordinate all the regions to prepare a regional plan that readily fits into a state scheme, like is presently done with the MDOT recognized regions, the

transportation plans they prepare and their role in helping to create and implement a state transportation plan. The same should be done or at least enabled and facilitated, with regional economic development plans (i.e. helping to serve as the basis for a state strategic economic development plan).

4. Uneven geography of the area included in the regional planning commission boundaries, and uneven geography in the provision of state services. As noted earlier, Michigan's SPDRs differ widely in terms of number of counties served, total land area served, and population served. It is much easier to provide a uniform level of service to a smaller area and a smaller number of local units of government than to a larger one (either in area, number of local governments or population). It should not be a surprise then, that veteran planners who have worked with many regional planning commissions report a wide variation in the level of service provided by regions, not simply in the number and type of services offered. There are of course many reasons for this (e.g. level of base funding, training and experience of staff, number of staff, etc.). However, geography also plays a role. Large geographic regions put staff on the road for long time periods. This affects the cost and quantity of service that can be provided. Citizens do not readily associate with SPDRs based on their geography in part because that geography is not used by any other entities. When the SPDRs were first created, Governor Milliken issued an Executive Directive for state agencies to use the boundaries of the SPDRs when setting up regional offices of the state agencies. However, this was never implemented and state agencies all now have different geographies for their sub-state/field offices. But a uniform geography for state agencies and SPDRs is the norm in some other states (and other nations). If regions were organized around economic characteristics and/or cultural/geographic characteristics, and if the same boundaries were used for many different public service agencies, it would be much easier to identify with the region, and there would be new synergistic opportunities created if state agencies were to co-locate in or near the same location as SPDRs and other regional state offices.
5. Uneven politics of geography at different levels of government. Realistically, there is also a political dimension to regional service boundaries. Local governments need to agree with the service area and rationale behind it, or they are unlikely to provide financial and political support to the regional planning commission over time. This suggests careful study and dialogue between local governments, the regional planning commission and the state, prior to establishing or changing regional boundaries. Also, on some issues that may legitimately transcend even a region's boundaries, but are still less than the state as a whole, the issues should be addressed at a mega-region level. That requires a mechanism for regions without strict borders on some issues. Region 14 and Region 4 are both involved in projects with jurisdictions outside of their regional boundaries (see February 2011 issue of *Planning & Zoning News*). Last, changing regional planning commission boundaries cannot be done without involvement of the federal agencies that have been the most consistent financial support for regional planning commissions: the federal Dept. of Transportation (specifically FHWA) and the federal Dept. of Commerce (specifically EDA). Each of these entities has studied and specifically designated the boundaries to be served by regional planning commissions in Michigan for provision of those specific regional services. So any attempt to change regional boundaries must also directly involve at least these federal agencies.

6. Uneven financing. As voluntary membership organizations created under the RPA, with different bylaws and organizational structures, there are different financing mechanisms for membership dues. In addition, there is no authority to levy taxes to support the region's activities and some regions find themselves frequently in the position of "chasing grants." This results in up and down staffing levels, depending on success with grant chasing. Being heavily reliant on membership dues also places each region at risk of sudden or arbitrary action by communities that drop out of membership. In a fiscally unstable period for local governments, this is especially problematic for regional planning commissions. This is no way to run a government entity. If the service provided is not valued, then it should be eliminated. But if it has value, and MAP believes it has substantial value, then it should be institutionalized. That begins first with a stable source of financing. If the state establishes core regional planning services, and identifies other services it wants from regional planning commissions, then it should provide adequate funding for those services. The state has done so with funding for regional transportation planning for decades, and this model has worked well. Without base funding support from the state, it is unlikely that all regions could provide a core set of regional planning services.
7. Uneven staffing. With uneven financing comes uneven staffing. With uneven staffing comes uneven capacity and uneven ability to provide services between regions. Do communities in one region deserve better regional planning services than another? If the reason for uneven capacity is because of lack of funding/staffing, rather than a conscious decision not to provide the service, then there is a potentially serious inequity, especially if the service in question is key to the region's future (such as for regional transportation planning or regional economic development planning). If a new consolidated regional planning act provided for a base level of required regional services and an improved structure for financing, then staffing levels would be more uniform for the required services and service provision should be more uniform. Hasn't regional planning in Michigan progressed to a point that it should be a fundamental part of the state planning scheme that is better funded and staffed?
8. Uneven local government, business and NGO representation on regional planning commissions and consequent concern over how well balanced regional plans are from a broad public interest perspective. Over the last 20 years it has become apparent that for regional economic development and regional infrastructure planning there needs to be broad input both when commissions engage in the regional planning process AND when it comes time to make regional policy decisions. The federal Economic Development Administration (EDA) requires government, business and nongovernmental organizations (NGO) to sit on the decision body responsible for preparing and adopting an economic development plan at the county or regional level. This is a good structure for all regional planning activities. There is no uniform approach as to how to achieve this objective among the SPDRs and the situation is complicated by the fact that federal transportation authorities have requirements for representation on the regional planning policy body of all the transportation entities in the region (road commissions, city transportation offices, MDOT, transit authorities, etc.). Trying to accommodate these requirements, while also meeting the requirements of all the member organizations for representation creates a strange "dance" that is worth exploring in new consolidated legislation. Sometimes the regional planning agency ends out with a policy body that is too large to be effective; other times it is small enough to be effective, but is just

a rubber stamp to advisory committees that are dominated by the interests involved in special planning studies. Something in-between, that still provides some flexibility to address legitimate local concerns, should be provided while still ensuring greater uniformity in the structure. Perhaps the most complicating factor comes from the MCA which permits limited taxation, because it raises the argument that the policy body should be a regionally elected body, rather than an appointed body—or at least a body comprised of elected officials from other local units of government in the region. Then we are back to not having business and NGO representation, unless seats are reserved for election to address those interest areas. This is a difficult issue, but it should not be avoided simply because it is difficult. New legislation should balance representation while still maintaining flexibility to adapt to changing federal, state, and local circumstances. It should also provide a more robust structure for the mechanics of organizing and operating a regional planning commission.

9. Role of regional planning commissions needs to be very clear in enabling legislation. Local government officials and citizens sometimes view regions as a political threat. One of the likely reasons that regions have continued to successfully plug away at preparing regional plans and assisting communities with state and federal grants is probably because they often lie “below the radar.” The residents of most communities in Michigan probably do not even know there is a regional planning commission that serves them, let alone knowing what those commissions do. If they did, they may well view regions as simply another layer of government, creating the potential for more government intrusion into their lives. Regions have fought these attitudes from the beginning. Requiring regions to undertake certain types of regional planning and to have more certain funding lines will neither reduce nor eliminate these concerns. Indeed, these requirements will likely exacerbate such concerns in some cases. To avoid this problem from becoming larger than it already is, it is necessary for state policy makers to be clear about what they want regional planning commissions to do, why, how to pay for it, and what the relationship of regional planning commissions to both the provision of state services and of local services should properly be. The role of regional planning commissions needs to be clearly defined in the legislation vis à vis the role of other governmental entities (including state agencies), not merely as that role relates to the responsibilities of the regional commission alone.

Major Benefits of Consolidating and Updating Regional Planning Statutes

Based on the above observations, it is clear there are at least seven major benefits of consolidating and modernizing the regional planning statutes. These include:

1. Creating a uniform structure for regional planning commissions so that everyone interacting with them is dealing with a like entity that provides similar services.
2. Creating an opportunity for restructuring not only the functions of regional planning commissions, but also rationally changing the geographic area they serve in order to keep them continuously relevant to global economic conditions. This also involves using regional planning commission boundaries as the basis for providing a variety of state services.
3. Creating a uniform structure for regional planning commissions that enhances their ability to secure base and long term funding on more stable terms than at the present time, and to therefore also have more uniformity in staffing.

4. Creating a more robust structure for organizing regional planning commissions while maintaining flexibility to accommodate requirements of federal funding agencies.
5. Creating a predictable structure for regional planning that can guide local planning by having regional planning commissions prepare regional framework plans for land resources and infrastructure, and regional economic development plans.
6. Establishing a structure for the state to engage with regions to address issues of greater than local concern, to link to and provide input into development of state plans, and to reflect relevant parts of state plans in regional plans.
7. Creating an opportunity for regional service provision by regional planning commissions where citizens and local governments permit the region to do so, or the state mandates (and pays for) such service.

Conclusions

Regional planning commissions operate under a mixed bag of largely old statutes that need to be modernized if Michigan is to take advantage of the benefits of approaching some public service challenges on a regional basis. Regional planning commissions are voluntary associations of local governments, with a base of funding that is largely locally sourced. State and federal support, as limited as it is, is contractual and not tied to any annual base funding. As a result, the characteristics of and services provided by regional planning commissions varies dramatically across the state.

Regional planning commissions have been able to adapt, evolve and survive in widely changing circumstances over time. This demonstrates their basic utility to local governments. But beyond the local scale, they are underused and not part of a broader state strategy for the coordinated provision of state, regional and local services. If Michigan is to seriously explore service sharing and both prepare and execute coordinated state, regional, and local plans to be more globally competitive, then we should seize the present opportunity to revisit and modernize the institutional structure for provision of regional planning and other regional services in Michigan.

OVERVIEW OF PROPOSED MICHIGAN REGIONAL COUNCILS ACT

A proposed act to consolidate enabling authority for regional planning and other regional service provision into a single statute and to repeal the Regional Planning Act (1945 PA 281), the regional portions of the County or Regional Economic Development Commission Act (1966 PA 46), and Sections 1- 63 of the Metropolitan Councils Act (1989 PA 292) which would also be renamed the “Metropolitan Arts Councils Act.”

Prepared by the Law Committee of the Michigan Association of Planning

With assistance from a Committee of the Michigan Association of Regions

June 14, 2011

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Purposes

The purposes of the proposed Michigan Regional Councils Act (MRCA) include:

- Provide clear and contemporary authority for BOTH regional councils AND state-designated regional planning councils as voluntary associations of local governments. And more particularly to:
 - Provide clearer authority, with better checks and balances for the creation of regional councils that could provide regional services (beyond regional planning), if their members so desire; AND
 - To more clearly authorize and establish a contemporary structure for the operation of state-designated planning and development regions (AKA regional planning commissions) by specifying certain responsibilities of such councils, the governor and state government with regard to their operations; AND please note that
 - All state-designated regional planning councils would be formed and organized as regional councils and subject to all regional council requirements and authorities in the proposed act, and would be official state-designated regional planning councils only by act of the governor, pursuant to procedures in the proposed act.
- Continue the efforts of the Michigan Association of Planning to consolidate related statutes into one. In this case: the Regional Planning Act (1945 PA 281), the regional portions of the County or Regional Economic Development Commission Act (1966 PA 46), and Sections 1- 63 of the Metropolitan Councils Act (1989 PA 292).
- Provide clear authority for the governor to periodically change boundaries of state-designated regional planning councils, as well as add regional service responsibilities when accompanied by adequate financial resources.

What is Different from Existing Regional Planning Commission Functions

The following provisions are included in the proposed MRCA:

- Provides a structure for the creation and operation of regional councils made up largely of local governments (but which may also include membership of private and nonprofit groups) with authority to provide a wide range of services on a regional basis – as determined by their members. These services include regional planning, but may also include other services such as a regional zoo, or regional park system, or regional waste disposal, etc. – any number of services.
- Would require state-designated regional planning councils to prepare certain regional framework plans (addressing at the regional scale, land resources and environmental features, infrastructure and economic development), whereas presently, no such plans are required to be prepared.

- Provides authority for taxation to pay for specific regional services if the members of the regional council 1) permit taxation by the regional council in the articles of incorporation; and 2) if the members of the regional council agree to provide a service regionally that requires public tax dollars to operate only after the taxes are adopted by a public vote as provided in the draft legislation. The proposed taxation process is the same process as presently exists in the Metropolitan Councils Act.

How the Proposed MRCA was Prepared

The Michigan Association of Planning (MAP) Law Committee undertook this project initially to follow-up on two prior successful efforts to consolidate related statutes. In 2006, with the support of many other stakeholder groups, the Michigan legislature passed and the governor signed the Michigan Zoning Enabling Act, PA 110 of 2006 which consolidated three zoning enabling acts into one. In 2008, again with the support of many other stakeholder groups, the Michigan legislature passed and the governor signed the Michigan Planning Enabling Act, PA 33 of 2008 which consolidated three local planning enabling acts into one statute. Initially consolidating the regional planning commission legislation into PA 33 was considered as a part of that project, but it was rejected as the RPA has little in common with the local government planning legislation.

The effort to address regional planning legislation was rekindled when a MAP inventory of the region planning commissions revealed they were not all organized under the Regional Planning Act. Some were organized under two acts (RPA and County or Regional Economic Development Act (CREDA)), and one was organized under the Metropolitan Councils Act. The decision was then made to attempt to consolidate and modernize all three regional planning/regional council acts into one.

The MAP Law Committee began by simultaneously:

- 1) preparing a large table comparing all provisions of the three enabling acts sought to be consolidated (available to interested stakeholders upon request to Andrea Brown, MAP Executive Director); and
- 2) preparing a rough draft of a white paper detailing what was sought to be accomplished by consolidation of the statutes (that paper was periodically updated as work on the draft legislation progressed and additional background information was gathered).

Since the Metropolitan Councils Act was the newest and the most comprehensive of the three acts, it was decided that it was the best to use as the “base” for the new legislation. However, after several months of meetings, this approach failed because the statutory structure for regional councils under that act is not flexible enough to address organizational issues associated with federal agency requirements that are critical to the day-to-day functioning of regional planning commissions. In addition, none of 14 state-designated regional planning commissions are presently organized under the Metropolitan Councils Act (MCA) 20 years after its passage, suggesting that it has some deficiencies as an independent enabling act for regional planning purposes.

The effort then shifted to drafting a consolidated statute based on the Regional Planning Act (RPA). The initial effort here was only partially successful. As a base statute, the RPA was more flexible in places, but too vague in others. The end result embodied in the draft MRCA used the RPA as the base with large parts from the MCA and all the economic development parts of the CREDA. To most readers familiar with the three existing statutes, however, the proposed MRCA will read like a completely new act.

After a year of work, the MAP Law Committee presented its consolidated draft legislation to the Michigan Association of Regions (MAR) Executive Directors for review and comment. A subcommittee comprised of Law Committee representatives and MAR representatives convened periodically over several months to review and refine the draft legislation and to answer various questions MAP had raised

of MAR members. The committees also provided comments to refine a draft companion white paper describing the rationale for modernizing the structure for regional planning and regional service provision in Michigan.

Desired Process for Finalizing a Draft Consolidated Statute

MAP desires to vet the draft statute by seeking specific comments from the following stakeholder groups:

- Michigan Townships Association,
- Michigan Municipal League,
- Michigan Association of Counties
- Governor and various state agencies
- State Chamber of Commerce,
- Michigan Association of Realtors,
- Michigan Association of Homebuilders,
- Business Leaders of Michigan,
- Michigan Environmental Council,
- Michigan Farm Bureau,
- and other interested groups.

Following this input, which can hopefully be accomplished over a few months in the summer 2011, the MAP Law Committee expects to revise the draft legislation and send it back out to stakeholders. MAP would then begin to find legislative sponsors and have the bill introduced. At that point it would likely be further refined, prior to adoption.

The MAP Law Committee welcomes comments on the draft legislation. Comments are MOST USEFUL when accompanied with specific proposed revisions (including actual draft language that says something like “change section ___ from X to Y”). That way there is no confusion about what was meant by a comment.

Please send written comments on the draft legislation to:

Andrea Brown, Executive Director
Michigan Association of Planning
219 S. Main Street
Suite 300
Ann Arbor, MI 48104
Or by email to abrown@planningmi.org.

Parameters for Consolidation of the Statutes

Many considerations went into the process the MAP Law Committee used in drafting a consolidated statute authorizing both regional councils (per the Metropolitan Councils Act), as well as regional planning commissions. Some of the most significant of these considerations are listed below:

- Retain at least the existing level of regional planning and service provision in all parts of Michigan, and expand with the addition of requirements for two regional framework plans (one for regional land resources and infrastructure, and the other for regional economic development).
- Enable and encourage consistency in regional planning service provision between regions.
- Provide a fair mechanism and incentives for moving from the existing statutory structure to the new one (e.g. phase in over time and allocate state funds for certain types of planning and/or service provision if organized under the new statute).
- Provide an easy means for doing things across multiple regions.
- Clarify the structure and opportunity for public and stakeholder input into regional planning and decision making on provision of other regional services requested by local governments.

- Improve the structure for local, state and other financing of regional planning commissions.
- Provide a clear and simple means when moving regions under the existing RPA to the new statute to change the geography of the regional service area, if justified by prior study, supported by member units of local government and by the governor.
- Provide a clearer role for regional planning commissions relative to state planning and related service activities.
- Identify the basic contents of two regional framework plans (for regional land resources and infrastructure, and for regional economic development).

Specific Challenging Issues to Address in Consolidated Statute

In the process of drafting the proposed statute, there were a number of challenging issues that arose. These included:

- Providing a structure that worked for both regional councils (ala the Metropolitan Councils Act) and for regional planning commissions, since a regional planning commission is empowered to provide both sets of services.
- Composition options for the regional council (and hence regional planning commission as well) that allowed for a variety of advisory bodies in a way that met federal FHWA/MDOT and EDA requirements.
- How members are appointed and who they are.
- Financing of the regional council (especially providing for a local tax option if new regional services are offered).
- Mechanism(s) for regional service provision (other than regional planning).
- A mechanism for changing the boundaries of regions, once the functions of regions are established.
- State role vis à vis the regions.

Most of the drafting time was spent on these issues, and it is hoped that stakeholders reviewing the draft legislation will pay close attention in these areas and advise MAP as to any changes that are needed, consistent with the parameters used to create the new statute.

Organization of Proposed Act

The proposed Michigan Regional Councils Act is organized into four Parts:

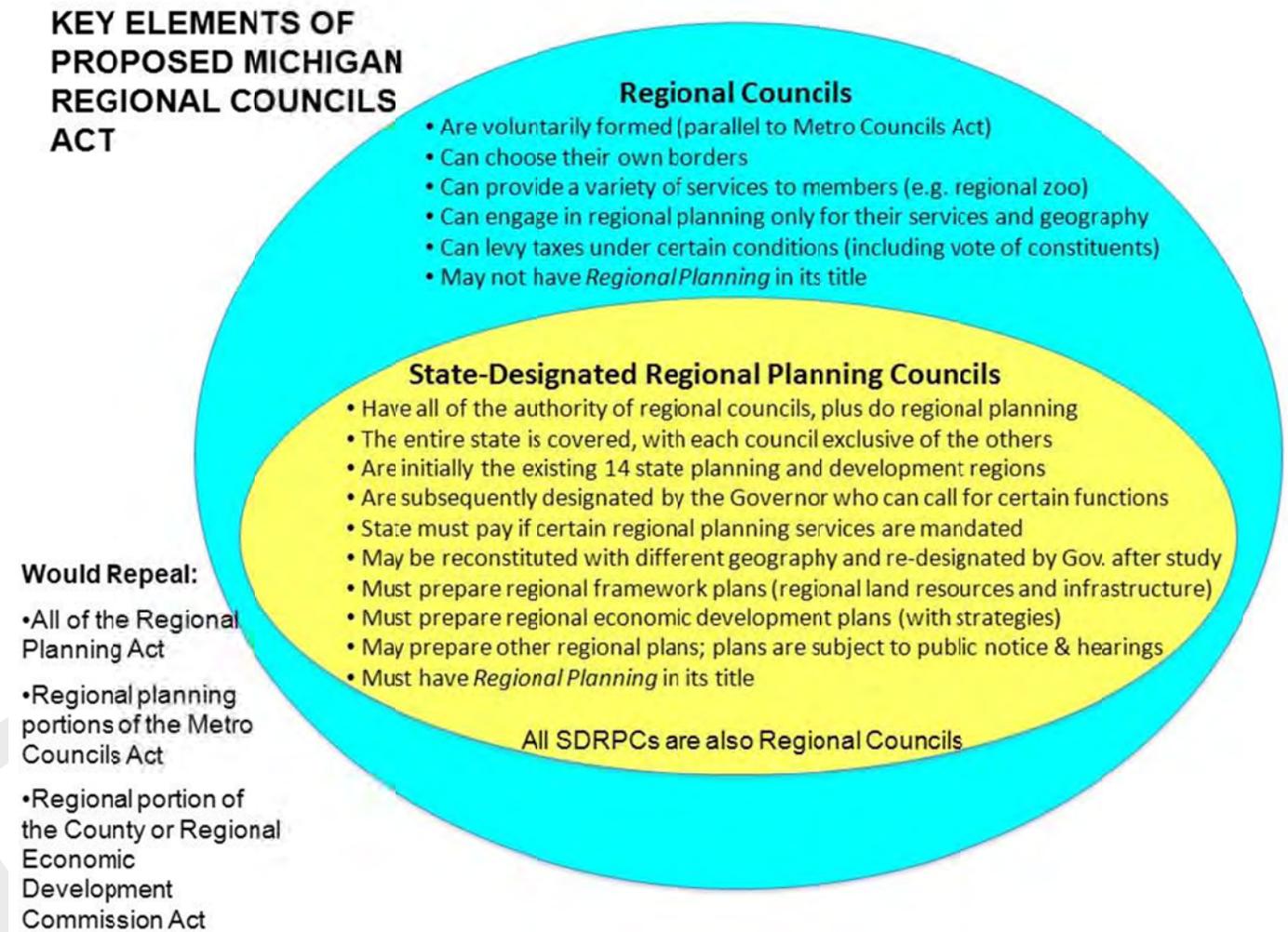
- **Part I:** Short title and definitions.
- **Part II:** Creation of a regional council; addition and withdrawal of participating local governmental units.
- **Part III:** Creation of state planning regions; adjustment of region boundaries; designation of state-designated regional planning councils; and authorization of regional planning.
- **Part IV:** Effective date and repealer.

The most important structural element to keep in mind in reading the draft statute is that it not only addresses regional planning commissions, but also authorizes other regional councils that are providing other regional services. Structurally, the proposed MRCA does so by first authorizing regional councils which are service delivery entities at the regional level (and whose boundaries may or may not (probably not) conform with the boundaries of regional planning commissions). Thus all regional planning commissions are also regional councils under the proposed statute. See Figure 1.

Second, the initial boundaries of regional planning commissions are the same as they exist today. The boundaries may be changed by the governor after study and an opportunity for regions, citizens, and stakeholders to review and comment on the proposed boundaries. Before changing the boundaries, the governor has to first decide what functions/services he/she wants the regions to provide. After the

functions and boundaries are set, regional planning commissions (which are still voluntarily created) may be designated as “state-designated regional planning councils.” Once so designated, no other regional council can perform regional planning services in the delineated “state planning region.” Initially all fourteen existing regional planning commissions would continue to have the state-designation, but as described above that could change, as could the geographic boundaries of the regional service area.

Figure 1



Following are key elements in each of the Parts of the proposed MRCA to pay particular attention to:

Part I

- Key definitions to pay attention to:
 - Distinction between *general purpose local governmental units* and *local governmental units*
 - *Regional council,*
 - *State designated regional planning council,*
 - *State planning region.*

Part II

- Organizational elements:

- Creation of a regional council
- Articles of incorporation must address:
 - Membership (adding/subtracting members)
 - Officers
 - Dues and other revenues
 - Committees (flexible structure to meet FHWA and EDA requirements)
 - Creation and dissolution of a regional council
- Must also be bylaws
- Must also be rules of procedure.
- Authority to tax to pay for regional services under certain circumstances including vote of citizens.

Part III

- Provides for creation of state planning region boundaries by governor.
- Provides for designation of state-designated regional planning councils by the governor – initially shall be the 14 existing regional planning commissions.
- Authorizes governor to adjust boundaries of regions after one year, after study and after an opportunity for review and comment by each affected region.
- Requires that the state must fund mandated regional services.
- Authorizes certain data collection, technical assistance services and planning functions.
- Requires preparation of a regional framework plan addressing regional land use and infrastructure.
- Requires preparation of a regional economic development plan.
- Permits creation of other regional plans.
- Establishes a process for public notification and review of draft regional plans.
- Includes a provision to encourage local governments to make local master plans consistent with adopted regional plans.

Part IV

- Repeals all or part of the following:
 - Regional Planning Act -- regions have one year to come into compliance with the act.
 - Regional planning portions of the Metropolitan Councils Act (leaves Metro Arts Councils provisions intact).
 - Regional portions of the County or Regional Economic Development Commission Act (leaves the county portions intact).

Issues Raised in White Paper that are Not Specifically Addressed in the Proposed MRCA

There are three largely executive (gubernatorial) issues that could be addressed by an Executive Directive, and may also be addressed quite differently from one administration to the next. The policy issue then becomes, should the legislature address these issues in the MRCA? They are not fully addressed in the draft MRCA as of June 13, 2011. Observations by stakeholders on these issues is appreciated.

1. How state departments will interact with regional councils and vice versa in promoting and fostering regional cooperation and collaboration in Michigan; as well as the extent to which regional councils should act as sub-state entities providing state services on behalf of the state (probably to achieve a cost saving or better service delivery).
2. How to resolve potential conflicts between the MRCA and requirements of various federal programs as relates to state-designated regional planning councils (e.g. Economic Development Districts as designated by the federal Economic Development Administration and Metropolitan Planning Organizations as designated by the federal Department of Transportation).

3. Provision of regional services beyond the boundaries of a particular region, presumably with the support of the other regions within which the services are provided and probably with federal or state funding support and probably for cost efficiency reasons.

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