

# PENINSULA TOWNSHIP

13235 Center Road, Traverse City  
MI 49686

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**Township Board Regular Meeting**  
**April 9, 2024, 7:00 p.m.**  
**Township Hall**  
**Minutes**

1. **Call to Order** by Wunsch at 7:00 p.m.
2. **Pledge**
3. **Roll Call**  
Present: Wunsch, Achorn, Sanger, Sanders, Rudolph, Shanafelt, Chown
4. **Citizen Comments:** none
5. **Approve Agenda**  
**Sanders moved to approve the agenda as amended with a second by Rudolph. Motion passed by consensus**
6. **Conflict of Interest:** none
7. **Consent Agenda:**
  1. Invoices (recommend approval)
  2. Reports
    - A. Peninsula Community Library
    - B. Cash Summary by Fund
    - C. Fire Department
    - D. Ordinance Enforcement Officer
    - E. Parks Committee
  3. Minutes from March 11, 2024, Township Board Special Meeting; March 12, 2024, Township Board Regular Meeting; March 13, 2024, Township Board Special Meeting; March 25, 2024, Township Board Special Meeting; March 26, 2024, Township Board Special Meeting; and two March 27, 2024, Township Board Special Meetings
  4. MDARD, MI Agricultural Preservation Fund Board Awards \$2 Million to Local Farmland Preservation Programs
  5. Pavilions Request and Bench Request
  6. Request from Old Mission Peninsula United Methodist Church to Post Temporary Road Signs
  7. Thank You Letter to Thomas Family Foundation for \$10,000 Donation to the Kelley Park Boat Launch
  8. Correspondence
    - A. East Region Early Voting Site Clerks to East Bay Township Board

- B. Judy Spencer
- C. Jane Maddox and Jim Hopfensperger

**Chown:** I have a few additions to the consent agenda. Under reports, please add update from the parks committee. [Also under consent,] I added number 5 to the printed agenda. This is the pavilions request and bench request, also from the parks committee.

**Rudolph moved to approve the consent agenda as amended with a second by Sanger.**

**Roll call vote:** yes – Achorn, Sanger, Sanders, Rudolph, Shanafelt, Chown, Wunsch

**Motion approved by consensus**

**Achorn:** I don't see the resolution to amend the water and sewer rates on the agenda.

**Wunsch:** it's in the packet but didn't make it into the business [section].

**Sanders moved to amend the agenda to add the resolution to amend water and sewer rates as item 12 with a second by Shanafelt.**

**Motion passed by consensus**

**8. Business:**

1. Winery Lawsuit Litigation Update (Attorney Beau Rajsic from McGraw Morris PC)

**Rajsic:** I'm here to give an update on the WOMP litigation. The parties continued settlement discussions during a settlement conference on March 27, 2024. Despite significant effort from all involved, the case did not settle. Last Friday, the court issued a ruling on the remaining summary judgment motions on the constitutional, first amendment, and regulatory takings claims with significant positive aspects for the township. The court concluded that agritourism is not advertising or speech in the traditional sense and does not implicate First Amendment protection. From our perspective, this rules out any claims that the wineries have been entitled to host large events such as wedding receptions or family reunions, etc. The court also concluded the plaintiffs' liquor licenses are not a property interest for takings purposes and dismissed plaintiffs' regulatory takings claims completely. This affects their ability to operate restaurants, hours of operation, and catering with an obvious downstream effect on any damages claims as well. There are still a significant number of claims that are going to trial, but from our perspective, this ruling hits at the big issues of large events, restaurants, and hours of operation, favorably resolving them in the township's favor. We have a final pre-trial conference scheduled in front of Judge Maloney this Friday in Kalamazoo at 1:30 p.m. That conference will discuss how the trial, which is scheduled to commence on April 29, will proceed. The length of that trial is up in the air, but it's scheduled for three weeks. We anticipate the ruling from last Friday will limit the length of trial but it's still going to be lengthy. There are issues that will be resolved then, and we'll continue to keep the board updated.

2. Update from Grand Traverse County Sheriff's Office (Undersheriff Randy Fewless and Sheriff Mike Shea)

**Shea:** roughly a year ago, I talked about Flock Cameras. The township leased some cameras, which have been an amazing investigative tool for our office and other law enforcement agencies. Sheriff Randy Fewless will give you an update.

**Fewless:** we've had a lot of success with the cameras. We have them in three townships, Garfield, East Bay, and Peninsula. These townships, being close in proximity, have the cameras working together to help us. We've been using the system proactively, reactively, and with other law enforcement agencies that have helped us make the community safer. The proactive way we've been able to use them is with our road patrol deputies such as Deputy Martinez. When he starts his

shift, he opens up his mobile data terminal in his car computer and then opens up the Flock Safety app. That allows his computer to provide any alerts if there's a stolen vehicle, an Amber Alert, [or another] high priority issue. We've recovered several stolen vehicles in the townships. The system will give an alert to Deputy Martinez whether the stolen vehicle passes a Peninsula, Garfield, or East Bay camera. It allows the deputies to hone in on that vehicle and take that person into custody. We've had stolen cars recovered where the drivers have multiple warrants, statewide warrants. We want to know when those people are coming into our communities so they don't victimize any of our citizens or businesses. We've used the cameras reactively. At the East Bay township meeting last night, we provided a success story. We're finding that a lot of the people committing the crimes aren't from here. Recently at a business in East Bay Township, in the middle of the day during normal business hours, 15 individuals wearing masks came in seven vehicles and started damaging property and spray painting the walls. This created some trauma to the people working there. They were able to provide us with a couple of partial license plates and good descriptions of the vehicles involved. We used nearby Flock Safety Cameras to find those vehicles, which gave us license plate numbers and our suspects. These suspects were all either from southern Michigan or out of state. We are working with our federal law enforcement partners to find them on the warrants that our prosecutor's office is authorized on. We had one gentleman from Wisconsin drive to the Traverse City area, steal things from tool cribs, steal actual trailers. We had three victims in Peninsula Township. We were able to use the Flock Safety Cameras from Genesee County in Flint to get one of the stolen trailers back and a good amount of the tools.

During our winter months, Deputy Martinez investigated a complaint where a young lady and her two children were at a seasonal rental. A couple of gentlemen drove in a white van to [the] property and started looking around. The young lady came outside and asked what they were doing. The driver said they had been contacted by the owner of the residence and needed to come inside to inspect the plumbing. This young lady knew there was something amiss and said she was going to contact the owner. The individual said it was all right, that he would call and get it straightened out. They left, and the young lady was distraught. Deputy Martinez got a description of the van, and using the timeframe when this happened, used photos from the Flock Safety Cameras near that location to identify a license plate from that vehicle, giving him the suspect. Although the suspect didn't want to talk about being at the residence, a trespass warning was issued. Upon contact, the owner of the residence stated that no one was coming to look at plumbing. To be able to identify that individual and let him know that law enforcement was aware of him and of his presence at this residence brought a bit of closure to that young lady. It doesn't have to be the crime of the century to use the Flock Safety Cameras.

One other case I want to talk about speaks to the network of the Flock Safety Cameras. Our detective bureau several months back was contacted by the U.S. Marshals Service in California about a suspect who had multiple federal warrants for human trafficking networks that involved more than 200 young females, a significant organization with multiple young ladies committing suicide because of the trafficking. They believed their suspect was in Traverse City. They were tracking his vehicle in the Flock Safety Network, and he was hitting on all the cameras in our townships. Without the Flock Safety Cameras, we wouldn't have had any idea he was here. The marshals flew to Traverse City and worked with our detectives and road patrol division. Using the cameras, they were able to take the suspect into custody. The marshals immediately drove him to

Grand Rapids to a federal lockup and got him the heck out of here. We appreciate the investment you have made in the Flock Safety Cameras. We are finding them very beneficial. The sheriff's office appreciates the relationship we have with Peninsula Township. We take seriously the job you asked us to do, to protect your citizens and your businesses. By providing us with this tool, you're helping us to do that.

3. Resolution 2024-04-09 #1, Request for Mission Hills Streetlights Partial Shutoff (Cram)

**Cram:** Michigan Hills subdivision would like to turn off half their existing streetlights. This is a temporary shut off. They're looking at six months to support dark sky efforts while still ensuring safety in the neighborhood. A map of the proposed streetlights was included in your packet. We met with Consumers Energy, which required the neighborhood to provide evidence that the homeowners association supported this temporary shut off. They also asked the homeowners association to speak with the Grand Traverse County Road Commission, Peninsula Township Fire Department, and Peninsula Township Police. I attached the emails from those outside agencies. They have supported the temporary shut off. Chief Gilstorff and Deputy France would like to have green reflective addresses installed to ensure emergency services can locate the properties. I think that is a reasonable request. Those address letters are anywhere from \$15 to \$25. Consumers Energy does require the board to approve the attached resolution included in your packet. In addition to the signed resolution, there is a cost for the shut off. The agreement for those streetlights is with the township. The township would pay the \$56 to disconnect the requested streetlights, then bill the homeowner's association to recover that fee.

**Chown:** is the six-month period in order to prevent the dark night sky from being impinged by the lights? Is it just for the next six months? Or is the intent to eventually keep them off permanently and this is a way to initially see how it goes and what kind of a change it makes in the neighborhood?

**Jim Raphael, 14826 Mallard Drive:** I'm here on behalf of the Mission Hills Homeowner's Association. I was on the committee that came up with the plan to turn off half our streetlights and involved in the survey of our neighbors about this. I also participated in the meeting on December 6 with Consumers and Jenn. We have more streetlights than anybody else on the peninsula. We have 14. They were put in by the original developer in 1990. They were accepted by the township as part of your inventory of streetlights. Anything we do has to come through you. Our motivation for doing this is to be proactive in anticipation that down the road we're going to be swapping the streetlights out for LEDs.

We have low pressure sodium vapor lights. They are compliant with the dark sky ordinance, but we see the writing on the wall. Consumers has already told us that once the current supply of sodium vapor bulbs is exhausted, they won't be available any longer. We are putting together a plan proactively. We know we're not going to need 14 streetlights. We know 14 LEDs are going to light up everything. We are starting with this plan of turning off every other light for an experimental six months to one year. We wanted to start in the wintertime. That's not possible now. Probably we'll have to extend it into next year. What the final configuration is, we don't know, because at present Consumers does not have LED bulbs and heads that work with our kind of streetlights. These are called decorative streetlights. They are fiberglass and don't support as much weight as you need for

gooseneck lights, which you have with the commercial streetlights along Center Road and elsewhere.

We have almost 90 percent compliance with our HOA members to see how it works.

We do take exception to the recommendation that every house in our subdivision have these green and white reflective street signs. Nobody else has them. We are the only subdivision on the peninsula with 14 streetlights to start with. Even if we reduced it to seven, we're going to have more streetlights than almost anybody else. Why would we be required to have numbers that no other subdivision has?

We hope you will pass this. We are happy to pay the fees necessary to continue to work with you so we can adjust our streetlight system over time, but we do ask that you not make it contingent on the signs. As an HOA, we have no ability to tell people to do this. It would have to be on a voluntary basis. If you pass an ordinance that says every residence has to have these reflecting numbers, we obviously will be happy to comply. Under the current circumstances, we hope you will pass this without that provision. Once Consumers comes up with headlights that would be appropriate for our poles, we'll take it from there. We're also hoping to reduce the height of the poles because they are quite high and create some light trespass into some of our houses.

**Achorn:** those green reflective signs the fire department makes, I have them on my mailbox. It's to help them find you if you are in an emergency situation.

**Raphael:** we have them on our private drive as well as on the side of our house. About a third of the houses in Mission Hills have them. But they are optional.

**Achorn:** they are optional for everyone, but they are for your benefit.

**Raphael:** I understand and don't disagree. It's a lot easier to find houses in Mission Hills than some of the houses in the deep woods. We will convey that information in the homeowners meeting that we are recommending that people get those reflective numbers for their houses.

**Shanafelt:** the lights that will not be used, can those bulbs serve as replacements when others burn out?

**Raphael:** we will be talking about saving those.

**Rudolph:** I second Marge's [Achorn] comment. The fire department makes them for you. They need all the help they can get finding your property when there's an emergency. I agree it's not required but it is highly recommended.

**Raphael:** I will be passing that along to the HOA.

**Wunsch:** if you need to shut off streetlights, it's more complicated than you would assume.

**Chown:** I have a letter from Mike Skurski urging the board to pass this resolution tonight.

**Chown moved to sign Resolution 2024-04-09 #1, authorizing Consumers Energy to disconnect half its existing streetlights in the Mission Hills subdivision, with a second by Sanders.**

**Roll call vote:** yes – Sanger, Sanders, Rudolph, Shanafelt, Chown, Wunsch, Achorn Passed unan

4. Windholz Request for Escrow Fee Waiver (Cram)

**Cram:** Supervisor Wunsch and I received a request to waive the requirement for escrow. Per section 4.3, the escrow fee is required to cover the costs of application review by staff, planning commission, engineers, attorneys, or other professionals. Any fees that are not used during the review of the application are refunded. Mr. Windholz is the new owner of Bowers Harbor Boat

Works located at 16961 Center Road. The property is zoned A1 agricultural. Bowers Harbor Boat Works was approved via Special Use Permit 14. Mr. Windholz would like to amend the existing special use permit to change the use of the existing office into a manager's residence and expand the commercial outdoor storage area. Both requests require an amendment to the special use permit. The current application fee to amend a special use permit is \$1,536 with an escrow fee of \$5,400. We've explained that we require this of everybody to cover the cost of doing business. Based on my initial look, the request seems pretty straightforward. Likely, the \$5,400 could be refunded in its entirety, but I can't say that for certain. The board has charged me to cover the cost of doing business so that one person's request to do a development or amend a special use permit doesn't cost the community money. Supervisor Wunsch and I have explained that we don't have the ability to waive these fees; it's something that has to come before the board. That request is before you, and Mr. Windholz is here as well. We're very excited to have Bowers Harbor Boat Works in our community and I look forward to working with him on the amendment to the special use permit.

**Windholz:** Jenn, thanks for laying this out. One thing Jenn didn't address is that this has been going on for years. In the last two years, we've met with Chris [Warren] and Jeff and Sue [Fouch] multiple times. This is the same application that Sue turned in and paid for last year at this time. You all know the scale house we're talking about where Kyle lived for years. Last year when I was in here doing this application with Sue, she paid \$730. When she decided to have Kyle move instead of go through this process, we told Jenn we would pick this back up. That's all we're doing. She paid \$730, and I don't think you guys even looked at it. Now we're being asked to pay roughly \$7,000 to do the same thing. We can pay the \$1,500 application fee; that should go a long way. We've done a lot in our purchase diligence. We had septic, well, everything tested and we're very confident in the facility. We're trying to attract someone to come up here and build that business. In order to do that, like it's been done in the past, they need to live there. I look forward to the process. I'm asking you tonight due to the circumstances to consider waiving.

**Shanafelt:** the escrow fee goes to cover additional costs of processing. Whatever is not used is given back. What is the issue with putting the escrow forward?

**Windholz:** writing a check for \$7,000 for something that –

**Shanafelt:** but if it's not used you get it back. It's not that the \$5,400 just disappears. That's the function of the escrow. I'm just confused why that's a problem.

**Windholz:** because last year, we did the same application for \$700. This year it's \$7,000.

**Shanafelt:** no, it's not. It's \$1,536 for the application.

**Windholz:** you won't even look at our application without \$7,000 from us.

**Shanafelt:** correct. \$5,400 of it if it's not used is refundable.

**Windholz:** I understand it's open ended. I have no idea how much of that we're going to get back.

**Shanafelt:** correct. Because if we incur costs, we [use that] to pay for them. It's not for us to pay costs you put on us.

**Windholz:** the same thing was \$700 last year. We're over doubling that this year.

**Chown:** maybe Jenn [Cram] or Marge [Achor] could take a minute to explain why in the last year we raised the escrow rate and the cost of the SUP application process?

**Cram:** the board asked us to look at all our permit fees to make sure the application fee was covering the cost of doing business, including staff's time to take in the application, process it, do the legal notice, and bring it to the planning commission. The escrow fee covers any additional review fees such as if it's a longer process, if there's engineering review, legal counsel review, and things like that. The application fee did increase last October 10. The SUP fees increased based on that. The escrow fee also increased. When Sue Fouch wanted to go through the process, the fee was \$730. At that time, we had been loosey goosey about the escrow and had situations where the township had to pay for additional costs. Over the last year, for every application that has come in for a special use permit or amendment, the treasurer's office has made sure I collect the escrow fee so I'm treating everybody fairly and consistently.

**Rudolph:** [Fouch] came in last year and filed the same application. What happened?

**Cram:** Sue Fouch came in and applied for an amendment to the special use permit to convert the office to a manager's residence. It went to the planning commission for an introduction, and then she withdrew her application. Our fees say there are no refunds on applications. Sue withdrew the application because her son moved out of the office. They sold the business to Mr. Windholz. Now Mr. Windholz wants to do the same thing. The [former] application came in and went to the planning commission but did not move forward to the board.

**Shanafelt:** in effect it's a new application.

**Cram:** correct, a new application.

**Windholz counsel:** is the escrow for staff or outside agencies?

**Cram:** it can be used for staff expense if it's a complex project and takes more than the standard 20 hours of review time to take an application through the process. For the most part those fees are used if there's engineering review required for stormwater or legal counsel, creating resolutions, and things like that. I included a copy of the ordinance section 4.3 and I've shared this with Mr. Windholz. It applies to anything that goes beyond the norm so residents don't incur the cost of development.

**Windholz counsel:** I know you can't recycle the Fouch application. Can you tell us how far along you went with her interest?

**Cram:** it went before the planning commission as an introduction but did not move forward to the public hearing phase.

**Sanger:** have you had a chance to evaluate it from the standpoint of needing any variances for having a dwelling on the property as it's zoned agricultural?

**Cram:** SUP 14 was approved many years ago. The onus will be on the applicant to provide evidence that there's adequate water and sewage disposal for a dwelling. The A1 zone district allows for both single-family dwellings and certain businesses and farming as uses by right. It allows for warehousing and light industrial with the approval of a special use permit. When SUP 14 was approved, it included boat repair, fly fishing rod manufacturing, limited outdoor storage, and this office. It should be straightforward because the use is allowed but I just don't know until an application comes in and we go through the process.

**Sanger:** do we have in writing what would be covered through the escrow money versus normal staff? Is that codified?

**Cram:** yes, it's included in your packet; see section 4.3. The additional fees may include the review of the application, zoning board of appeals review, services provided by qualified professionals such as planners, engineers, attorneys, other professionals, or other township costs related to the project.

**Chown:** we don't have enough money coming into the township to bear the cost of doing business if an individual wants to come in and change their SUP or apply for one. There could be legal costs. If we don't have escrow to cover that, the township ends up paying those costs. It continues to whittle away at the funds we have available for other obligations. [Paying the escrow fee] isn't fun for anybody and we're sorry about that. But the good news is that it appears this is going to be straightforward. That \$5,400 shouldn't be out of your pocket for long. Everything's documented. Jenn is very careful.

**Cram:** I create a spreadsheet that gets submitted to the treasurer's office. Whenever we receive a bill related to a project, it gets billed to that.

**Windholz:** I understand that. Jenn has been great going through the process. I get the escrow. I just thought it was worth the time to come and appeal to your common decency. Last year I was embroiled in the same thing for \$700; this year it's \$7,000.

**Sanger:** if an applicant is having financial issues, is it permissible to post a bond?

**Achorn:** we talked about this before with Bower Harbors Vineyard. A bond is the same thing as an escrow. Everyone has to be treated the same.

**Sanger:** can an applicant post a bond as opposed to putting real dollars in an escrow account?

**Achorn:** we haven't addressed that issue, but it is very difficult to try to get an applicant to pay back a bill that we have already paid to a vendor. It's much easier to refund unused funds. Everybody has to be treated the same.

**Wunsch:** have there been issues where you haven't been able to collect bills, where we've spent taxpayer money?

**Achorn:** we've spent thousands of taxpayer dollars [in this way] over the years. It's very difficult to get money back.

**Cram:** we were allowing engineering to give us an estimate and we were burned on two occasions that I know of when we exceeded the amount that it cost and were not able to recover it.

**Rudolph:** that's exactly why we wanted the escrow fee. Before we delve into the escrow fee, can we let the applicant know?

**Cram:** absolutely.

**Wunsch:** you communicate with applicants before the escrow funds are spent on services?

**Cram:** in this situation I will.

**Achorn:** it says in Amendment 196 if the escrow becomes less than 20 percent, we can ask for more. I do not want to burden our taxpayers with an individual's application. It is solely that individual's responsibility to pay what it costs the township.

**Shanafelt:** if you run out of escrow funds, you stop until you get more escrow funds.

**Cram:** that is what the ordinance says.

**Chown:** that's what we did the last couple of meetings with the Traverse City Track Club and Bayshore Marathon. We would not take up that application until we received the escrow.



**Cram:** we did this recently with another amendment to a special use permit. There was a condition of approval that they not be able to apply for their land use permit until they gave us the cash deposit for some trees.

**Sanders moved to deny the request for the escrow fee waiver from Bowers Harbor Boat Works with a second by Shanafelt.**

**Roll call vote:** yes – Rudolph, Shanafelt, Chown, Wunsch, Achorn, Sanger, Sanders **Passed unan**

5. Discussion on Forming Permanent Agricultural Advisory Committee (Cram)

**Cram:** when I worked at Larimer County, I was also the staff liaison to the agricultural advisory board. I was appointed by the county commissioners to advise them on matters related to agriculture in Larimer County. They met every other month. The board was comprised of 11 members. Every year we presented an annual report about matters related to agriculture. I worked with them on any zoning ordinance amendments. It was a productive way for the agricultural community and Larimer County to have a voice with the county commissioners. Our citizens' agricultural advisory committee was very productive. We focused on looking at some specific amendments to the zoning ordinance. I heard from the agricultural operators that they wanted their voices heard, and they sometimes had differing opinions or ideas from the residents on that committee.

With everything we're facing with this [winery] lawsuit and the face of agriculture changing in the community, I think it would be productive for us to have a permanent standing committee that advises the board on matters related to agriculture. There are some specific amendments to the zoning ordinance I'd like to work on this spring and summer. The planning commission could use them as a sounding board for a policy framework for future zoning ordinance amendments related to agriculture. It would be a valuable use of my time. I'm committed to providing it. I recommend there be a board liaison who could come to meetings from time to time to provide input as well as a planning commission liaison so they can have updates. I did discuss this proposal with the planning commission at their last meeting and they were supportive. If you agree, I'd like to get out a call for letters of interest that would come before the board. We would do interviews and make the appointments. They could serve two- or three-year terms. I want to make sure we have a diverse group of agricultural operators. I could come up with a draft of what this committee would look like. They would function very similarly to the parks committee.

**Chown:** it would be a committee, not a study group. That's why you're recommending that it be broadcast via YouTube and have minutes taken?

**Cram:** yes.

**Rudolph:** do you see this as only including agricultural operators?

**Cram:** yes, I would like this to be just agricultural operators.

**Sanders:** I support this. Do you think we'll get diversity among the agricultural community?

**Cram:** I believe so. I've heard there are people who plan to apply. I accepted this position because I'm passionate about agriculture. This would be one of my bucket list items coming here and working to help this community support agriculture.

**Chown:** we had a diverse group of farmers on the citizens' agricultural committee. It was a very impressive group to be part of. I learned a lot and think this is a great idea. Why haven't we done this before now?

**Sanders moved to form a standing agricultural committee in Peninsula Township with a second by Rudolph.**

**Wunsch:** we're going to have to decide on the number of members and the frequency of meetings after we call for applications.

**Cram:** we could see how many applicants we get. The agricultural advisory board had a minimum and a maximum number of participants.

**Wunsch:** we have a motion on the floor to put a tab out there for a standing committee. We could work on proposing something more clearly defined.

**Cram:** I am recommending nine to 11 participants.

**Chown:** how do you plan to get the call out so that everybody knows about this?

**Cram:** I will post it to our website, do an email blast, get something in the *Old Mission Gazette*. I'm ready to get this posted as soon as possible. Then I can come back with a more formal proposal of what this looks like at the May meeting.

**Shanafelt:** will we need to create by-laws?

**Cram:** yes.

**Chown:** we have a template for that if it's going to be similar to the parks committee because we created by-laws when that committee was formed.

**Roll call vote:** yes - Sanders, Rudolph, Shanafelt, Chown, Wunsch, Achorn, Sanger **Passed unan**

6. Update on Draft Ballot Language Proposing to Roll Back the Headlee Amendment in Peninsula Township for the August 6 State Primary (Achorn)

**Achorn:** I have been working with our legal counsel to come up with ballot language. It's not ready yet. I'm not sure it will be ready for the primary election. For the past several months, we have been discussing resetting the operating millage to 1.0 mills, as it was originally. The voters will need to decide. It will be a ballot proposal. The estimate is that a reset will bring in approximately \$400,000 of additional revenue to the township in the first year.

A Headlee override [requires] a vote by the electors. It's not an increase in taxes but a reset back to what the taxpayers voted in years ago to be 1.0 mills. Over the years because of the Headlee Amendment, that millage has been reduced to .6151. While our township has grown dramatically, the revenue from this tax has decreased steadily just when we need it most. It's not an increase in taxation against our taxpayers. It isn't anything other than resetting the millage rate back to what it was originally.

There's quite a bit of confusion. The minute we say increase in taxes, it appears everybody blows up and says "Oh, no, I don't want any more taxes."

The Headlee Amendment was approved by Michigan voters in 1978. It means that any local tax increases or new taxes established after that have to be voted on by the taxpayers. It also limits property tax revenue resulting from property tax assessment increases. This hurts Peninsula Township because our increase in values, in aggregate throughout the township, has to be reduced

by the inflation factor. It's a complex calculation that continues to reduce the amount of taxes we can collect because it's adjusted for the inflation rate.

For example, if the township increased in total value from 1 million to 1.1 million and the tax rate was 1.0 mills, the millage rate would have to be reduced to .909 mills so the revenue would still be the same, \$1,000. That's the Headlee rollback. But it doesn't work for us. Our property values have increased dramatically. The 1.0 mills has disappeared and we only get .6.

To complicate matters further, in 1994 Michigan voters approved what is called Proposition A, unlimited local taxation for individual properties. The Headlee was for the township as a whole. Proposition A treats your property and my property differently from the total and adds these limitations. The values on the peninsula have increased dramatically. This year, they increased 7 percent. But Proposition A only allows us to increase to 5 percent, so there's no way for us to keep up with our property values and the inflation.

Also, when the property is sold, the taxable value is reset to the stated equalized value, the SEV you see on your tax statement, which is approximately half the cash value. These two adjustments play against our township in particular and the impact is detrimental.

We are expected to produce more services for an increasing population with dwellings that are valued higher than they have been in the past, yet we don't have the funding to support those needs. The township has had two revenue-producing entities, our tower and our cable. These two funds are intended to be set aside for emergency purposes, not everyday purposes. What would happen if we had another COVID, another tremendous lawsuit? [This year we have] three elections? How are we going to pay for all these costs? Over the years, in order to cover these additional costs, we have been siphoning off the annual revenues from the tower and the cable funds. That means our emergency fund did not increase even though we need to have a larger emergency fund because we are getting bigger and more complex. In our 2024-2025 budget, we not only had to siphon off the current year's revenue from the tower and cable funds in order to pay for all the needs of the township, we had to dip in to what we had saved in prior years.

This [pattern] is unsustainable. We do not have enough in these emergency funds to continue to use them for everyday needs. We may not have the tower or cable forever because technology is changing. We have to find other ways to support the township's needs. And that is through a Headlee override to bring our operating millage back to 1.0.

For example, look at the cost for property valued at \$250,000. This ballot proposal if passed would cost you \$96.23 in the first year. If your taxable value is \$500,000, your tax bill would increase \$192.45. If you are blessed enough to have a house that has a taxable value of a million dollars, it would cost you \$384.90.

It's a decision of the people. What do you want to do? Tax yourself an additional \$100 to \$400 a year or totally eliminate your emergency fund? [If that happens,] God forbid something happens in the future. We would have no way to protect ourselves against anything financially because we would have used up all our emergency monies in a very short time. That is my report.

**Rudolph:** let me summarize the way I understand it. The Headlee rollback essentially limits the township from enjoying the increase in property values at a normal rate and yet our costs, such as the salaries for employees, continue to go up in an inflationary manner.

**Wunsch:** do we have the lowest effective operating millage of any municipality in Grand Traverse County?

**Achorn:** I can look that up. On my specific house, my taxable value is \$487,000. I would be paying an additional \$96 a year.

**Sanders:** thank you for breaking it down to the taxable value dollars. I think that helps get beyond the confusing language of what the Headlee actually is.

**Jim Raphael from audience:** what does 1 mill generate in taxes brought in?

**Wunsch:** the easy math in Peninsula Township is about a million dollars for 1 mill.

**Jim Raphael from audience:** do you realize Traverse City with almost triple the population is 1.2 million? We're taxed pretty heavily. I know you guys administratively seem to be starved for funding, but we've got the most expensive per capita fire department in the county. It's not just that. On a per capita basis, our fire department is really expensive. Put this in perspective of what people are paying. A million dollars per mill is a lot. That's not chump change. It's one of the highest in the state.

**Chown:** regarding the fire department, we cannot legitimately be compared to other municipalities because of our geography. We are 18 miles long. We are not your typical six by six-mile township. Those townships can get away with a single fire department and we cannot if our residents are all going to have the same services and the same opportunity to survive that life-threatening event or fire. This board and the previous board and previous boards before that and the community urged us to build the fire department that we needed to take care of our residents.

**Jeanette Richardson, 8928 Horizon Drive:** are there any other municipalities in Michigan [considering this kind of ballot initiative]? The Headlee Amendment has been the law of the land for going on 50 years. You're just arbitrarily saying you're going up to one mill. Why don't you arbitrarily pick five mils?

**Audience member:** the law won't allow you to do that.

**Janet Richardson:** are there any other municipalities in Michigan doing what you're proposing?

**Cram:** yes. Traverse City just did it.

**Richardson:** really? It was on their ballot and they voted for it?

**Cram:** yes.

**Wunsch:** it's important to note that this is a question that gets put on the ballot. It's a lower threshold than the maximum the taxpayers could see if they voted a charter township into place. It's a maximum of one mill versus a maximum of five mills. We hear feedback from voters that they want improvements to parks and roads. This Headlee rollback creates a lot of pushback from people who don't want to pay more taxes, which is understandable.

It's useful for the board to have the data points to see whether residents want more funding to be allocated to these things such as parks or to keep their taxes at the current level. Personally, if I'm sitting at this board in another year, I'll have a hard time budgeting funds out of the tower and cable

funds to continue to support parks. We have to be fiscally responsible. The current level of parks service, which is pretty minimal at this point, requires us to dip into those reserves. It's worth putting it to the voters and to make decisions based on voter preferences.

**Wes Cowen, 2849 Shore Wood Drive:** how does this affect the committee that was studying the move to charter township? We just approved a contract to help us understand whether we want to move to charter township. If we put this [Headlee rollback] on the ballot and the group comes in and says "Wait, this is what we need to do instead," what will this information do?

Regarding the former question from Richardson, in Michigan, taxation per property is a mess. Three different things overlap and create a huge mess. Every county in the state has this problem that they can't generate enough revenue because of the overlapping laws that the Michigan legislators passed over the last few years. We need to figure out, do we need to roll this back, or do we need to move to a charter township to increase our revenue? We do need more revenue.

**Shanafelt:** this doesn't change what Maner Costerian is doing. They are giving us ideas about how we can more effectively organize to provide the functions and level of service we would like to be able to provide. Part of that is providing information on how that might be funded. I think it's clear from the budgeting we did that it's an incredibly tight and minimalistic budget that's barely hanging on. If the Headlee rollback passes, all it does is provide some funding, and maybe that's enough. If it's not enough, then we have to find some other way to do it. In any scenario, what we would look at is what revenues we have and what do we need. I think we've been victims of time. Costs have gone up and the amount of operating budget we have available has not.

**Wes Cowen:** what happens five years, ten years from now? Inflation is going to continue to increase.

**Shanafelt:** that's part of Maner Costerian's work, to give us some projections about how costs might change over time and how we might have to change services and to give us ideas on how we fund being able to do that.

**Richardson from audience:** don't we have some some slush funds? Somewhere other than the emergency fund?

**Shanafelt:** government budgets have restricted funds that can only be used for the purpose they've been designated for. I.e., the PDR fund can only be used for PDR. You look at our budget and see we have \$10 million. Almost all of it is restricted. The \$530,000 piece is what we get to operate on. It sounds like a lot of money. But you look at the budget, and it doesn't go very far to to meet the needs.

**Kelly Clark, 9882 Center Road:** let's look at the bigger picture. Michigan is one of a handful of states that have all three taxes: sales tax, property tax, income tax. There's a movement right now through Karla Wagner, Axe My Tax, to eliminate property taxes altogether. So maybe we won't even have to deal with this. It'll just take care of itself. But my question is, how much is enough? Currently 68 cents of every dollar is taken in some form of tax or another. I understand the issues. I'm hoping to be part of the solution. But asking people to pay more during this time...I know you're saying you're not really paying more but you're coming up with \$400,000 more. And if you want to, there's

nothing stopping you from paying that extra \$100 to the township instead of forcing people to pay it. Everybody can donate, give to the township as much as they want.

**Achorn:** this is a ballot proposal that the voters vote on. The township board does not force this on them. It is a response from the voters as to how they want their township financed and if they want their township financed. It is not the board that makes the decision.

**Clark:** you say it's not enforced, but if I don't pay my property taxes, what happens?

**Shanafelt:** that's a specious comment.

**Chown:** and here's a comment from the clerk who has tried very hard over the last two years to become a fundraiser. I spend most of my discretionary time in the office writing grants for our parks. I'm occasionally successful, but I'm frequently not because Peninsula Township doesn't score well on a lot of criteria because there is a perception that we are rich. Our properties are worth a lot of money. We are automatically rejected for most of the grants I apply for. But I apply for them because we have serious problems in our parks. We have a gorgeous old-growth stand of hemlock trees at Pelizzari Natural Area that is being loved to death. People love to hike and run through those hemlocks. They're beautiful, and they're terribly stressed. They capture carbon. They filter pollutants so they don't enter East Bay, the source of drinking water for Traverse City. It's super important for a whole slew of reasons to save those trees. But we can't do it because we don't have the money to construct a sustainable boardwalk. That's one project. We don't have enough money to take care of all the properties we have in this township. We can let them fall apart, deteriorate, and decrease the quality of life for everybody, or we can have these hard conversations about what is meaningful to us and what we are willing to spend money on. We would be derelict in our duty if we didn't have these conversations and discuss solutions. Marge [Achorn], as the treasurer of Peninsula Township, knows better than anybody how we are utilizing our emergency funds. It is necessary to have the conversations and give the voters a chance to decide what they want to do.

**Sanders:** the budget was just approved by the board. It's available for anyone who wants to take a look at it. If anyone wants to stay after, I have the summary sheet and the full budget open to see what the actual numbers look like.

**Chown:** it's on the website too.

**Kelly Clark from audience:** if we don't have the money to maintain the property we have now, why are we buying more?

**Wunsch:** in the case of the Pelizzari expansion, it's because the voters approved millage funds to pay for it. We do what the voters want us to do.

**Chown:** you have to think long term.

**Wunsch:** it's illegal for us to spend that money on anything else.

**Chown:** we hope to find a way through these challenges. As a community, we can decide whether we're willing to pass the Headlee override so that we have dollars come in that allow us to stretch and take care of an urgent problem. In 10 years, we won't have the choice; we won't have an opportunity to [save the hemlocks].

**Rudolph:** we are talking about putting this on the ballot and trying to educate people about the problem the township is facing and funding the needs of the citizens. The township citizens will

decide whether they want to step up and pay those extra fees. We can't arbitrarily do that. It's got to be a ballot issue and voted on by the public.

**Fred Woodruff, 4824 Forest Ave:** I'm a member of the committee. I would ask as you work through this and think through what you want to put on the ballot and when to remember that the study you commissioned is going to come out July, August, maybe in the interim. This is maybe just one step. I ask you to consider the impact of piecemealing this as well as the chance of success for voter approval.

**Sanger:** the consultant will be in the township sometime middle to late May to get to the basis of what we're talking about. I don't feel any great sense of urgency tonight. I think that having the foresight to think ahead six months ago and begin to ask these questions is great. I feel very confident in the firm we've selected. I think we need to slow down. We're all concerned about raising taxes, no question about it. I think we need to slow down and give this firm a chance to tell us what they find out and then determine what we should do.

**Shanafelt:** based on what I saw in the budget we just approved and the limitations thereof, I think putting the Headlee amendment on the ballot is incumbent upon us from a fiduciary perspective. Based on what we've just been through, we need some relief regardless of what we do next. I don't think we can let the timing of the report dictate when we put something on the ballot. We have to operate within the timelines of the ballot requirements to put something on the ballot.

**Sanger:** we can always have a special election.

**Board disagrees.**

**Sanger:** people have just been told by the assessor their taxable values have gone up five percent.

**Chown:** for the second year in a row.

**Sanger:** we need to be careful tonight. We have a study underway that is going to get us the factual information and we do face a headwind.

**Shanafelt:** we will have the report before the November election. If we put it on the November ballot and the report says no, you don't need it, we as a board can argue it should be defeated. If the report suggests that in fact we do need those extra funds, then we're in a position for it to be addressed by the voters. I don't want to miss this opportunity. Special elections are expensive. The last thing we need is expense we don't have to take on.

**Achorn:** filing deadlines for ballot initiatives are May 14 for the August 6 primary and August 13 for November 5.

**Sanger:** we should have some preliminary information for Maner Costerian before the August deadline.

7. Second Board Discussion regarding Township Government Funding (Shanafelt)

**Shanafelt:** back in December we talked about things we should talk about at every meeting, including how we think about operating as a municipal government. At that meeting, we touched on some of these topics derived from citizen comments. One comment was, when we as individuals run low on cash, we pinch our belts and make do. The other comment is a question: do we trust government? Even if we trust this board to do the right thing, what about the next board? How do we mitigate that?

The way I chose to approach this is slightly different than Marge [Achorn], and we did this independently. I find it interesting that we kind of ended up at the same place. [Achorn presents in business item 8].

I went and looked at my taxes. These are the fractions I pay [see page 144 in packet]. I combined some things. I put all the education together and all that. Basically we pay 27.3877 mils every year as residents on the taxable value on our homes. What I highlighted is what Peninsula Township gets to run. This pays the salaries of the employees and our three officials and elected offices. It pays for maintenance, mowing, cemeteries, collections, elections, utilities, planning, zoning...Any outside work comes out of that operating budget.

Right now it's .6151 mills out of that 27.3877 mills. 2.25 percent of the taxes you pay goes to running Peninsula Township. Everything else goes somewhere else. If you pay \$5,000 a year in taxes, \$2.16 a week goes to running the township and about \$99 goes everywhere else. We've been operating at about the same level, even though inflation has driven up costs quite a bit. We have kept our employee costs fairly low, which is not sustainable in this environment. Our external costs have gone up hugely. Any third-party costs we try to take advantage of are very expensive, and these are necessary to help the government run.

On the PDR, our operating budget only pays for implementation and not monitoring and enforcement. That comes out of the PDR funds. But we still have to administer PDR, and that takes time, and time is money. If we don't have the staff to do the things we need to do, it's only going to be more expensive down the road. This list will help everyone appreciate that government isn't just sitting around a table talking for two to four hours on a Tuesday night once a month. There's a lot of things government does that you don't need on a daily basis. But at some point, you will need these things and if they aren't in place, they won't be there. Someone somewhere in the township needs everything that the township is doing all the time. In our perspective of our community, what do I want my community to look like? What do I want to be able to do? What do I expect to be able to do when I want to do it, not just what I need today?

No one wants to pay taxes. I despise paying taxes, but I'm willing to do it if I can have a nicely functioning community with a decent government. We don't pay a lot of taxes. Our tax rate is pretty normal around the nation. Our total tax rate, it's not high in terms of property tax. If we were to do the Headlee rollback, instead of that \$2.16 each week, it would be \$3.46 a week. That still isn't a lot of money to operate a government of this size, with this complexity, with an increasing population that has diverse needs and expects a lot more than it did in the past.

Go back to the first question: when we can no longer tap into the Tower or Cable funds because they don't exist anymore because either technology changes or we use them all up, what do we do?

**Wunsch:** the importance of having a rainy-day fund is underscored by the progress we recently made in the [winery] litigation. What we accomplished by being able to tap \$700,000 that we took a lot of heat for spending was a savings of, we don't know yet, but tens of thousands of dollars for every household in Peninsula Township.

**Chown:** if we run out of our rainy-day funds and we haven't rolled back the Headlee Amendment, then we cease to do anything in this township except our statutory duties. That's assessing,



elections, and tax collection. Planning and zoning, those aren't statutory duties. We do them because they help create a civilized community that people want to live in.

**Wunsch:** we'll talk to Maner Costerian about risk management. A lot of people don't want to see the size and scope of government grow. But we've also seen as we've gone through the winery litigation the end result of doing everything on the discount program. In addition to being a township supervisor, I run a business out here. If you cut corners consistently, it eventually catches up to you. This township basically spent more in two and a half years paying for the sins of past boards than we spent on legal costs and planning and zoning for a couple of decades. Our frugality on the day-to-day operations, underspending on things that should have been funded at a higher level, finally caught up to us. As a taxpayer, I would rather have consistent predictable expenditures.

**Shanafelt:** when I first moved here, looking at houses we might remodel, I thought there must be zoning ordinances that would tell me what I could and couldn't do. Our zoning ordinances were an organic growth from 1972 and very confusing. One of the reasons that has become apparent to me is that not having the right staff or the money to hire that staff or the money to go to a third party to help you do it right and to update it as times change puts you in this position. Spending a little bit of money to create something that works well pays for itself downstream and helps you escape some of these issues we're running into as a consequence of contradictions in some of the older zoning rules.

**Chown:** I found this [discussion] helpful. I appreciate both you and Marge making these [financial issues] so understandable. It's shocking. We do a lot with a very small amount of money. I'm proud, to be honest.

**Sanders:** I think the biggest challenge we're going to have between now and whichever election this gets on is our communication with the public. It always comes back to that.

**Shanafelt:** one of our constituents commented to me, "At what point do you require your citizens to take responsibility?" All this information is on the website. This isn't simple, which is why one needs a little bit more funding to make it good. [Chown], you said you were proud of how well we're doing now, and I agree. I'm incredibly stunned you're able to do it with the staffing you have because the numbers just aren't there. It's not sustainable. Burnout is real. There are better paying jobs elsewhere.

**Chown:** we have a newsletter coming out in July. We'll have a lot more information to convey. It has to come out in July because we have an election in August.

**Shanafelt:** how do you trust government? What can you do to ensure that things are safe the next time around? Local government is incredibly fragile. The reason is, Michigan is the only state where general and charter townships re-elect everybody every four years. There's no overlap. The only obvious thing I came up with was, make sure you know who you're voting for. It's not arbitrary. It's not Democrat or Republican or Independent. It's the person and whether they represent what needs to be done for the community.

**Sanders:** transparency is always going to be my big thing. And that goes back to my earlier comment about communications. If you want the trust of the people, people need to know what's going on. Becky's [Chown] newsletter and the info graph [Shanafelt] showed tonight and Marge's [Achor] detailed report on Headlee are transparency and what we're actually looking at and why

we're doing it and then making sure the communication is truth backed and to know our doors and phones are always available.

**Cram:** I would add that, as your planner, we need documentation of processes so we're not recreating the wheel every four years for a new supervisor, a new clerk, a new planner.

**Shanafelt:** it is an interesting irony that if you go to charter township, the township can levy taxes that are statutorily limited to a certain number of mills without a vote of the people. You can become a charter township two ways. One, by a ballot vote, or two, the board can make a motion to do so. If we as a board vote to move to charter township, we are capped at five mills. Ironically, if we put it to a ballot, that limit goes up to 10 mills. One way to limit what your government does is to support your board voting to become a charter township because it limits the maximum that can ultimately be levied.

**Wes Cowen from audience:** if it goes to ballot and fails, it can't go on the ballot for 10 years.

**Shanafelt:** or the next census. Food for thought: how do you use taxes to control government as opposed to the other way around?

#### 8. 2023 Final Tax Settlement with Grand Traverse County (Achorn)

**Achorn:** I have a print out that gives a settlement history for Peninsula Township of collecting taxes since 2012. In this [2023] tax year, my tax department collected \$30,200,000 in tax payments. \$30 million was processed through our office. Only 1.26 percent of the total taxes that were levied had to be sent to the county on March 1 for collection. That is the lowest percentage we've had to sell to the county since 2012. I want to commend my staff for an outstanding job.

I also want to tell you more about how little we get out of this 30 million. 25.6 million went in the door and right back out the door. \$570,782 stayed in our operating millage funding. That is 1.86 percent of the total 30 million that went to operate our township. 7.79 percent or 2.3 million went to our fire and emergency services. Two millages, or 6.9 percent, went to our PDR program. .7 percent or \$211,000 went to our sheriff's police fund. Out of the total \$30 million plus that we collected, only \$4.9 million stayed in the township.

We hear complaints constantly. "I don't want my taxes going up." Don't talk to me because we don't get to keep them. Complain to the county, the state, the schools. We do not have control of that \$25 million you pay. They can raise it as high as they want. We only have control of what we in the township can legally levy for operations, fire, police, and PDR.

**Wunsch:** give [Achorn] credit for squeezing about \$30,000 in interest during the high interest rate period. She called all the banks trying to get the highest interest rate possible, then delayed the payments we make to those other agencies. [Her work] provided our township \$30,000.

#### 9. Grand Traverse County Road Brining Agreement for 2024 (Wunsch)

**Wunsch:** in the packet edition is the road brining agreement from Grand Traverse County. It was an estimated \$12,252.96 cost for our match for the county road commission to have the roads that are enumerated in that agreement brined. We've already approved this in the budget, but I wanted to get board approval for the actual expenditure before I sign and submit this. There are a couple of minor changes that would be within my statutory spending limit that I'm looking at. I had complaints about the durability of the brine on Ridgewood Road. I've spoken with the road commission about that. We're looking at doing a bit higher volume of material for that road.

**Sanders:** are they going to fill the ridges in before they brine?

**Wunsch:** yes, grind and brine.

**Achorn:** we usually do two [brinings].

**Wunsch:** if you're supportive of two, we'll plan on doing that.

**Achorn moved to approve the contract with the Grand Traverse County Road Commission for two brinings at \$12,252.96 each with possible additions for individual areas that need special attention with a second by Chown.**

**Roll call vote:** yes – Armen, Chown, Wunsch, Achorn, Sanger, Sanders, Rudolph **Passed unan**

10. Update on Kelley Park Boat Launch Construction Plans (Wunsch and Chown)

**Chown:** the material in the packet has the schedule. Some work has begun. None of the reports are in yet and we don't really know what we're looking at in terms of how much dredging, where exactly to put the launch pad. All of those things are yet to be determined. But you can see in the packet there's a March 2024 start date. Ideally, the boat launch would be ready to use by salmon season next summer, so early to mid August. They thought October initially, but I asked to bump that up for the salmon fishermen in the crowd.

11. Planning and Zoning Department Verbal Update (Cram)

**Cram:** we'll cover PDR first. [Laura Rigan from the Grand Traverse Regional Land Conservancy] will give an update. We are currently on round five of our PDR program. We received 10 applications that were ranked based on the new ranking system in PDR Ordinance #23, Amendment #3. We have been working on appraisals for the top four properties and monitoring has been completed for this year. The reports have been submitted and we're working on the few deed violations.

**Laura Rigan:** we are meeting regularly with appraiser Steve Nichols to work out appraisal challenges, given the new farm processing facility zoning ordinance. The PDR ordinance itself had changed and we've updated the conservation easement terms. We wanted to be confident moving forward that the appraiser had all the information in place to make accurate assessments on the development rights values.

We've been meeting bi-weekly, sometimes weekly, since the start of the year. We're in a good place. We received our first appraisal for round five for the top scoring applicant, Mark Kelly. His farm is 110 acres on the west side of Center Road as you're cresting the hill just south of Carroll Road. He is currently reviewing that appraisal. Steve Nichols and I are going to meet with him this week to go over that appraisal in more detail, then take it to the PDR selection committee and hopefully recommend it to the board.

Concurrently, the appraiser is wrapping up the Nicholas Farm and Vineyards appraisal and then the Keith and JeanEva Warren trust properties. We're hoping to have those in the hands of landowners in the next week or two. It took longer than anticipated; I wanted to have accurate information for the appraiser. The rest of the applications should start moving fairly quickly. Given that these first top applicants were bigger parcels with more retained rights, more uses by right, and given the zoning changes, we wanted to make sure we fully understood what their retained rights were. As we move down the list, those parcels get smaller and might be more streamlined. We'll get some summary appraisals completed so we can give the property owners some values so they can make decisions on how they want to proceed. Ultimately, it's going to come down to how much funding is

in place, how we time these projects out, who drops out...There are a lot of moving parts and a lot of ongoing concurrent negotiations.

The township did receive a \$675,000 award from the Michigan Department of Agriculture and Rural Development through its Agricultural Preservation Fund that will be used for matching funds. That sum is earmarked for the Kelly PDR project but can be designated for other parcels if Mr. Kelly does not want to proceed. We also have a federal grant pending for the Nicholas Farm and Vineyards application through the USDA Natural Resource Conservation Service that can contribute a 50 percent match for the fair market value of the PDR. These grants will help leverage taxpayers' dollars and help those sellers move forward so hopefully we can get to more landowners. We've had some interest from landowners who weren't able to apply in time last June and are interested in a potential next round.

**Cram:** thank you, Laura, for writing those grants. With the PDR amendment, we created our process. We now contract with the Grand Traverse Regional Land Conservancy to help us with administration. We have a contract with Susie Shipman for monitoring. We have evolved the PDR program with the amendments. The other thing the PDR ordinance does is allow people to sell not only residential development rights but other development rights. We had to look at the previous ordinances and compare them. Now that we've worked through the matching grants and the ability to sell [more than] residential development rights, we have a good system. We anticipate that once these additional appraisals come out, we'll be going back before the selection committee in May and then hopefully the board in June. Isaiah [Wunsch] has asked that we provide a quarterly PDR update. Those quarterly reports will be posted on our website so people know where their tax dollars are going towards this very important program.

**Rigan:** back to your comment to have documentation, a goal of ours is to better document the process, starting from the application to negotiation with landowners and going to the board so the next people can come in and take over a little more smoothly.

**Cram:** with regard to the master plan, it's been on every planning commission agenda since the beginning of the year with our goal being to get the master plan across the finish line in the first quarter of 2024. Planning commissioners provided their comments to us in February, and we brought those red lines that addressed easy typos and formatting to the planning commission in March. We also reviewed the existing and future land use maps and received some feedback. Revisions are currently being made by Beckett & Raeder on the existing land use and future land use maps. At the April meeting, we reviewed the vision statements and action steps. There are some revisions being made. We also discussed the draft prologue.

The draft master plan was released in December of 2021. We looked at what happened between when it was released and now. Rather than going in and completely updating the master plan, we decided to address the accomplishments in a prologue. We stayed true to the plan that was outlined in the draft and the many accomplishments that have been made. All of these revisions—the typos, the formatting, the land use maps, the prologue, the vision statements, and action steps—will go back to the planning commission May 7. We will look at scheduling a special public hearing at the end of May or bringing it back at the June 4 planning commission meeting. The planning commission does need to hold one more public hearing before a resolution comes to the board to

adopt the master plan. We hope the master plan will be to the board in June, staying as close to that first quarter as possible.

The master plan steering committee did an excellent job. Randy Mielnik, the former director of planning, did a lot of work but there changes that needed to be made in order to make this the best document it can be to serve us for the next five years.

We are also working on shoreline regulations. A diverse study group formed with 14 participants appointed by the planning commission per the planning commission bylaws. Unfortunately, we did have one resignation. That information was included in your packet. I'm sorry this individual will not be participating because I learn from all opinions.

We have met five times since the group started meeting at the end of January. We have a draft policy framework that will be moving to the planning commission in May focused specifically on single waterfront ownership. The committee will continue to meet every other Monday.

The group looked at three categories. The first was single waterfront ownership. That framework will move forward. Next we will look at shared waterfront ownership. Finally, we will look at land use, development, and natural resource protection.

I will get a letter out this week to all the shoreline property owners to let them know this study group is meeting, let them know about floodplain elevations changing too, that there's an ongoing dialogue, that we hope to hear from them, to stay tuned for upcoming public hearings, and to give them a friendly reminder that some things do require land use permits. If they're looking to do work on the shoreline, they should please come talk to us so we can help guide them.

**Sanger:** does the master plan need to go to neighboring communities one more time?

**Cram:** it does not.

#### 12. Resolution to Amend Township Sewer and Water Use Rates. [Achorn]

**Achorn:** this is a formalization of what the board agreed to previously. The Department of Public Works required [the new use rates] in resolution form. The only change is that the effective date is June 1 because they requested two months' notice prior to the actual increase.

**Wunsch:** there was a lot of confusion about this last year because there was a substantial rate hike for anyone connected to municipal water and sewer. Those rates hadn't increased for a long time and had to be increased by almost 50 percent. The township is basically a pass-through vehicle for the Grand Traverse County Department of Public Works (DPW). They charge us for the individual water and sewer use, and we can either charge ratepayers the amount they're charging us or we can subsidize water and sewer from another source. The consensus was to charge users the use rates we are being charged. This rate increase is consistent with the 3.5 percent they're passing to us for this year.

**Achorn:** the other thing it covers are the bondings for the DPW's equipment and facilities. We have no power over what they decide to bond. We are required to pay the bond payments. Included in this is the fee structure. We went through a very detailed review, I think in 2021, to bring us up to state requirements. We're not quite there yet, but I'm pleased we don't have another huge increase for those people who are connected to water and sewer.

**Achorn move to adopt Resolution 2024-04-09 #2 to amend water and sewer rates in accordance with the page 2 rates beginning June 1, 2024; the water Ready-to-Serve Flat Rate is \$46.93 and**

**the Commodity Fee is \$4.14; the sewer rate effective June 1, 2024, is \$30.67 with a second by Shanafelt.**

**Roll call vote:** yes - Shanafelt, Chown, Wunsch, Achorn, Sanger, Sanders, Rudolph **Passed unan**

#### **9. Citizen Comments**

**Fred Woodruff, 4824 Forest Ave:** do you have any influence on the county road commission regarding grading? Forest Avenue is trenched twice a year, and after the first rainstorm, all the potholes come back. I just had to spend \$200 realigning my brand-new car and I had a \$2,000 bill for a strut that had to be replaced. Any influence on that?

**Wunsch:** I've found the new administration much easier to work with. I received an email from John Jacobs about Forest Avenue brining earlier today. If you send me an email, I'll pass it along.

**Woodruff:** I called them, talked to the lady on the schedule for grading. But the person I talked to about how they do it and when they put more gravel down hasn't gotten back.

#### **10. Board Comments**

**Shanafelt:** I'll use this as an example. It's not every day the roads need to be graded. But every now and then it's an important issue the township needs to take on and we need to have those services in place to be able to do that and the connections and time to be able to make it happen.

**Woodruff:** to some extent, maybe there should be a mechanism for those who directly benefit; maybe they could contribute a little more?

**Shanafelt:** sure, a mechanism for that [is possible]. But it takes time and putting it together.

**Wunsch:** the funding to deal with your road comes from the .97 mills that go to the road commission.

**Achorn:** we received an anonymous \$12,500 donation toward the Kelley Park boat launch this week.

**Sanders:** anyone want to hang out and look at budget numbers?

#### **11. Adjournment**

**Rudolph moved to adjourn with a second by Sanders.**

**Motion approved by consensus**

**Adjourned at 9:43 p.m.**