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BERKSHIRE CEDS MEETING #9 MINUTES
THE COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY FOR THE BERKSHIRES

DATE: Thursday, October 14, 2004
TIME: 8:30 AM
PLACE: Berkshire Regional Planning Commission Offices
1 Fenn Street, Suite 201
Pittsfield, MA

I. Call to Order

Mr. Vinette called the meeting to order at approximately 8:34 a.m.

The following Committee members were present:

Steve Fogel	Bill Mulholland
Sam Haupt	Richard Scullin (arrived at 9:10 a.m.)
Michael Hoffman	Rich Vinette
Matt. Kerwood	

Also present were Nat Karns (BRPC Executive Director) and Peter Falcier (BRPC staff).

II. Approval of CEDS Meeting #8 Minutes of September 21, 2004

Mr. Kerwood moved to approve the minutes of the September 21, 2004 meeting. Mr. Fogel requested that the statement in Section IV on page 2 concerning the number of tenants in the Berkshire Enterprise Center be changed from “three to four” to eight. Mr. Hoffman seconded the motion, including Mr. Fogel’s amendment to the minutes. The motion was approved unanimously.

III. Departure of Kate McNulty-Vaughan from BRPC Staff

Mr. Vinette explained to the Committee that Ms. McNulty-Vaughan is no longer working with the Berkshire Regional Planning Commission. He expressed gratitude and admiration for her excellent work throughout the CEDS process, both in 2001 and in 2004. Mr. Karns made it clear to the Committee that Ms. McNulty-Vaughan’s departure was in no way related to her performance; it was simply and regretfully a matter of Commission budget limitations.

IV. Discussion of Top-tier Priority Projects

Mr. Vinette explained that the CEDS staff had contacted the top-tier project proponents since the last meeting, requesting updated and expanded partner, funding, and timeframe information from each. Most of the proponents had responded by this meeting, but several had not. Updated information was used to produce the draft Action Plan handed out at this meeting; where new information was not available, the staff used information from the initial project briefs.

Mr. Vinette asked the Committee if they had any questions about the draft Action Plan provided for this

meeting. Mr. Karns offered to explain any of the abbreviations or acronyms listed in the draft Action Plan table. Mr. Falcier told the Committee that the staff wanted as much feedback from the Committee about any deficiencies in the information or format of the Action Plan, so that when the staff drafts the document in the coming weeks, all the necessary information is included in an easily comprehensible and comprehensive format.

Mr. Vinette pointed out that the draft Action Plan table did not list any information for the MASS MoCA Small Business Development Center. Mr. Karns explained that the staff was awaiting further information from Mass MoCA. He said that the situation with the Small Business Development Center had changed since the initial project brief was submitted because several large-scale tenants have expressed interest in the larger of the two buildings available for use as a Small Business Development Center. Mass MoCA would prefer to rent the large-scale space to large-scale tenants, so it may have to modify its proposal for that particular building. It happens that that building has already had renovation completed and is ready for tenants. Mr. Karns explained, however, that the second building is also suitable for the proposed Small Business Development Center, though its renovations are yet to be completed. As a result, the change in circumstances dramatically changes the budget numbers and timeframes of the proposal. Mr. Karns argued that changes in those parameters should not have affected the Committee's evaluation of the project, which was primarily concerned with regional impact and not cost/benefit considerations. North County still requires additional small business space, and Mass MoCA, whether it be one large building or another, is still one of prime sites for small business development in that sub-region. Therefore the case can be made that the Mass MoCA Small Business Development Center, in its revised form, should remain one of the top-tier, focus projects for the region. The staff will follow up with Mass MoCA, said Mr. Karns, as it drafts the Action Plan for the CEDS document.

Mr. Fogel said that Berkshire Enterprises is also interested in getting involved in small business centers in North County, as well as in South and Central County. Mr. Karns told Mr. Fogel that the staff passed along word to Mass MoCA's Director of Development, Blair Benjamin (also a CEDS Committee member), that the two of them should get together to discuss a small business center development partnership between Mass MoCA and Berkshire Enterprises. Mr. Fogel confirmed that he would pursue talks with Mr. Benjamin and Mass MoCA.

Changing topics, Mr. Kerwood pointed out that according to today's *Berkshire Eagle* the Gravel Pit project in North Adams will most likely go forward in some manner, potentially as a "big-box" retail development with private money. He reminded the Committee that that project was ranked the #1 priority project in the 2001 CEDS document and that it doesn't appear at all in the 2004 process. Mr. Karns noted that in 2001 the Gravel Pit project was submitted as a manufacturing development project, not a commercial retail project. He also explained that the Gravel Pit did not appear in the list of projects for the 2004 CEDS because the City of North Adams, though it received the same CEDS project solicitation form every other proponent received, did not submit any projects this year. Nonetheless, argued Mr. Kerwood, the staff and the 2004 Committee should make sure to make mention of the forward progress on the Gravel Pit site in the 2004 CEDS document, since it *was* the top priority project in the 2001 CEDS document.

Mr. Vinette said that as a political issue the status (or non-status) of the Gravel Pit project in the 2004 CEDS document could come up when the report is released to the public and the press. He asked whether it would help or hurt this year's Committee to address it, since it raises a prominent difference between the regional evaluations of 2001 and 2004. Mr. Kerwood suggested that it may be smart for the 2004 CEDS Committee to address the Gravel Pit project in order to show a certain continuity of attention to previous priority projects and perhaps to build interest and credibility for the Committee as an attentive regional economic development body. Mr. Kerwood conceded that if the project goes forward as a private retail development, it would not require (nor would it be eligible) for EDA funds, though it might call for related CDAG or PWED infrastructure grant money.

Mr. Vinette asked the Committee what its position on the Gravel Pit project ought to be now. Mr. Karns argued that the simplest thing is to say that the project was not submitted this time. Mr. Mulholland suggested that we could say that it had not yet made any real progress. Mr. Kerwood suggested adding that the site was still a regional priority; regardless of whether or not the project was submitted or was ranked as

one of the top-tier projects in 2004, the fact that the Committee is following it and that it may yet produce a success story would lend the CEDS process some credibility. Mr. Karns agreed with Mr. Kerwood in the end, saying that the EDA requires some explanation of what's happened since the previous CEDS. He suggested that the 2004 document should describe what happened with the Gravel Pit project since 2001, explaining that for whatever reason it didn't move forward in the timeframe listed in the 2001 CEDS and now a somewhat different project is contemplated for the same site though it was not submitted for evaluation by the 2004 Committee. Mr. Vinette suggested that the 2004 document should make it clear that the Committee is aware of the Gravel Pit project and that the site is still a major area of interest for commercial development in North County.

A. Partners/Responsibilities

Mr. Karns said that the lead proponents or sponsors for each of the top-tier, focus projects are clearly identified at this stage. He recognized that any of the funding agencies look favorably on evidence of partnerships. Mr. Karns pointed out the example of MASS MoCA partnering with Berkshire Enterprises, as Mr. Fogel suggested this morning. Mr. Fogel noted that a partnership between Berkshire Enterprises and Mass MoCA would depend on the space available, of course. He noted that Berkshire Enterprises could run classes in Mass MoCA space, particularly since class space is rare in North County.

Mr. Karns gave the Jones Block project as another example of partnership building. He said that the Town of Adams has been working with both Berkshire Community College (BCC) and the Massachusetts College of Liberal Arts (MCLA) on the possibility of offering continuing education classes in the Jones Block building. Mr. Kerwood pointed out that those classes would serve a different constituency than the Berkshire Enterprises entrepreneurial training courses. The Town of Adams, according to Mr. Karns, has also been working with BRPC to develop a GIS Training Center to be situated in Jones Block.

Another partnership example is a possible Berkshire Applied Technology Council (BATC) workforce training center at the William Stanley Business Park. At CEDS meeting #4 on June 8, 2004, Bill Mulholland, of BCC, noted that BCC, MCLA and Williams College are considering involvement in the Stanley Business Park/BATC workforce training center. At that meeting, Mr. Mulholland described the Pittsfield Economic Development Authority (PEDA) site (the William Stanley Business Park) that would have a defined role in workforce training, which in turn would be linked to all the educational institutions in the county. He noted that the proposal had made it all the way to the finals of the highly competitive National Science Foundation Technology Center grant competition. The vision for PEDA, he said, is ultimately to transform a one-employer town with pollution into a high-tech innovator, linked to existing assets. Mr. Karns pointed out at today's meeting that, initially at least, the training center will serve the workforce development needs of primarily existing businesses. Mr. Fogel said that Berkshire Enterprises has also talked to BATC and PEDA officials (the William Stanley Business Park proponents) about the workforce training center, with the possibility of channeling start ups that might arise from the training center into Berkshire Enterprise incubator office space.

Mr. Kerwood and Mr. Vinette suggested that MASS MoCA also partner with the UMass Small Business Development Center in its effort to create a small business development center on the Mass MoCA campus in North Adams.

Mr. Kerwood asked 1) if the EDA requires the listing of partners in the CEDS document and 2) whether project proponents were ever asked directly about potential partnerships. Mr. Karns said that the EDA does indeed expect partnerships to be documented in the CEDS report, and Mr. Falcier pointed out that the initial project solicitation form (the "Initial Project Brief") sent to every municipal official, every CDC director, both Chambers of Commerce, and other economic development proponents in the region asked generally for "identified" or "committed" partners and project sponsors and specifically for "funding partners." Mr. Falcier added that the expanded project solicitation form sent to the top-tier project proponents after the evaluation stage asked, as question #1, "[w]hat agency (or partnerships) is providing leadership or acting as proponents, and what does their involvement contribute to the project's full development?"

The Committee discussed whether the CEDS document has to provide support letters from project partners or

if other evidence of partnerships must be documented. Mr. Karns explained that things like support letters will be produced when a project applies for funding, but for the purposes of the CEDS document it will suffice to list the partnerships and perhaps provide more concrete evidence, when it arises, in succeeding CEDS updates. Mr. Karns said that a number of the highest ranked projects, like the William Stanley Business Park and the Jones Block, are partnering with BCC, MCLA, and/or BATC. Mr. Fogel mentioned that the Berkshire Business Information Center (BBIC) could have some involvement as well, particularly for North County projects, though it probably should not be listed as a separate partner in the CEDS. The BBIC is a consortium, funded by contributions from Hoosac Bank, Legacy Banks, Greylock Federal Credit Union, Banknorth, Pittsfield Co-op Bank, Berkshire Bank, and the Berkshire Chamber of Commerce, and sponsored by the U.S. Small Business Administration.

Mr. Karns clarified that the lead project sponsor listed in the CEDS is the entity responsible for sitting down with potential funding sources, though the CEDS Committee and other economic development entities around the region would be willing to participate in that aspect of the project development as well.

B. Funding Sources

Mr. Karns explained that the list provided at this meeting was by no means all-inclusive. Mr. Vinette asked if the CEDS report should say “potential funding sources” or “existing funding sources” for each of the top-tier projects? Other than the GE funds for the PEDAs site (the William Stanley Business Park), Mr. Karns felt there wasn’t necessarily certainty for any of the funding sources listed for the CEDS focus projects. Mr. Kerwood noted that the draft Action Plan provided at this meeting lists either CDAG or PWED grant money as a funding source for three of the top-tier projects. He said that neither of those grants are likely for any one Berkshire County project in the next 18 months, let alone three different projects. The Committee agreed to use the term “potential funding sources.”

Mr. Karns said that another logical source of funding for the Jones Block project is Massachusetts Historical Commission. He recommended that be added as a “potential funding source.” Mr. Kerwood noted that MassHistoric has already provided about \$1.2 million for the Jones Block project. This raised the question whether existing funding should be listed separately, where it’s known, in the CEDS document. Mr. Karns did not recall that the EDA required that level of specificity of funding documentation, but he said the staff would double-check the EDA CEDS guidelines.

C. Timeframes

Mr. Karns explained that the draft Action Plan identifies the first milestone for each of the top-tier projects, either in year one or year two. It then identifies a “target completion date” for each project.

Mr. Karns pointed out that the target completion date listed for the William Stanley Business Park (the PEDAs site) in the draft Action Plan is 2009. Mr. Kerwood said that PEDAs Executive Director Tom Hickey is giving 2014 as the horizon for completion of the 52-acre site. Mr. Karns said that the first milestone is clearly the land transfer from GE to PEDAs.

Mr. Karns reviewed the milestones for each project in the focus group. Mr. Karns said that most of the construction projects will probably require at least two construction seasons.

Mr. Kerwood recommended calling the target completion category “Project Target Completion” so that it’s not confused with milestone target completion. The Committee agreed.

Mr. Vinette asked if, under “Development Stage,” the Colonial Theatre should say “final design.” Mr. Karns agreed. For the Downtown Revolving Loan Fund, Mr. Karns and Mr. Vinette suggested “concept developed” as the development stage classification.

V. Review of Draft Action Plan/Implementation Schedule/CEDS Committee Work Program

Mr. Karns asked for the Committee to vote to approve the format, general design and information (partners,

potential funding sources, development stage, milestones, target completion dates) included in the draft Action Plan, with amendments presented at this meeting. Mr. Kerwood moved to approve. Mr. Haupt seconded the motion. The motion was approved unanimously.

VI. Finalizing CEDS Document

Mr. Vinette explained that the CEDS staff had contacted the 10 top-tier project proponents since the last meeting, but they did not make contact with the second- and third-tier project proponents. The staff asked Mr. Vinette to lead a Committee discussion about how to address the proponents of non-prioritized projects in advance of going to the media and the public.

Mr. Karns explained that the staff will proceed with finalizing the document, and in the meantime draft a letter to be sent to the second- and third-tier submitted project proponents. The letter will make it clear that the project's spot in a lower tier is no indication of a deficiency in intrinsic value nor of the CEDS Committee's discouragement to move forward. It will make plain that, owing to the CEDS Committee's and the region's limited resources, the Committee could only focus on so many of the submitted projects in the next year or two. Also, the letter will explain that the CEDS evaluation process is not static and that in successive annual CEDS updates, projects rated highly this time may have progressed enough to be replaced by new projects requiring greater focus from the CEDS Committee and perhaps even attention from the EDA.

A. Approvals – RCC, BRPC, BCREB, Chambers of Commerce

Mr. Karns said that he had identified at least five regional groups that this CEDS Committee should approach for endorsement. The Berkshire Regional Planning Commission, the Regional Competitiveness Council (RCC), the Pittsfield Economic Revitalization Corporation (PERC) Board (a regional entity, despite its local name), and the Berkshire and Southern Berkshire Chambers of Commerce. There is also a workforce development component that should be reviewed and approved by the Berkshire County Regional Employment Board (BCEB).

Mr. Scullins asked when and how he should bring the CEDS to Matt Harris, the Chair of the Regional Competitiveness Council. He said he'd been providing brief updates to Mr. Harris about the proceedings of the Committee since the beginning of the process, but he thought it would be good to have an overall synopsis of the strategy. Mr. Karns said that the CEDS staff will develop an Executive Summary as part of the wrap up of the CEDS document. The Executive Summary will most likely be what most entities will use to base their endorsements on, considering such endorsements usually come up as Action items in a board meeting agenda. Of course, Mr. Karns said, any regional body will be able to get a full copy of the report and read it through before endorsing it.

B. Endorsements – Key Local Governments & Organizations

Mr. Karns explained that, along with approvals from the various regional boards, the Committee should also ask for endorsements from key local governments, particularly from the mayor and Select Board of the municipalities that provided funding for the CEDS process, namely Pittsfield and Adams. Mr. Fogel asked what happens if North Adams won't offer an endorsement. Mr. Karns said that if the Committee doesn't get one, it doesn't get one.

Mr. Hoffman asked what happens if one of the regional boards (RCC, BCREB, BRPC) does not endorse the document. Mr. Karns said that it would raise a flag, and the Committee would have to work with the group to address its concerns. Mr. Karns did not anticipate any dramatic resistance to the 2004 CEDS, as it has been put forth thus far. Mr. Kerwood said that what "bombproofs" the Committee from blowback is that most of the organizations from which the Committee seeks support are themselves represented on the CEDS Committee.

C. Addressing Non-Prioritized Project Proponents

Mr. Vinette suggested that before these other groups receive and scrutinize the CEDS document, the

Committee should hammer out an explanation of the list of projects and Action Plan/Implementation Schedule. Mr. Vinette mentioned that he and Mr. Falcier had discussed pre-empting the touchy notion of priority by referring to the top-tier projects as the group of CEDS 2004 focus projects. The explanation could be that, accounting for the limited resources of the CEDS Committee and its staff and of the economic development apparatus of the Berkshires in general, these several top-tier projects, out of the 40 total projects submitted, are the ones that the Committee has chosen to focus on in the immediate years, based on a systematic evaluation of their overall regional economic development impact.

Mr. Karns agreed that the wordsmithing and explanation of the CEDS Action Plan and project evaluation process should be squared away before the document is presented to other regional bodies. He also recommended that the Committee make it clear to the top-tier project proponents what the CEDS "focus" designation means for them.

Mr. Kerwood felt that the letter to the remaining projects should be kept simple. It should refer to the criteria that the Committee used to rank the projects, emphasizing the CEDS Committee's mandate to concentrate on initiatives that promise highest overall regional economic development impact. He volunteered to wordsmith a draft of such a letter.

Mr. Vinette raised the question of whether to lay out the specifics of the process (the actual project evaluation criteria) the Committee used to sort the submitted projects or to say more generally that certain projects came into the Committee's focus based on the Committee members' evaluation of the projects' overall regional economic development impacts.

Mr. Mulholland said that laying out the specifics of the evaluation criteria invites an argument from the lower-tier project proponents. Mr. Scullin agreed, saying that it would be simpler and less complicated to frame the letter to these proponents in terms of overall compatibility with federal (EDA), state and regional economic development priority requirements. He felt it wasn't necessary to craft a letter anticipating an argument by providing specifics of the evaluation process.

Mr. Kerwood asked whether it was even plausible to expect a huge amount of "pushback" from the non-prioritized projects. Mr. Karns agreed that there probably won't be a great deal of pushback publicly, but he said that even after list of top-tier projects went out to Committee members alone, he had already received a call from the proponent of one of the second-tier projects proposing that the CEDS staff or members of the Committee should pay the project a visit or give it further consideration. Mr. Karns felt that whatever pushback there may be from lower-focus project proponents, if any, will probably come in this subtle way.

Mr. Scullins said that it's important to emphasize in the CEDS report and in the letter to project proponents that the CEDS is a dynamic, ongoing process where Committee focus can change over time. In fact, a lower-focus rating is reason to stay involved and participate in the ongoing process. Mr. Scullins argued that the letter should refocus the proponents on the dynamic aspects of the CEDS process. Mr. Kerwood agreed, saying that no project proponent would really want to "burn any bridges." Mr. Kerwood suggested that the letter should make it clear that being out of the focus group doesn't minimize the value of a project, doesn't reduce the project's opportunity for funding, doesn't diminish community support for the project nor its importance in the overall economic development of the region. The point is that at this time, with the current dynamics in Berkshire County, other projects are now of greater overall regional focus.

Mr. Vinette felt that was precisely the right approach. He added that, the letter can say that as dynamics evolve, other projects may come in to sharper focus. Mr. Kerwood said that perhaps the letter should also request updated information from the other proponents, as an indication that no doors have been shut and indeed the process is ongoing. Mr. Karns pointed out that the several housing projects, for instance, are all excellent projects, but in the context of overall regional economic development focus were like trying to fit a round peg into a square hole.

For public consumption, Mr. Vinette said that it will be important emphasize that the CEDS is a committee response to a requirement of a federal government program, in this case of the U.S. EDA. Mr. Hoffman said that we have to remind the proponents that one of the primary functions of the CEDS process is to provide a

strategy to the EDA. And if the EDA is going to provide any funding, it will be based on the visibility, large relative impact and timing of the top-tier projects. He recommended that the letter include a brief mission statement from the CEDS Committee so that the proponents of the smaller projects, who are probably consumed by the demands of their projects, are reminded what the CEDS is and why they're getting the letter they're getting.

Mr. Karns said that he and Mr. Falcier would draft a brief letter, no more than two or three paragraphs, to second- and third-tier project proponents for the Committee's review. And he said that the staff would take Mr. Kerwood up on his offer to help draft the letter.

VII. Next Meeting

A. Approval of Draft CEDS document

Mr. Karns told the Committee that the staff would complete a draft by the end of October. The staff would ask the Committee for final sign-off of the report content (if not the report formatting) at the next meeting on Thursday, November 4, 2004. After that, Mr. Karns recommended that the Committee set up a meeting early in the next calendar year for an update on the top-tier projects. Mr. Vinette suggested that another agenda item for the next meeting should be the Committee Work Plan, which will map out the ongoing activities for the CEDS Committee itself. He asked the Committee members to e-mail him with ideas for Committee activities in the next year. Mr. Karns explained that, in order to get back onto the established EDA schedule, the Committee should be looking at submitting an update in 6 months, by the end of June 2005.

Mr. Kerwood suggested that one ongoing agenda item for the Committee is to invite the lead proponents of the top-tier projects in to talk to the Committee. He even suggested that, if the Committee could have three proponents make 15-minute presentations at each of the next couple of meetings, the Committee might even get a chance to interact with proponents of non-prioritized projects. A better understanding of the projects that ended up just out of the focus group would benefit the Committee, Mr. Kerwood argued, as the Committee re-evaluates the projects over time.

Mr. Hoffman asked if the Committee could also review the second-tier projects at the next meeting, in order to plan its future activities with the project proponents.

Mr. Karns said the BRPC would like to discuss at the next meeting how to fund the ongoing CEDS process. Mr. Vinette said he could raise the issue of funding the CEDS process with the PERC Board, of which he is a member. He asked how much funding is required for the BRPC to staff the process. Mr. Karns said that the 2004 process so far had cost approximately \$15,000. He said that Pittsfield, North Adams and Adams had provided \$10,000 for this year.

Mr. Hoffman joked that the banks should simply start calling its loans community grants instead. Mr. Kerwood said that the banks could take them as Community Reinvestment Act (CRA) credit. Mr. Hoffman said that if project proponents actually provided the kind of information the banks need to qualify for CRA credit (how many minorities are served, how many low-income people), the banks could offer up funding and get CRA credit. Mr. Karns explained that some of the Berkshire communities already qualify as Environmental Justice areas. Mr. Hoffman said that downtown redevelopment and environmental justice projects are the easy ones to get CRA credit for.

B. Distribution of CEDS to Media

There was no discussion at this meeting. The Committee will address distributing the CEDS to the media at the next meeting.

C. Adjournment

Mr. Kerwood moved to adjourn the meeting. Mr. Haupt seconded the motion. The meeting was adjourned at approximately 10:03 a.m.