

Peninsula Township
Special Joint Township & Planning Commission Meeting
June 23, 2016
10:00 a.m.

Meeting called to order at 10:00 a.m.

Present:

Township Board: Hoffman, Correia, Chair; Weatherholt; Rosi; Byron

Planning Commission: Leak, Chair; Hornberger, Serocki, Peters; Wunsch; Rosi

Also Present: Michelle Reardon, Director of Planning and Zoning and Claire Schoolmaster,
Planning and Zoning Coordinator

Absent:

Township Board: Mark Avery, Witkop

Planning Commission: Alan Couture

Approve Agenda

Township Board MOTION: Weatherholt/Hoffman to approve agenda. **MOTION PASSED**

Planning Commission MOTION: Peters/Rosi to approve agenda. **MOTION PASSED**

Brief Citizen Comments - for items not on the agenda

Andy Valmanis thanked the boards for conducting the round table discussions and asked for another one for property owners with waterfront property since the zoning ordinance is being updated.

Conflict of Interest

Township Board: None

Planning Commission: None

Consent Agenda

Minutes of the June 13, 2016 Joint Township and Planning Commission meeting

Township Board to approve the Consent agenda: Hoffman/Weatherholt. **MOTION PASSED**

Planning Commission to approve the Consent Agenda: Hornberger/Peters. **MOTION PASSED**

Agriculture Round Table Discussion

Pete Correia: There is a hanging microphone in the middle of the circle of chairs and it should be enough to catch voices so we do not need to pass a mike around as people speak. Sticky notes are also available. Michelle Reardon: The tier system proposed for wineries in the zoning ordinance has been abandoned and the goal in updating the ordinance is to make it more enforceable. The ordinance may be onerous but it is workable except for difficulty in enforcement, especially for winery/chateaux. The chart which is in the packet may make discussion easier. The ordinance is a living document. Staff is looking for a way to enforce the intent of the ordinance. ZBA, at its meeting tonight will be discussing chateaux and tasting rooms, and what is allowed in them. Laura Serocki: She was on the 2012 committee that talked about use of tiers and what they were meant to accomplish. David Taft: It is a pretty good zoning ordinance. A business model unique to the Peninsula was created. How many wineries do we want and what are their functions Paso

Robles, California is having the difficulty with so many wineries. Do we want that here? Isaiah Wunsch: I am concerned about the loosening of definition of agricultural use. Stretching the definition of ag will make it hard for the ag person who does not engage in other activities defined in the ordinance. Nancy Heller: Where does the law come in on free enterprise? Reardon: There is no max cap on numbers now and it is limited to at least 30 acres and use-by-right of 20 acres. Heller: Can you limit numbers through ordinance? Reardon: We should ask our lawyer but probably not. Wunsch: We cannot change the ordinance to limit number of wineries. Taft: As land value goes up, it makes it more difficult. How many wineries can the Peninsula support? Wunsch: You cannot use the ordinance to achieve that goal [of limiting number of wineries]. Reardon: MDOT must approve every driveway for new wineries. Soil erosion must be evaluated. Correia: Spoke about this and clarified it. Lannie Leak: When first considered, the ordinance put in place to make ag land more viable. 85% of the product must be grown on OMP. Things have gotten more liberal because part of the right-of-way can be used in calculating acreage. There is no benefit to include this in the calculation. The ordinance as it reads now uses timber in calculating arable land. That means trees will not be removed. Reardon: That is proposed in an attempt to not create deforestation. We will discuss that later.

Jill Byron: What does the Master Plan say about wineries? Belief is that citizens do not want so many. Our ordinances need to be structured to support what the Master Plan and the citizens want. It is important to keep this community the way it is. Monnie Peters: Adding to what Jill said, what is it that makes those beautiful California communities into something unpleasant? We can help ag: help with crops, value added, and storage areas. Limit extra things that make these places commercial establishments. We are a peninsula. We do not want more roads or to enlarge Center Road. Wunsch: We are out of balance, Reardon: We as staff are not getting enough clarity on current ordinances. We need to hear what people are saying the ordinances need to do. Wunsch: We have stretched the definition of what agriculture is. Valmanis: Without Purchase of Development Rights (PDR) our township would look a lot different. Jim Krupka: We act like we have PDR now but my farm has been on that list for years and has not been accepted into the program. Penny Rosi: We have two acres of grapes and we have a different model. We sell our grapes to Left Foot Charlie's. They have moved off the Peninsula and into town. Krupka: I grow grapes but I do not have a winery. I sell my grapes. We need to set the bar high enough to have a class act for wineries. Rosi: I am impressed with wine growers working together. Our commitment is to ag. Apple and cherry growers have to haul their produce off the Peninsula. Cristin Hosmer: I asked what is the goal 20 years from now. I do not see a lot of farms staying in the same family. More people nationally are looking at us. Are our minimums for planting too big? People cannot afford our minimums when they are starting out. A lot of roundabouts are planned between here and Grawn. That is a problem for trucking. I offered to take the township and planning commission boards on a bus trip to visit wineries on the Peninsula. It still stands. Wunsch: The wine industry has lobbied more forcefully than cherry and apple growers. There are not young growers because of policy choices that this board has made. Should lodging opportunities for grape and apple growers be offered? Taft: What are the incentives to keep land in agriculture? We need to focus on that. Reardon: In response to Wunsch's comments, lodging opportunities for cherry and apple growers could be done. To summarize, we are an agricultural community. These ordinances are meant to enhance that. We want to take out the subcommittee language in the ordinance and keep the existing language. You will see a lot less red in the proposal in the future [Red means the wording is changed.] The

ZBA will be looking at what can be done in tasting rooms. This is section 8.7.3 in the ordinance. It is not very clear. Per our lawyer's request, the ZBA will look at this. Margaret Achorn: They should look at the whole zoning ordinance. Reardon: The language in that section is ambiguous and they are the correct body to clarify as directed by enabling legislation. Staff and our attorney will be there tonight. Their clarification will help with enforcement issues. Rosi: Donation of Development Rights (DDR) can be used to keep land as ag. It could also be a benefit to the owner. Reardon: There might be large property owners who could benefit from DDR. Monica Hoffman: We want to keep our farm as ag but cannot afford to donate development rights. We need to help young farmers. She has heard old farmers say they wish the first development had never come in. Wunsch: DDR only allows the owner to receive 35% of the land's value as a tax credit. Achorn: We need sources to fund the PDR program. Can we draw on expertise of people we contact all over the country to help. Serochi: Tier 4 was originally discussed as 80 acres. We never discussed if 80 acres is good. Krupka: It is important to allow leased acreage to be counted. There is a huge incentive to include leased land. Wunsch: That is consistent with ag practice as a lot of land is leased. Krupka's idea is good. Reardon: A fundamental idea is that wineries need to bring in more tonnage to increase usage. There is a big incentive for wineries to connect with people with small acreages. Krupka: My farm is under a long term lease to a winery/chateau. Real estate taxes are high because the land is developable. Reardon: PDR now extends to 2022, at which time the millage expires. We have the funds for the next purchase. Todd Oosterhouse: Are guest activities tied to tonnage of grapes only? Reardon: Yes. Hosmer: Apples and cherries too? Reardon: Yes. Sarah Taft: Can we extend the PDR beyond 2022? Byron: We backed off putting an extension on the ballot because of the poor economy. Hoffman: We thought a millage would fail. Chris Baldig: One restrictor of number of tasting rooms could be the licenses issued. Owning a winery is not a highly profitable business. It is a 25 year payback model. Let's not paint all events as big, noisy, and late. They could be small numbers of people at a table in the vines. Events mean a lot to small wineries. They can be a difference maker. Owning a winery can be cost prohibitive but wineries increase the value of the land. Bern Kroupa: Remember the "Winery Wars" when this ordinance was first enacted. Leelanau is wide open and has no problems. They encourage that business. Dave Weatherholt: In the mid-80s owning a cherry farm was not very good. Value added means more traffic. A lot of people do not know what it means to grow and sell cherries.

Marie Dalese: There has to be a way to mitigate the impact from events. Wineries can fulfill the rules and limitations on who can attend. Why not weddings? The event coordinator for Chateau Chantal is here today. Marty Lagina: A major change to the ordinance has not been mentioned: the by-right 330' frontage has added to it "on a public road." This is a huge change. Was that intended? Reardon: The intent was to go back to the original language in the ordinance. You are right, the intent was not to change language dramatically. Peters: Difference between leased land and an harvest agreement. Have we incorporated all the ways farmers and wineries can get products and use them? Is there a difference in control. The intent is to keep land in agricultural usage. Mark Nadolski: We need to remember that OMP is not California. We are unique and California wineries have more roads and more options. We are in trouble if we try to emulate them. OMP is not designed to be what some people want it to be. There are limits. If we think we need more customers and events we need to beware of the consequences. Sit down with the people who created the ordinance. Baldig: How many wineries were on OMP in '81? Who is creating the formulary? Krupka: Amendment 141 was worked on in the last decade. The social

responsibilities that were contemplated then are still there. Lexi Mohney (Events Coordinator at Chateau Chantal): Everything works together. We are concerned with keeping property in ag but we are not bringing in ag people. We need to reach out to people in ag who are not in ag here now. We need to show them the reason to do this. There is more traffic on Center Road that is not just cars. Trucks and tractors during season. We need to bring in people to see how things are working. The only way to do this is to have events. Chateau Chantal has requests to do weddings all the time. Heather Reamer: A 6th generation cherry farmer whose child plans to take over the farm eventually. Growth will happen. Look at the awards wineries have been given. She has had requests for people to use her family's barn for weddings. Her grandfather's farm was the first farm to get a PDR, 300 contiguous acres protected. There is a struggle for farmers. For example, complaints from neighbors about spraying on Saturday morning. We want to be good caretakers. Brit Eaton, representing John Wunsch: Read a statement: We need to stop this process. It is off track. It needs to be done in a way that is fair to everyone. Marilyn Elliot: How many wineries are we going to have and what can they do? We are one of the few places where cherries can be grown. How can we increase that?

Donna Hornberger: The goal is to fix a few key points now. Hosmer: Go on a trip to visit the wineries. Maybe MDOT needs to evaluate our roads. We need another meeting with MDOT and look at Center Road again. We are a seasonal community and road usage reflects that. We are not asking for more customers; we want more money from those we do have.

Correia: Do you like this format? Does it work? We had 30 people in attendance and 26 of those spoke.

Citizen/Board Comments: NONE

Motion to adjourn:

Township Board: Byron/Weatherholt moved to adjourn the meeting at 12:20. **MOTION PASSED**

Planning Commission: Hornberger/Wunsch moved to adjourn the meeting at 12:20. **MOTION PASSED**

Respectfully submitted,

Donna Hornberger, Secretary
Planning Commission