SOUTHWEST MICHIGAN PROSPERITY REGION 5-YEAR PROSPERITY PLAN

ADOPTED:

MICHIGAN... AMERICA'S COMEBACK STATE

'An economic success story that would not be possible without collaboration by the public, private and non-profit sectors.'

'It is the uniqueness of our **regions** — that makes the world take notice. These **regions** drive Michigan's economy and define its character.'

'Stronger local and **regional** collaboration will drive economic investment, lead to greater quality of place and increase business and talent attraction.'

Governors Reigional Reinvention Website (www.michigan.gov/snyder)

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REGIONAL PROSPERITY INITIATIVE

Using the incentive based funding of the Regional Prosperity Initiative, the Southwest Michigan Prosperity Region (Region 8) is moving forward as a Regional Prosperity Collaborative (Tier 1).

WHAT

The RPI is a voluntary competitive grant process designed to encourage local private, public and non-profit partners to create vibrant regional economies. It was signed into law as part of the FY 2014 budget (59 PA 2013).

WHO

Existing State Designated Planning Regions and Metropolitan Planning Organizations are eligible to apply for grants from the RPI.

'To attract knowledge workers, communities have to have a high quality of life with lots of amenities.'

'The key to success in the global New Economy is attracting talented and creative workers.'

- MSU Land Policy Institute

'Prosperity... a state of stable, reliable and secure economic growth, with rising employment, income and overall quality of life, that ensures transcendental success.'

WHY

A collaborative relationship among local and regional partners will allow the state, as well as private and non-profit stakeholders, to recognize local efforts and work in closer collaboration with local and regional decision makers to support efforts for economic prosperity. In essence, regional collaboration works to eliminate overlapping responsibilities and competing visions as to economic priorities, and address redundancies and gaps in services.

HOW

The RPI empowers local and regional partners to develop a consensus vision and action plan for economic prosperity.

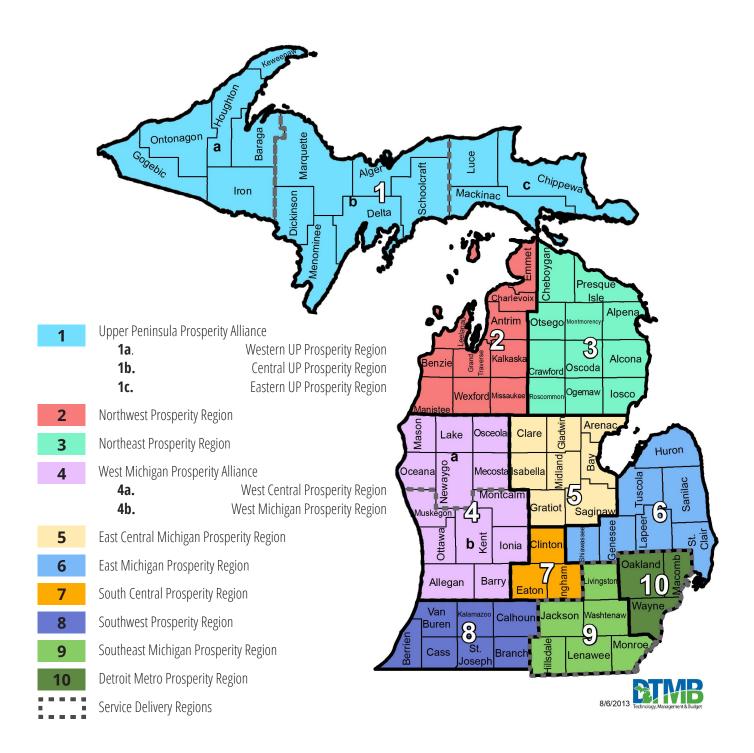
'We were drawn to the southwest Michigan area because of the work ethic and availability of the workforce.'

– Frank Rinderspacher, General Manager of Hark Orchids

Region 8 consists of: Berrien County, Branch County, Cass County, Calhoun County, Kalamazoo County, St Joseph County, and Van Buren County.

PROSPERITY REGIONS

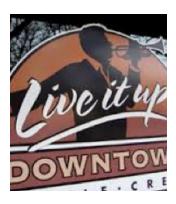
STATE OF MICHIGAN



REGION 8 SOUTHWEST MICHIGAN PROSPERITY REGION

'People, companies, and talent do not move to towns— they move to regions based on amenities and quality of life.'

– MSU Land Policy Institute



















'A city cannot prosper without a region with thriving suburbs and rural townships.'





The Region 8 Prosperity Collaborative is made up of many partners, all of whom have been invited to participate in this historic collaborative effort.

REGION 8 PROSPERITY COLLABORATIVE PARTNERS

REQUIRED PARTNERS

Adult Learning Collaborative Board

Battle Creek Area Transportation Study (MPO)

Battle Creek Unlimited

Berrien Bus

Calhoun County ISD/Michigan Works

Cornerstone Alliance (Benton Harbor)

Glen Oaks Community College

Kalamazoo Area Transportation Study (MPO)

Kalamazoo County Road Commission

Kellogg Community College

Kinexus/Michigan Works (Berrien, Cass, Van Buren Counties)

Lake Michigan College

Michigan Works Kalamazoo/St. Joseph County

Southcentral Michigan Planning Council

Southwest Michigan Planning Commission

Southwest Michigan First

Southwest Michigan Economic Growth Alliance

Western Michigan University

The following partners supported the work of the Collaborative by letter of support or through participation in the process:

Berrien County

Berrien Regional Education Service Agency

Branch County

Coloma-Watervliet Chamber of Commerce

Cooper Township (Kalamazoo County)

Kalamazoo, City of

Kalamazoo County Department of Planning and Community Development

Kalamazoo RESA

Kalamazoo Township (Kalamazoo County)

Lewis Cass Intermediate School District

Michigan Department of Transportation – Southwest Region

St. Joseph, City of

Succeed in Life, LLC

Representative Al Pscholka (79th District)

Senator John Proos (21st District)

Southwest Michigan First

Southwest Michigan Economic Growth Alliance

Telamon Corporation

Van Buren Intermediate School District

'Regionalism entails partnerships; promotes cooperation and, avoids duplication of services.'

REGION 8 PROSPERITY COLLABORATIVE COMMITTEE MEMBERS

The Region 8 Prosperity Collaborative Committee was formed out of the Collaborative Partners and strategically represents all four regional service sectors and the regional planning organizations.

'Economic activity follows aggregation of talented workers.'

Service Sector	Name	Organization
Adult Education	Michael Evans Lynn Johnson Juanita Miller	Kalamazoo Literacy Council Bangor Adult Education Centreville Public Schools
Economic Development	Jill Bland Jan Frantz Vicki Pratt	Southwest Michigan First Battle Creek Unlimited Cornerstone Alliance
Higher Education	Barbara Craig Luann Harden Jan Karazim	Bertrand Crossing Campus, Lake Michigan College WMU Southwest Kellogg Community College
Transportation	Dennis Berkebile Christopher Bolt Roberta Welke	Kalamazoo County Road Commission St Joseph County/Cass County Road Commissions MDOT Southwest Region
Workforce Development	MJ Bruns Ben Damerow Todd Gustafson	Calhoun ISD (Barry-Branch-Calhoun) Michigan Works! Kalamazoo-St. Joseph Michigan Works! Berrien-Cass-Van Buren Michigan Works!/Kinexus
МРО	Pat Karr Jon Start	Battle Creek Area Transportation Study Kalamazoo Area Transportation Study
SMPC	Ron Reid	SMPC Board
SWMPC	Jason Auvil	SWMPC Board

'Target limited resources and leverage investments to get quicker and more impactful results.'

- MSU Land Policy Institute

WHAT IS A REGIONAL PROSPERITY PLAN?

'Coordinates efforts of competing plans within a region.'

A shared vision for regional economic prosperity created by regional collaboration of key stakeholders.

'Is intended to make a region more globally competitive in its economic development and talent retention and attraction efforts.'

- MSU Land Policy Institute

A Regional Prosperity Collaborative is required to develop a 5-year regional prosperity plan. Year 1 in the development of our plan has largely represented a journey in learning how to collaborate and speak with a single voice.

PLANNING PROCESS



- Asset Inventory
- Economic Trends
- Partner Plans
- Comprehensive Economic Development Strategies (CEDS)



Regional Prosperity Plan Development Period: January 2014 – September 2014

- Education and Engagement of Stakeholders
- Visioning Process
- Identification and Prioritization of Regional Collaboration Opportunities



- Apply for RPI Tier 2 Grant
- Formalize and Strengthen Prosperity Committee Structure
- Identify and Prioritize Regional Prosperity Projects
- Develop Model for Partner Agency Plans

REGIONAL ASSETS

NATURAL GEOGRAPHIC

Lakes
Rivers, Streams
Lake Michigan Shoreline55 mi
Parks - State
Parks - County
Parks - Local85
State Forests and Campgrounds17
Watersheds5



Public Boat Launches
Golf Courses
Hospitals
Public Libraries
DHS Offices

POWER

Energy Plants

Hydro-electric Plants 6 Nuclear Plants..... 2

Broadband Infrastructure

98% access > 3MBps/ 85% access > 10MBps

Van Buren High-speed Fiber Ring

EDUCATIONAL

Vocational	14
Higher Education	1



ECONOMIC / TALENT

INDUSTRIAL CLUSTERS

Manufacturing Supercluster **Advanced Materials** Energy Health / Bio-Medical Education and Knowledge

Agriculture, Food Pro, and Tech Arts, Entertainment, and Visitor

Manufacturing with > 200 Employees = less than 54

SMARTZONES

- · Southwest Michigan Innovation Center
- · Battle Creek Unlimited





FARMS Acres 1,384,099 Revenue

TRANSPORTATION

Principal Arterial Roads24 miles
Rail Providers7
Commercial Ports St. Joseph River Harbor
Airports
Public Transportation
Non-motorized Trails 4 (150 total miles)



7,537

\$752 M



'Assets are people, natural, environmental, community and quality of life related resources that can provide a complete advantage.'

– MSU Land Policy Institute

ECONOMIC

Source: DTMB, Bureau of Labor Market Information and Strategic Initiatives

778,106 POPULATION 2012

3,505 (0.5%) INCREASE IN RESIDENTS 2010-2012

POPULATION SHARE OF



BACHELOR DEGREE

33% Associates Degree (or some college)

32% High School

12% Less than High School

2013 LABOR FORCE -5.1% CHANGE 2009-2013

-3.6% CHANGE 2009-2013

PROJECTED CHANGE IN

LARGEST EXPECTED GROWTH RATE Health Care

Network Systems Accountants Engineers

RAPID GROWTH RATE

Data Communications Construction Managers



INDUSTRY EMPLOYMENT (2012) 284,525 JOBS \$813 AVERAGE WEEKLY WAGE

2009-2014

COMMUTING PATTERNS

Commuters

Outflow Commuters

Internal Commuters

High Growth Industries (2009-2012)	Growth Percentage	
Administrative Support Services, Employment Services, and Waste Management		+29.4%
Arts, Entertainment, Recreation		+25%
Wholesale Manufacturing Health Services		+9%
		+4.1%
		+2.4%
High Location Quotient Industries* *Higher concentration of industry employment locally than statewide	Location Quotient	Average Weekly Wage
Crop Production	3.6	\$454
Paper Manufacturing	3.38	\$1,098
Food Manufacturing	2.16	\$1,253
Utilities	1.78	\$1,892
Chemical Manufacturing	1.76	\$1,672

EMPLOYMENT DEMOGRAPHICS BY AGE

21% OF JOBS

HIGHEST NUMBER OF OLDER EMPLOYEES MANUFACTURING JOBS

High Employment High Wage (2012)	Employed Workers	Average Hourly Wage
Management	13,380	\$20.89-74.13
Architecture/Engineering	6,760	\$18.43-46.32
Healthcare	16,810	\$14.63-50.65
Business/Finance	10,960	\$15.57-42.59
Computer/Mathematical	3,150	\$15.53-45.58

ECONOMIC TRENDS

A SNAPSHOT OF REGION 8

Source: W.E. Upjohn Institute for Employment Research

POPULATION



There is expected to be an increase in retirees, 30-somethings, and preschoolers by 2025.

EMPLOYMENT

Employment growth is expected in services outside of health and tourism — with flat growth in government and manufacturing.

EDUCATION

Less than 50% of job postings indicate education as a requirement — an education stipulation gives colleges an opportunity to connect with employers.

52% of job postings that indicate education as a requirement ask for a bachelor or graduate degree; only 27% of the work force holds a bachelor or graduate degree.

Education matters for employment.

63% of the unemployed have a high school education or less.

Education attainment appears to be an issue.

UNEMPLOYMENT

Unemployment has been dropping — not due to an increase of jobs but a decrease of workers.



Unemployment is a problem for young and older workers.

50% of the unemployed are under the age of 34

AGE OF WORK FORCE

42% of the work force in production is within the 45-64 age group.

Area's manufacturing may be facing labor shortages in the next 10 years.

1 out every 5 jobs in the region is in manufacturing.

Healthcare represents 8-10% of the jobs in the region and have the highest percentage of the young workforce.

EMPLOYMENT CENTERS

Region 8 clearly has 3 employment centers: Kalamazoo County, Calhoun County and Berrien County.

AGRI-BUSINESS — 2025 ECONOMIC IMPACT

For every job generated in food processing (fruit and wine), more than 3 additional jobs are created.



'Assets are unique resources that make a region distinct in attracting the right mix of resilient and sustainable growth.'

MSU Land Policy Institute

Andrews University	Strategic Plan 2012-2017
Battle Creek Area Transportation Study	2035 Metropolitan Transportation Plan
Battle Creek Unlimited	Web Content
Berrien County	2009 Master Plan
Berrien RESA	2012-2013 Berrien RESA District Report
Branch County	2011 Master Plan
Cass County	2014 Master Plan
Cornerstone Alliance	2014-2016 Strategic Plan
Kalamazoo Area Transportation Study	2035 Metropolitan Transportation Plan
Kalamazoo County	Strategic Plan 2010
Kalamazoo Literacy Council	Web Content
Kalamazoo Valley Community College	Strategic Planning – July 2013
Kellogg Community College	Five Year Plan 2013
Lake Michigan College	Strategic Plan 2012-2013
Lewis Cass ISD	Technology Plan 2015
Michigan Works — Barry, Branch and Calhoun Counties	BBC Strategic Plan 2011 w/ updates
NATS and TCATS	2009-2014 Long Range Plan
Region 14 Adult Learning Collaborative Board	Adult Learning Plan
Southwest Michigan Planning Commission	2013 CEDS
Southcentral Michigan Planning Council	2014 CEDS
Southwest Michigan Economic Growth Alliance	2014-2018 Strategic Plan
Southwest Michigan First	2022 Transformation Agenda
St Joseph County	2007 Master Plan
St Joseph County ISD	2013-2104 Strategic Plan
Van Buren ISD	Web Content
Van Buren County	2013-2017 Master Plan
Western Michigan University	WMU Strategic Plan

'Regions with strategies that match their assets and their vision will prosper in the New Economy.'

- MSU Land Policy Institute

The Regional Collaborative Committee determined that an efficient approach to the collection of data relevant to the Regional Prosperity Plan would also involve the compilation and review of partner plans ... and the clustering of available data by service sector. It was further agreed that the assembling of partner plans would be the quickest and most efficient way to begin to find points of consensus and identify gaps ... and to move forward to the development of a common vision.

Nearly 200 goals were pulled from partner plans and grouped into the following natural clusters in developing the *Inventory of* Stakeholder Goals:

REGIONALISM AND COORDINA **APPROACHES**

FOSTERING COLLABORATION

YFAR 1

WHAT HAVE WE ACHIEVED?

We established a committee of partners across service sectors (Adult Education, Economic Development, Higher Education, Transportation, Workforce Development) representing 19 organizations.

We are building on existing collaboration.

We are compiling data at a regional level.

We are building a solid foundation for implementing the Regional Prosperity Plan.

We spoke with a single voice in formal support of a regionally significant project (Missile Defense Installation at Fort Custer Training Center).

Through the completion of visioning exercises, the Prosperity Collaborative Committee developed the Vision Statement for Region 8 – Southwest Michigan Prosperity Region

VISION STATEMENT

Southwest Michigan is recognized as a region where successful, thriving, and innovative people, businesses, and communities prosper through sustainable practices and collaborative development.

'The degree of commitment of the regional partners to act together will drive the scope of the vision.'

'A region's vision statement should be driven by its assets — as well as by its values, aspirations, and its natural economic opportunities.'

– MSU Land Policy Institute

REGIONAL COLLABORATION GOALS AND OPPORTUNITIES

With the Region's Vision as guide, and a clear understanding of our strengths and where the gaps currently exist, solid opportunities for regional collaboration across sectors have been identified. The organization of these opportunities produced 4 clear goal areas: Community Development, Education, Infrastructure and RPI Strategies.

The Opportunities for Collaboration have been further defined in consideration of the potential impact each opportunity can have on moving the Region toward the vision and how well each opportunity will take advantage of our existing assets. Specifically, the following parameters were applied:

- Critical to achieving the regional prosperity vision
- Supports the building and maintaining of regional collaboration
- Geographic scope
- Potential for early success to build momentum
- Access to funding

This 5-Year Prosperity Plan sets forth: goal statements for each of the 4 goal areas; defined collaboration opportunities related to each goal; and, strategies identified to move the opportunity forward. These Goals and Opportunities will provide guidance for collaborative action and serve as the foundation for the selection of regional prosperity projects within Region 8 over the next 5 years.

REGIONAL COLLABORATION GOALS AND OPPORTUNITIES

COMMUNITY DEVELOPMENT

Improve the livability of our region's communities to attract and retain talented workers

- 1. Create a more diversified transportation system
 - Create walkable neighborhoods
 - Encourage new transportation patterns that support efficient multi-model transportation options
 - Support community development that is transit-oriented
- 2. Encourage development of additional recreational opportunities and amenities
 - Encourage an environment where social interactions can occur
 - Promote existing and support development of new trails and natural areas (e.g., parks, recreation areas, rivers, and lakes)
- 3. Encourage increased access to housing options regarding density, cost, style and location
- 4. Support sustainable development
 - Develop infrastructure that can be sustained financially and environmentally over the long term
 - Maintain or improve environmental quality

EDUCATION

Promote talent development and retention

- 1. Promote the coordination of internships, apprenticeships, and academic and skills training across the region
- 2. Encourage broad lifelong learning
- 3. Encourage transit interconnectivity to better support education, training, and employment
- 4. Support work of existing organizations in the following areas:
 - Adult education
 - Career exploration
 - Functional literacy
 - Skilled trades

INFRASTRUCTURE

Encourage expansion and improvement of regional infrastructure

1. Transportation of Goods

- Support regionally impactful infrastructure opportunities for the movement of freight (e.g., support 2nd bridge in Detroit, completion of US 31)
- Intermodal freight transportation (e.g., reliever port for Chicago and Detroit)
- Promote maintenance and improvement of the freeway system and connecting roads
- Promote maintenance and improvement of state and local roads
- Encourage aviation to better support business
- Take advantage of our existing water infrastructure along the Lake Michigan shoreline for the transportation of freight (e.g., freight harbors on Lake Michigan)

2. Transportation of People

- Promote maintenance and improvement of the existing freeway system and connecting roads
- Encourage passenger rail as a viable transportation option
- Encourage aviation to better support passenger transportation
- Promote coordination of regional bus transportation

3. Communication

- Promote region-wide access to telecommunications (broadband, cellular)
- Encourage improved speed and quality of telecommunications infrastructure

4. Energy

- Promote competitive cost of energy
- Encourage increased access and production
- Promote diversification of energy portfolio (e.g., creation of micro grids)

5. Municipal infrastructure

- Promote coordinated administration of regional water and sewer infrastructure to achieve competitive rates
- Encourage coordinated water and sewer infrastructure planning

RPI STRATEGIES

Advance regional communication and collaboration

1. Further RPI organizational development

- Establish bylaws
- Examine membership and structure
- Connect sectors via communication, collaboration, and information sharing
- Establish RPI as clearinghouse (network versus an extra step)
- Create regional brand, identity, and image
- Establish criteria for addressing policy issues

2. Encourage collaboration among public and nonprofit sectors

- RPI develops or replicates organizational collaboration models for Region 8 to meet needs in a cost-efficient way
- Develop a platform for regular information sharing among the five sectors (learn what others are doing; process for regular information sharing meetings)
- Encourage coordinated strategic asset management across all seven counties
- Explore tribal strategies
- Collaboration on state and federal grants and projects to ensure projects are shovel-ready (e.g., letters of support)
- Encourage emergency management at a regional level

3. Strengthen the interface between the Regional Prosperity Plan and local plans

- RPI develops a "template" for creating plans that fit within the regional strategy
- Alignment with state and federal agencies to inform them about RPI goals
- Encourage individual municipal strategies are tied to the regional prosperity plan (including planning)

EVALUATION

The Regional Prosperity Initiative requires that a **Regional Prosperity Collaborative** (Tier 1 Applicant) develop a 5 year regional prosperity plan with measurable annual goals and a performance dashboard.

REGIONAL PROSPERITY PLAN

This 5-Year Regional Prosperity Plan was developed by the Prosperity Collaborative Committee over the course of 9 months and included 10 meetings of the Committee and a stakeholder input session.

The plan development process moved through the following general phases during that 9-month period, consistent with the Tier 1 requirements:

PHASE 1

Gain thorough understanding of the assets, trends, and challenges within the 7-county region in the areas of education, workforce development, transportation, and economic development.

PHASE 2

Determine how existing partner plans can be used to identify common goals; create an inventory of goals across partner plans.

PHASE 3

Develop a common vision and shared goals.

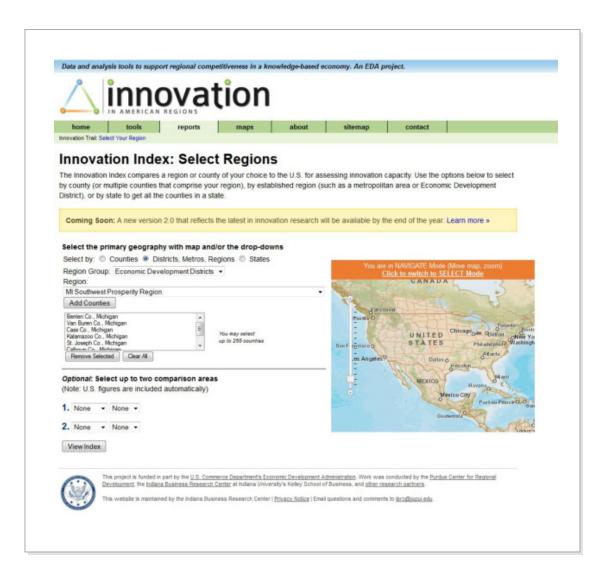
PHASE 4

Create an action plan that embodies the common vision.

WEBSITE AND PERFORMANCE DASHBOARD

In collaboration with the Northeast and Northwest Prosperity Regions, a website for the Southwest Michigan Prosperity Region is under construction. The website will serve as an accessible repository of regional data and documents relevant to the collaboration efforts of Region 8, including links to partner plans and important regional resources.

A performance dashboard has been developed as a tool to reflect progress on the Region's annual goals and identify their regional impact. The Region 8 Performance Dashboard will be maintained by the Purdue Center for Regional Development and the Indiana Business Research Center and can be found on the Southwest Prosperity Region website.



NEXT STEPS

YEAR 1... CONTINUED

- Communication and dissemination of the Prosperity Plan
- Establish measurable annual goals
- Complete the Southwest Michigan Prosperity Region Website
- Complete the Southwest Michigan Prosperity Region Performance Dashboard

YEAR 2 ... AND BEYOND

- Apply for RPI Tier 2 Grant
- Formalize and Strengthen Prosperity Committee Structure
 Develop a 10-Year Regional Prosperity Plan
- Identify and Prioritize Regional Prosperity Projects
- Develop Model for Partner Agency Plans

ACKNOWLEDGMENTS

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