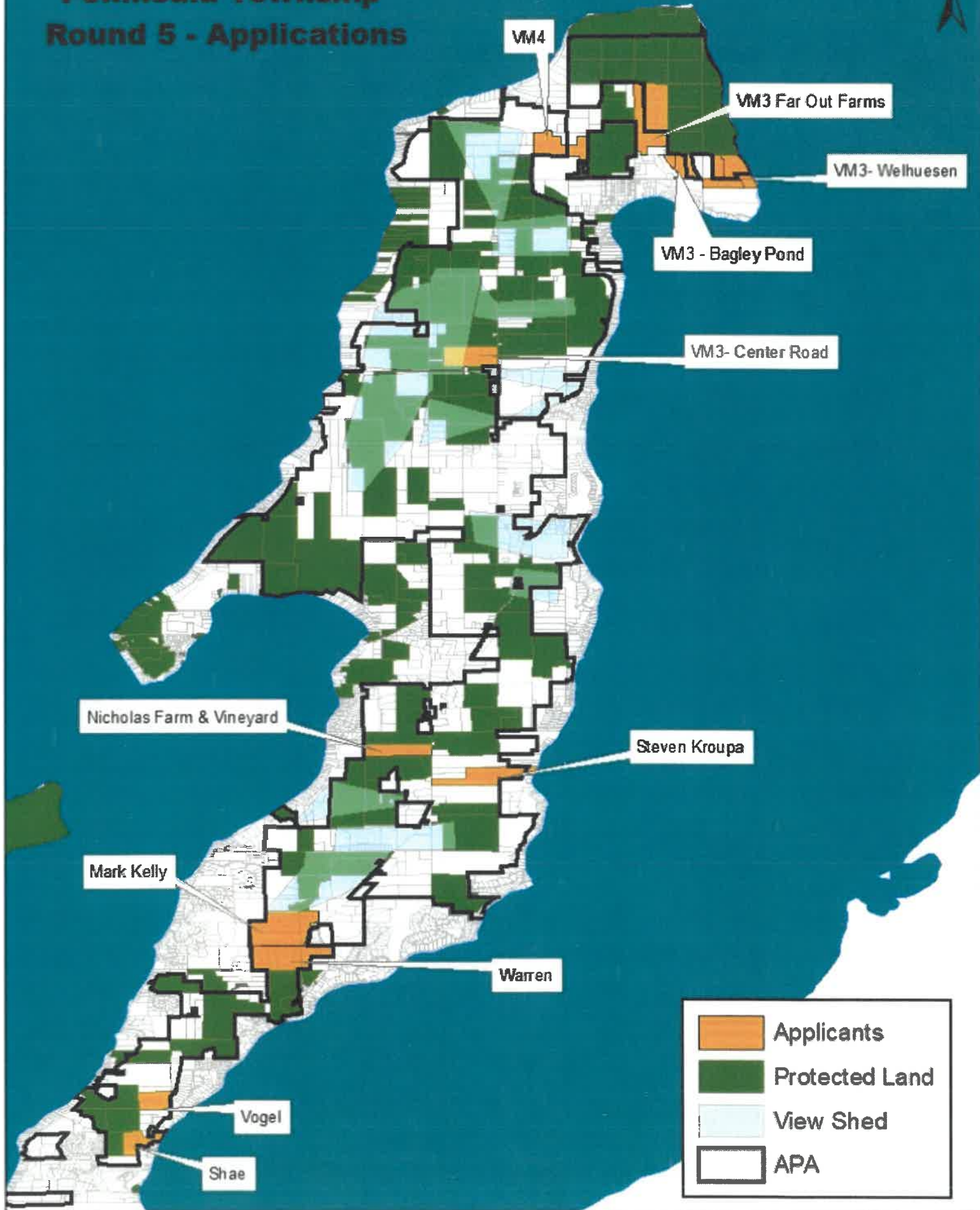


**Packet Addition
January 6, 2025,
PDR Selection Committee Meeting**

Peninsula Township Round 5 - Applications



The PDR Selection Committee
C/O Becky Chown, Township Clerk
January 3, 2025

Ladies and Gentleman:

The following are a few questions/comments for your consideration at the meeting on January 6. I plan to be in attendance if you have a questions.

- What can be done to speed up process and close more easements? More Planning Department staff time? More Conservancy staff time? More appraisers? If money is an issue, doesn't Section 12 of the Ordinance, allow the tax revenue and/or the interest earned on the funds to be used to cover those since it provides "the costs of appraisal, engineering, surveying, planning, financial, legal and other services lawfully incurred incident to the acquisition of interests in Eligible Lands by the Township . . . shall be paid from the proceeds of a millage enacted to carry out the purposes of this Ordinance."
- How much of the APA land is left to be restricted? If the projected total revenue from the current PDR millage revenue is not enough to cover the cost of the additional easements for the remaining eligible land, should not the Committee establish other priorities in addition to the highest score under the current scoring metric? Other criteria might be GTRLC's New Priority Landscape Atlas and/or the sustainability of existing or proposed farming operations on the property after the easement is purchased? In order to enhance the sustainability of future farming operations on the property, should Conservation Easement require that some of the PDR revenues received by the owner be invested in so-called "value added" farming operations?
- Is now time to revisit the question of issuing bonds to cover the cost of easements, especially if the Committee decides to take steps to speed up the process and close more easements? I googled "current national municipal bond rates" and used an amortization calculator and found that perhaps as much as \$20M could be raised at 3.75% for 15 years requiring annual payments of \$1,750,000. The 2024-2025 Township Budget shows \$2,062,000 was collected in 2023-2024 and projects \$1,938,000 will be collected this fiscal year. The M Class website states that it is paying around 4.6205% as a daily yield, with a 30-day yield slightly higher at 4.6904%.

The PDR revenue represents almost 40% of the Township's total tax revenue. As the Maner-Costerian Report commission by the Township Board has pointed out, one of the effects of the PDR program is to reduce the Township's tax base. So using it as efficiently and effectively as can be is particularly important.

Respectfully,

Fred Woodruff

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