

PENINSULA TOWNSHIP

13235 Center Road, Traverse City MI 49686

www.peninsulatownship.com

Citizens' Agricultural Advisory Committee

Study Session

April 14, 2022, 10:00 a.m.

Township Hall

No Minutes Will Be Taken

This meeting will not be streamed on YouTube

- 1. Call to Order**
- 2. Correspondence**
 1. Lew Seibold
 2. William Rudolph (aka Rudy)
- 3. Business:**
 1. Recap of RTF Presentation and Requests for Follow up (Committee)
 2. Summary of Roadside Stand Ordinances and Comparison of Farm Processing and Winery-Chateau Ordinances with Policy Direction (Jenn Cram)
- 4. Brief Citizen Comments (for agenda items only)**
- 5. Adjournment**

The next meeting is scheduled for Thursday, April 28, 2022 at 10:00 a.m.



**Jenn Cram,
Director of Planning**

Posted: April 12, 2022, 11:30 a.m.

Correspondence

Date: April 4, 2022

To: Peninsula Township AG Ordinance Study Committee

From: Lew Seibold 3195 Cherry Hill Rd., Traverse City, MI; Peninsula Township

Re: **AG Zoning - Ordinance Study Group**

During the meeting of the AG Study Committee on March 24, 2022 I stated that I could support particular actions of the AG Study Committee if there was a “good faith” effort to craft an ordinance that was favorable to agriculture on Old Mission Peninsula and further, that it would not be used as a cudgel to force agriculture into a pre-conceived position determined by Township administrators and/or citizens that are not involved in the imperatives and nuances of farming practices. For the agricultural community this could be suicidal as the Peninsula has come to a “tipping point” in regard to the viability and maintenance of a diverse agricultural infrastructure that is **not solely dependent** on a vineyard monoculture and the winery/tasting room business model. We realize that we must work together with the community at large and craft an ordinance that is amenable for everyone regardless of the time it takes.

My underlying principle is fair treatment between all forms of agricultural production, at all scales, and with parity in a pursuit of economic viability. The ability to experiment and to try new AG related enterprises is critical for young people. We must allow them to incubate ideas in order for them to flourish and grow into larger, more sustainable businesses. With this end in mind and in order to be transparent I would like to state positions in the following areas:

1. **General Farming Uses - Structures**

All agricultural structures need to be addressed. This should be very specific as it should not be left to the discretion of zoning administrators to determine the tactical or strategic deployment of controlled environment structures, frost protection systems, trellising, fencing and all structures that are, by nature, incidental to normative farming and horticultural practices in general.

2. **Processing/Crop Storage**

The processing/storage of value-added products should not only encouraged but promoted in the ordinance and should be applied equitably, yet with scalable differences, to all businesses within the same zone. The application for land use permits or SUPs should be in proportion to the impact of the business regarding, size, noise, ingress/egress, and parking. Limitations on size would be implicit if a certain percentage of the product were produced on the land of a particular farm or horticultural operation.

Small Home/Farm based businesses should be encouraged as these are the laboratories of innovation and entrepreneurial activity. This is particularly important for the retention of young people who have limited capital but an interest, creative minds and the strength of youth.

3. **Hospitality**

Any value-added use of the property for events and guests should be considered to improve a farm's viability and diversification. Limitations should be carefully analyzed for consequences such as noise and hours of operation.

A guest function afforded to one group within the farming/horticultural endeavor should be afforded to all, i.e. overnight, or short-term stays. I support consideration of Barb Wunsch's

notions expressed in a letter to the Township Board, which had a range of ideas and possibilities in a spectrum from B&B to Farm to Table.

4. **Sales (Community Markets, Farm Markets, Roadside Stands)**
All direct-to-consumer sales should be encouraged in all forms with ways to promote product and sales directly through the actual sales venue, props, seasonal activities and reasonable signage size and location. There, absolutely, should be parity of opportunity for all farming entities in regard to direct sales whether they are tasting rooms, markets or farm stands.
5. **Transportation/Traffic**
Traffic is good for those farms and farmers who are involved in direct sales. There isn't a way to limit the number of people who choose to drive on a particular road at a particular time in a free and open society. However the traffic problems need to be addressed from the standpoint of well-being and safety, i.e. roadway standards, speeds, warnings and enforcement. Consider bringing Center Rd. (M-37) under local jurisdiction and apply local standards. Center Road at the base of the Peninsula will be under local control of another jurisdiction at some point. Funding for the road certainly needs some plan. Center Rd. is critical infrastructure for maintaining the free flow of inputs and outputs of the agricultural community.
6. **Signage**
Identity should be strong enough to alert one to a sales venue yet not overwhelm the experience of driving a "country road". I advocate something that is between car and pedestrian scale. Again, apply the same standards for wineries, farm markets, and roadside stands as equitable opportunity is the overarching goal.

If, in the future, there is ever local control of M-37 than rid the road of all *Pure Michigan and sponsorship* signs. They block views and are out of scale with the Peninsula environment and other regulatory and warning signs. They also compete in size with signs for farm stands, wineries and markets.
7. **Power Generation**
Presently the ordinance regulates solar arrays, by power output (<10kW, >10kW but <30kW and >30kW). If anything, this should be regulated by size, height and location, **not output capacity**. It makes no sense to regulate by output because the efficiency of equipment and systems is changing as are the electric energy needs of a farm business. The needs for onsite power generation has become a major concern in the viability of a farming endeavor as tractors, pumps, and rechargeable tools are either already used or in the works. Farms should, by right, and not by SUP have the ability to supply their own requirements for electric power. Farms by nature as a grouping of multiple accessory buildings farmers should also have to ability to install solar energy collection on all roof surfaces of the farm's structures. Only ground mount systems should have size limitations and not be regulated by output capabilities.
8. **Enforcement**
If the township continues its use of technological surveillance through internet algorithm searches in identifying entities that potentially violate the ordinance I would like to see that a minimum of two (2) elected officials at the town board level "sign off" and agree to the specific action by any non-elected employees of the township and that it be a part of public record. This would place responsibility on officials that are directly accountable to the citizens of the township by election and be in keeping with the limits of surveillance in a free and open society.

Tourism or Agriculture

We seem to use the term agri-tourism to cover a multitude of activities that may or may not have anything to do with actual agriculture. This has always been confusing to me. To my mind agriculture and tourism are two entirely separate endeavors. I have been thinking about this a lot and feel like the term agri-tourism has been used to promote tourism activities that are in actuality pure tourism.

Our fellow citizens appear to favor the promotion of agriculture on the Peninsula, but the majority are clearly, by polling, not in favor of promoting commercial tourism.

As we recommend improvements to the Peninsula Township Ordinances, I propose we clearly keep in mind the differences between agriculture and tourism and try to agree to a clear definition of the term agri-tourism. We can argue about these definitions among ourselves, but here is what Merriam-Webster.com Dictionary has to say on these subjects.

Agriculture*

“The science, art, or practice of cultivating the soil, producing crops , and raising livestock and in varying degrees the preparation and marketing of the resulting products”.

To my mind this includes producing and processing and marketing of a crop produced on a farm, whether this be a vegetable farm, vineyard, orchard, dairy or alpaca operation. I think farm markets, wine tasting rooms, and cottage industry sales of products raised on a farm clearly fall under this definition. I don't think commercial activities such as paid events, guest room rentals, entertainment events, and tours can be considered agriculture by a reasonable person. In my mind these are all tourist activities and we should consider them so.

Tourism*

“The practice of traveling for recreation”

“The guidance or management of tourists”

“The promotion or encouragement of touring”

“The accommodation of tourists”

Agri-tourism*

“The practice of touring agricultural areas to see farms and often to participate in farm activities”.

In my mind this means that a person actually takes part in or experiences the farming activity in order to be considered an agri-tourist. This might mean u-pick farms can be considered agri-tourism. Or taking part in harvest activities of any kind would be appropriate. Perhaps tilling or weeding fields of crops, tending livestock and the like. It seems to me an agri-tourist needs to participate to the extent that he or she gains an understanding of what the farming operation is all about. In any event, it seems as if merely staying overnight on a farm or being entertained in some manner on a farm would not be considered agri-tourism, rather this would fall under the definition of tourism.

*Merriam-Webster.com Dictionary, Merriam-Webster, <https://www.merriam-webster.com/dictionary/agriculture>. Accessed 19 Dec. 2021

Business

Summary of Roadside Stand Regulations:

The Citizens' Agricultural Advisory Committee reviewed the Roadside Stand standards and provided input on February 10th. A summary of what was heard and recommended Policy Direction is noted below.

Definitions of Roadside Stand: Definitions vary. It appears that the general intent is to allow a small structure that is not accessed by the public. (See Bingham, Suttons Bay and Larimer County). A farm market allows for a larger structure that is accessible to the public.

Note: Peninsula Township does not currently define a farm market as a use.

Questions: Does the agricultural community on Old Mission Peninsula want to have the flexibility to allow the public inside a roadside stand? **Unanimously, Yes.**

Policy Direction = Update Zoning Ordinance to clearly note if and when a building permit is required.

Should a farm market use be included? **Unanimously, Yes.**

Policy Direction = Update Zoning Ordinance to include a standard definition of a farm market and appropriate standards for approval. (Note: A Roadside Stand is a form of a Farm Market.)

Note: Will need to talk with Grand Traverse County Building Department to see if a building permit is required for agricultural support structures that are accessible to the public.

Received information from Bruce Remai, email included as Exhibit 1.

Policy Direction = Update Zoning Ordinance to clearly note if and when a building permit is required.

Where allowed: All jurisdictions allow roadside stands in zone districts that allow for farming/agricultural operations.

Note: Peninsula Township notes that Roadside Stands are a Use by Right, however a Land Use Permit is required for structures that are greater than 25 sq. ft. Thus, this is essentially a use allowed with conditions.

Question: Should Roadside Stands that meet certain standards for the general public health, safety and welfare be allowed without a Land Use Permit, or a streamlined permit with an appropriate fee?

Note: Currently, the Land Use Permit fee for Roadside Stands is \$100. Currently, complete Land Use Permit applications can be processed within a few days up to a week.

All agreed that a Land Use Permit is appropriate to confirm access, minimum required setbacks and parking requirements. All would like for a more affordable permit fee and expedited review process.

Policy Direction = Update Zoning Ordinance to clearly note that a Land Use Permit is required for Roadside Stands. Will discuss permit fees separately with Zoning and Township Board.

Minimum Lot Size: The minimum lot size required for a roadside stand varies, it depends on the minimum lot size for the underlying zone district where the farm stand is proposed, generally 5-10 acres.

Note: The minimum lot size in the A-1 zone district in Peninsula Township is 5-acres. Thus, a parcel that has a minimum lot size of 5-acres with a farm can have a roadside stand.

Question: Should the term "farm" should be defined? **Unanimously, Yes.**

Policy Direction = Update the Zoning Ordinance to include a standard definition of a farm. (This will need to be consistent with IRS and MI RTF)

Type of structure: The type of structure varies between temporary and permanent.

Question: Should tents be allowed for roadside stands? **Unanimously, Yes. (Would like option for providing shade for produce.)**

Policy Direction = Clearly note that one roadside stand is allowed per parcel with a farm. It may be a structure or a tent but not both. Temporary shade structures will also be considered under certain circumstances and with time limits. Will define that the footprint is measured from exterior wall to exterior wall, thus eaves would not count against maximum square footage. The construction of eaves to provide shading will be encouraged.

Additional Discussion:

Outdoor storage of materials such as additional tables with umbrellas, coolers, etc. should be addressed. Believe we need to define a maximum area for outdoor storage of materials that support the roadside stand.

Maximum structure size: The maximum square footage varies from 100-200 square feet.

Note: Peninsula Township currently allows up to 150 sq. ft.

Question: Should this size be increased to 200 square feet, or larger? **Unanimously, Yes. (Consistent with Building Code requirements)**

Policy Direction: Update Zoning Ordinance to note maximum square footage for a Roadside Stand is 200 sq. ft. and clearly note building code requirements.

Setbacks: Setbacks vary depending on underlying zoning in each jurisdiction or use specific standards. Generally, use specific setbacks are between 10-feet and 15-feet from the front property line/right-of-way. No structures are permitted within a right-of-way.

Note: Currently the required setback for agricultural structures is 15-feet from the property line.

Questions: Is the current setback adequate? **Unanimously, Yes.**

Should the setback from property line/right-of-way be increased or reduced? **All agreed that 15-feet is the minimum setback for safety.**

Policy Direction: No action needed, will stay the same as is currently noted for the A-1 – Agricultural zone district.

Additional Discussion: Should there be a minimum setback between roadside stands?

Parking Requirements: No parking is permitted within a right-of-way. Parking requirements vary from a minimum of 2 spaces up to 5 spaces.

Note: Currently Peninsula Township requires 1 space for each 25 sq. ft. with a minimum of 5 spaces.

Questions: Should parking requirements be adjusted? **Unanimously, No.**

Should there be more or less? **All agreed that a minimum of 5 spaces is adequate.**

Policy Direction = Leave existing parking requirements in tact at a minimum of 5 spaces.

What May Be Sold: All ordinances limit the items sold at the roadside stand/farm stand to what is grown or produced on the property where the roadside stand is located with a percentage of agricultural products grown or produced locally within the county where the roadside stand is located, except Peninsula Township.

This is further supported by the MI Right to Farm Act to support local agriculture.

Note: Peninsula Township currently notes that items should be regionally grown/produced.

Question: Should what may be sold at a roadside stand in Peninsula Township be further clarified?
Unanimously, Yes.

Policy Direction = Update Zoning Ordinance to clearly note what may be sold at a roadside stand that is consistent with the Right to Farm Act and goals of the community to promote agriculture on the peninsula and regionally. Include exceptions for seasons with poor crop production and for farms that are MAEAPs certified following GAAMPS.

Signage: All ordinances allow for signage from a maximum of 1 sign to 2 signs.

Policy Direction = No action needed at this time. For future, look at sign ordinance to provide flexibility and provide graphic examples. (Discussed a menu board option to note what is fresh daily, etc.)

Comparison of Farm Processing and Winery-Chateau Regulations:

The Citizens' Agricultural Advisory Committee compared the Farm Processing and Winery-Chateau Regulations and provided input on March 10th. A summary of what was heard and recommended Policy Direction is noted below.

Use by Right vs Special Use Permit: Currently, a farm processing facility that allows for up to a 30,000 sq. ft. facility with up to 1,500 sq. ft. of retail space is a use by right with conditions and a winery-chateau use requires a Special Use Permit.

The required approval process could also be scaled based on the total acreage involved in the request and proposed support uses. For example, a straight forward processing facility with no retail space that meets required setbacks, parking requirements, etc. could continue to be a use by right and if other support uses such as retail space or a tasting room are added that increase traffic and impacts to neighbors then the approval process would be a special review.

Question: Should the farm processing facility require a Special Use Permit to assure that the use is compatible with adjacent uses? **Unanimously, No. Would like to keep an option with basic allowances as a use by right with conditions.**

Would a scaled approach be better? **Unanimously, Yes, would like additional allowances beyond use by right to be scaled with size of parcel.**

Policy Direction = Update Zoning Ordinance to create a scaled approach for Farm Processing Facilities. Basic use by right with a min. of 40 acres (20 acres for Farm Processing and 20 acres owned or leased in crop production) allows for up to a 30,000 sq. ft. building with up to 1,500 sq. ft. retail. Establish appropriate setbacks to crops and residential uses. Larger buildings and/or Outdoor Uses with approval of a Special Use Permit. (Outdoor uses handled under new Agritourism section of the Zoning Ordinance.)

Total Acreage Required/Acreage Required in Crop Production: The farm processing facility requires 40 acres. The required 40 acres can be in the form of two 20-acre parcels. The farm processing facility must be located on a minimum of 20 acres. Five acres of the 20 acres where the farm processing facility is located is required to be used for crop production. Currently the amount of land required to be in crop production for the other 20 acres is not specified.

The winery-chateau use requires a minimum of 50 acres with 75% in crop production. The winery-chateau use helps to preserve large blocks of agricultural land.

Questions: Should the farm processing facility require more acreage in crop production? **Majority, No, do not want it to be more restrictive. It should at least specify that the additional 20-acres that is owned or leased should be appropriate for agricultural production and/or used currently for agricultural production.**

Additional Discussion:

What is the minimum number of acres needed in crop production to necessitate or provide enough raw material to warrant having a farm processing facility?

Should the required acreage in crop production be flexible to allow for preservation of wooded areas and other natural resources? **Unanimously, Yes.**

Policy Direction = Update Zoning Ordinance to keep existing minimum acreages for each use. Under Farm Processing add language that notes minimum requirement for additional 20-acres owned or leased in crop production. Also note that the required acreage in crop production can be reduced if preserving natural resources such as wetlands and/or mature tree stands. (Staff to review

Residential Density: The farm processing use limits residential density to one unit per 20 acres. Thus, the farm processing facility itself extinguishes 6 units of residential density considering that the minimum lot size in the A-1 zone district is 5 acres.

The winery-chateau use allows for 6 units of residential density in addition to the winery use, managers residence and guest rooms. The winery itself only extinguishes one unit of residential density.

Questions: Do you believe that a farm processing facility or winery-chateau use is more intense than a residential use on agriculturally zoned property? **Unanimously, Yes.**

Should the residential density extinguished by the winery-chateau principal and support uses (guest rooms, etc.) be increased to be consistent with farm processing? **Majority, Yes. All agreed that the existing zoning ordinance needs to be clarified.**

Should a farm processing facility be allowed to have supporting guest rooms? **Majority, No.**

Policy Direction = Update the Zoning Ordinance to clarify the residential equivalents or density that is used or extinguished in place of having a Farm Processing Facility and/or Winery.

Setbacks: The farm processing use requires a 200-foot setback from residential structures. The winery-chateau use does not have any specific setbacks to residential structures.

The winery-chateau requires a 200-foot setback for facilities and guest rooms from crop production.

Question: Should setbacks from existing residential structures and crop production for both uses be consistent to help mitigate negative impacts? **Unanimously, Yes.**

Policy Direction = Update the Zoning Ordinance to specify minimum required setbacks from residential structures and crops to a minimum of 200-feet. This provides for safety from spraying and creates buffers to residential uses.

Maximum structure size: The farm processing facility is limited to 250 sq. ft./acre or a maximum of 30,000 sq. ft. (= ~5.7% lot coverage) The maximum structure size for a winery-chateau facility is not specified.

Questions: Should the maximum structure size for winery-chateau structures be limited? **Majority, Yes.**

Should there be a maximum lot coverage for agricultural support structures for these uses? **Majority, Yes.**

Policy Direction = Update the Zoning Ordinance so that maximum square footage of buildings and lot coverage are consistent.

Retail Square Footage: The farm processing facility is limited to 25% of the total facility up to a 1,500 sq. ft. maximum. The winery-chateau use does not list retail sales as a support use nor limit the area for retail sales. However, we know that retail sales are taking place.

Questions: Should the square footage allowed for retail sales for the winery-chateau use be limited?
Unanimously, Yes.

Is 1,500 sq. ft. sufficient for retail sales related to farm processing/winery-chateau? **Unanimously, Yes.**

Policy Direction = Update the Zoning Ordinance to clearly note the maximum square footage allowed for retail is 1,500 sq. ft. as based on acreage (25% of allowable square footage of processing facility or up to 1,500 sq. ft.)

Additional Discussion:

Should the allowable square footage of retail space be able to be provided in a separate structure than the processing facility provided the total square footage together does not exceed the allowable maximum based on acreage or 30,000 sq. ft.? This would allow a smaller retail structure to be located in an area with greater visibility and to locate the larger processing facility in a manner that is less visible.

Merchandise: Currently the type of merchandise that is allowed to be sold in the retail space within a farm processing facility is limited to that with a logo and related to the fresh and/or processed agricultural product being produced.

As noted above, the winery-chateau use does not specify retail sales or the type of merchandise that may be sold.

Question: Should a winery-chateau use be limited in the type of merchandise that may be sold and be consistent with farm processing? **Unanimously, Yes.**

Policy Direction = Update the Zoning Ordinance to be consistent with current restrictions as noted in Farm Processing.

Hours of Operation: Currently the hours of operation for a farm processing facility are not specified. The hours of operation for a winery-chateau are limited to no later than 9:30 pm.

Questions: Should the hours of operation of a farm processing facility be limited? **Unanimously, Yes for retail space only, or other uses as approved that allow for public access. Should also note appropriate start time for retail.**

Is 9:30 pm a reasonable cut off time for operations to close? **Unanimously, Yes.**

Policy Direction = Update the Zoning Ordinance to clearly note the start and end times for retail sales and activities open to the public.

Source of Produce: The goal for both farm processing facilities and winery-chateau uses is to promote local and regional agriculture. Both farm processing and winery-chateau uses have specific requirements for the percentage of produce that is grown and processed on the site, see spreadsheet. The calculations for these are convoluted.

Questions: Should the percentage of product grown and processed on a site related to the farm processing or winery-chateau use be streamlined and consistent? **Unanimously, Yes.**

Is the 85% requirement reasonable? **Majority, Yes, but hard to enforce.**

Does it have to be 85% to be appellation? **Yes.**

Policy Direction = Update zoning ordinance to be streamlined and consistent. Will need to designate percentages based on the type of crop production/raw material being processed. Goal = 85% of raw product from specific farm operation.

Additional Discussion:

Should a farm processing facility be allowed to process raw materials from another property (regional) or should it be 100% from the specific farm operation related to the use?

What is an appropriate percentage? Example: 75% from specific farm operation related to use and 25% from another farm in the region or 5-county area.

Site Production: The site production requirements for farm processing and winery-chateau are different, see spreadsheet.

Questions: Should these be streamlined and consistent? **Unanimously, Yes.**

Is 75% fermented and clarified on site reasonable? **Majority, Yes.**

Why can sparkling be finished off-site? **Due to the cost and availability of required equipment. Provides cost sharing for equipment.**

Policy Direction = Update zoning ordinance for consistency based on acreage in production and/or type of crop production/raw material being processed. Goal = 100% processed on site from 85% raw product from specific farm or a defined region. (For a winery it is okay to bring grapes in from a defined region, but they must be crushed on-site)

Wine by the Glass and Bottle Sales: Both farm processing and winery-chateau uses allow for wine by the glass and are silent but imply the ability for bottle sales.

Question: Should these be consistent for both uses and specified? **Unanimously, Yes.**

Policy Direction = Update the Zoning Ordinance to be consistent.

Additional Discussion:

Should there also be clarification for on-site consumption?

Food Service: It is clear that a restaurant use is not allowed for neither the farm processing facility or the winery-chateau. A tasting room requires that there be food for sale to offset the effects of alcohol. In addition, food service that supports the agricultural production is also supported for the winery-chateau use but the level at which it is provided is inconsistent from lunch to full meals. Kitchens related to the production of food is also not intended for off-site catering with the winery-chateau use.

Questions: Should the appropriate amount of food to offset the effects of alcohol be clearly specified? (Food for immediate consumption such as packaged food, cheese and crackers, chocolate, etc.)

Majority, Yes.

Should food related to meetings/events be allowed at both farm processing facilities and winery-chateaus? Majority, No. Do not open up for Farm Processing as use by right.

Should the percentage of food produced for allowed meetings/events be from the farm be limited to where the use is located, from the Township, or regionally? Majority, Yes.

Policy Direction = Update the Zoning Ordinance to clearly state what is appropriate for food service. Agree that some food is needed for tastings. Define "Food for Immediate Consumption". Does not require a commercial kitchen.

Activities/Events: Currently the farm processing facility does not specify that activities or events are allowed. The winery-chateau use attempts to limit the types of activities to those for registered guests in relationship to guest rooms and for those types of meetings and events that promote local agriculture.

Questions: Should the activities/events that are allowed be focused on promoting local agriculture?

Majority, Yes.

Should farm processing facilities be allowed to conduct appropriate activities/events? Unanimously, Yes. Some proposed activities may require approval of Special Use Permit.

What types of activities and events are appropriate on property zoned A-1 – Agricultural? Majority, those that directly promote agriculture on the peninsula.

Should the zoning ordinance address agritourism to support Old Mission Peninsula agriculture? Unanimously, Yes.

Policy Direction = Remove Guest Rooms as an allowable use under the Winery-Chateau Ordinance. Allow for owner occupied Bed and Breakfasts only.

Clarify activities that are appropriate and required process for approval (i.e. outdoor uses require SUP approval).

Define Agritourism and create appropriate standards and review process.

General Policy Direction = Repeal Winery-Chateau ordinance and replace with updated Farm Processing Ordinance that includes specific uses by right and additional uses allowed through the approval of a Special Use Permit.

Will also update definitions for a Wedding Venue, Restaurant and Hotels/Motels as commercial uses allowed in the C-1- Commercial zone district with the approval of a Special Use Permit.