



PENINSULA TOWNSHIP

13235 Center Road, Traverse City
MI 49686

www.peninsulatownship.com

Township Board Special Meeting

November 10, 2022, 1:00 p.m.

Township Hall

Minutes

1. **Call to Order** by Wunsch at 1:00 p.m.
2. **Pledge**
3. **Roll Call**

Present: Wunsch, Achorn, Sanger, Rudolph, Shanafelt, Chown

Absent: Wahl

4. **Citizen Comments**

Nancy R. Heller, 3091 Blue Water Road: asked the board to delay board action on business item C to give residents who the chance to attend an evening meeting.

Chris Baldyga, 9707 Montague Road: noted that [Planner] Jenn [Cram] said that, in most places in the country, the processing that goes along with agriculture is not considered an agricultural use. It is separate; it is often in commercial or separate zoning. Was surprised by that. Growing up here, always saw processors and plants and packing houses and cooling places. All the wineries typically have their processing and tasting room right by their farms. Always just considered it as a support industry to all the agriculture.

Cram: It's not a different zone; it's a different use. Essentially, farm processing is not an agricultural use by right. It's an industrial or commercial use.

Baldyga: I had never thought of it that way because I always looked at it as packing cherries or cooling cherries or moving them off or processing the product there. I thought this idea was really striking and interesting.

Cram: processing as discussed here means changing a raw product to something else. Something I think we do need to address is that the sorting, the cleaning, the packing, is something that is a standard part of the agricultural operation. But changing the raw produce to something else is what we're talking about with this amendment. Generally speaking, that use is considered to be industrial or commercial, and it is a special use.

Baldyga: that's what struck me as interesting. I've seen the processing and packaging in cherry plants. If you've ever seen pictures of the old Kroupa plant back in the day, industrial is the way to describe those as well. Yet none of that to me ever lets the word "industrial" enter. That's agriculture. That's how I've always seen it; that's how I believe agriculture exists. It was striking to see where you were coming from, but I can't get behind the new farm processing ordinance, not in its current form. I think it's too far apart from where we want to be. We need to be more supportive. Also the current farm

processing, the three wineries that are there now, Tabone, Black Star, Two Lads... [three-minute timer goes off]

Cram: can we give him more time? I interrupted.

Baldyga: the new ordinance has a 40% increase in the amount of fruit that is required to be used, up from "a majority," which is what it says now, so 51% to 70%. It's a 520% increase in required acreage, from five acres to the 26 that is proposed. And then the 50% increase in the parcel size. I look at the wineries that exist under the [current] farm processing [ordinance]; they seem to be the smaller, more successful, ones. I don't think we need to take the farm processing ordinance and revise it at all, let alone throw the baby out with the bathwater, which is where I think this current one is headed.

Harold David Edmondson, 12414 Center Road: That's all I've ever done all my life, pack cherries in my facility since day one. Wow, that's an industrial use. That's pretty absurd. I cannot get behind this new amendment whatsoever. It's way too cumbersome for the agricultural people. I don't know how many times we've hounded you guys about this. I've come to the conclusion that none of you are listening to the ag community. You've got to or we're gonna have problems. I talked to the Right to Farm people. What you're talking about with the percentages, you don't have a right to get into that category. That hasn't been vetted thoroughly. Isaiah [Wunsch], you're the only man that's really in the trench, doing it legitimately. I don't know how you can promote this. It's not gonna work for you. It's not gonna work for the rest of your counterparts. So please stop this. Let's start over. Let's talk with real ag people who know what is going to work. There's a few of us who come here to talk and voice our opinions and maybe voice our opinions for others because they're afraid come. They also know that you don't listen to agriculture. Mark Nadolski, Grant Parsons, John Wunsch, they don't own any farms that are substantial. John owns a farm, but they don't know what it takes to put the show on. We do. There's Bern [Kroupa] here who's been here for generations, myself generations, you [Wunsch] generations. We know what works. Listen to us, please.

Brit Eaton, 1465 Nehtawanta Road: timing is everything. One year and one month ago, I spoke at the infamous township board meeting at St. Joseph on behalf of a large number of residents. I specifically requested that the board establish a citizens committee made up of citizens and winery representatives following the example of Dry Creek Valley, California, to address the divide between WOMP and the citizens of the peninsula. You did just that. But you took it a step further to include all agricultural farming concerns. You are to be congratulated. You're about to deliver on your promise to provide a courageous, far-reaching, inclusive, and innovative agricultural zoning plan for the township that addresses both the agricultural and the citizens' communities concerns. This was a first step in a vision that includes broader agricultural zoning ordinances that cover future farm markets, agritourism, and roadside stands. In retrospect, the citizens' agricultural committee would have benefited from the input from the three winery seats that were made available to them, but they chose not attend. As I said at the beginning, timing is everything. And now is the time to act and take the first step towards the township planner's masterful plan to rewrite the township's long overdue agricultural zoning ordinances. I, we, fully support Amendment 201. Thank you for your courage.

Bern Kroupa, 3183 Shorewood Drive: the real issue here is, 20 years ago we crafted [Amendment] 139. That was after a white paper was presented in this room talking in depth about what agriculture was then, what it looked like, all segments, and where it's going to look in 10 years. We spent a lot of time with demographics. This one comes now, and granted everybody probably had a chance. Frankly, we in tree fruit farming didn't put much importance on it at the time. But now it's removed uses by right, as I said last time up here. That is a huge mistake. We've added acreage, which isn't needed. That's a huge mistake. The whole thing should be set aside for a while until we finally know what direction we're going here. But I'm not looking to manage agriculture nearly as much as I am residential. As I said since the first winery opened, we've had 3,000 to 4,000 new houses [built on the peninsula]. I've yet to have a problem with a winery or wine grapes anywhere near our farms. Even with 139, we knew the barriers to entry were high. A lot of capital upfront, at risk, before you can sell the first thing out the front door. Well, this one's the same way but now you want to go to the final step to the outside sales. Now it's back to public hearings. Public hearings helped over the last 30 years to give us some of the convoluted winery ordinances we have. I couldn't begin to untangle them. I think that's a mistake. We're going to do this with all these requirements. I hope they're not quite the same requirements that are out there right now, i.e., 60 acres. At least when you get to the end of all that, with your capital invested and on the line, then you've got to get one more public hearing for the final stage. And those have been designed and choreographed to delay and harass. I'd like to say something good about it. I've never been to a good public hearing that was designed for a quick outcome. It's unfortunate but that's where it is. We'll keep on farming.

5. Approve Agenda

Achorn moved to move business items B and D before A with a second by Sanger.

Motion approved by consensus

Shanafelt moved to support the agenda as amended with a second by Chown.

Motion approved by consensus

6. Conflict of interests: none

7. Consent Agenda

A. Reports

1. Treasurer

2. Peninsula Community Library

B. Sign request for Old Mission Women's Club

Rudolph moved to approve the consent agenda with a second by Wunsch. Motion approved by consensus

8. Business:

1. Request to initiate a local road improvement project from GTCRC

Achorn: this is a formality between the road commission and the township. They only deal with townships, not subdivisions or groups of individuals. This contract has to be with the township. The homeowner's association involved with Mallard Road requesting engineering services is depositing \$1,000 as required in this preliminary engineering study with the township. Then the township will remit a check to Grand Traverse County and it

will be signed. The township does not pay for these subdivision road requests for repairs. We are just the go between for the subdivision and the Grand Traverse County Road Commission. The township will have no money involved. We will just be passing the subdivision's money to the road commission.

Achorn moved that the supervisor, clerk, and treasurer be allowed to sign the contract for the \$1,000 engineering study between the subdivision and the [Grand Traverse County] Road Commission with a second by Sanger.

Sanger: this is a public road, correct?

Wunsch: some of the subdivision roads are public; some are private. The county road commission has essentially refused to continue maintaining subdivision roads. I believe this one was created as a public road when the subdivision was built out. But the road commission's current position is that residents are responsible for either self-funding or working with the townships to come up with special assessment districts to fund ongoing road repair and maintenance.

Sanger: the Braemar road project a few years ago required a majority of the property holders to request this. Do we have a majority of the property owners requesting this?

Achorn: the only thing they're requesting is an engineering study to begin with. Once that is in, then they make their decision.

Sanger: are they on the hook for the thousand dollars or the township?

Achorn: they are. We just pass through the money.

Shanafelt: I have a follow-up question that's not directly related. If the county is no longer taking responsibility for roads and subdivisions, for neighborhood roads, so to speak, do they officially still have control over those roads?

Wunsch: yes. They cover snow removal and those kinds of maintenance?

Sanger: I just came off the Braemar Road project two, three years ago. For a subdivision road, the county standard is gravel. The county determined that Braemar was shot. And the people said, "We've got to do something; it's full of potholes." The county came out and said, "It's outlived its life and essentially it's going to revert to gravel and that's our standard." The mechanism put in place then was that the residents agreed, almost 100%, and then the township formed a special assessment district to fund it.

Shanafelt: right, and then we function as the legal intermediary.

Wunsch: we can function as the legal intermediary for funding. We pass the engineering request, the \$1,000 cost share, from the HOA to the county. I think we'll need some information from Marge [Achorn] about whether it would be cost effective for our subdivisions to go through the special assessment district or whether it would be more advantageous for them to look at self-funding. The financial environment is different from where it was last time we went through this.

Achorn: it's extremely expensive to go through the bonding process. It's probably less expensive for the subdivision to fund it themselves.

Wunsch: we get an attractive interest rate through the special assessment district and bonding, but the administrative cost is high. I think we'll be seeing a few more of these. I've seen a few requests. I'll contact Rob Manigold [the previous supervisor] to see how the township helped support these projects in the past [besides financially]. One of the

questions I've gotten has been helping facilitate a multi-project bid project. The neighborhoods that are doing this can leverage group buying.

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

2. Policy Millage Levy

Achorn: the police millage passed this week. It's the decision of the town board to determine how much of that levy it wants to assess for this winter tax bill. When we did the original study, the two officers equated to a millage rate of .23. I have additional ones to choose from. Two officers are projected to cost \$182,000 per year. That is the closest to a millage rate of .23 at \$196,941, based on Sally's [the assessor] assumptions of what our tax base is. It's slightly higher than the \$182,000 the county is billing us for, but we do have other costs, including equipment costs that we would have to provide in addition to the officers. I'm recommending that we go to the .23 millage rate.

Rudolph: what are some of those equipment costs?

Achorn: a little bit of insurance that we're billed for, their telephones, all the speed signs, any new speed signs, new equipment that may come along, batteries, a bicycle if they need another one.

Wunsch: we basically get a vehicle, the standard IT package, and a full-time police officer at the rate for one officer. If we want to do any additional speed studies in house, which we can do with those traffic signs, they allow us to essentially do that.

Rudolf: I know we've got the one speed sign down by Haserot; is there another one on the peninsula?

Achorn: on Peninsula Drive.

Shanafelt: so a 5% overage for miscellaneous. Will we be having this discussion for summer tax?

Achorn: this is a winter only tax.

Shanafelt: in summer will two officers be enough?

Wunsch: I think the two are working fairly well right now. I'll ask next year. Because we have to set this now, I would recommend we increase the millage rate to .23 and then look at different scenarios.

Shanafelt: reevaluate and see how it went. It will be our second year with two officers.

Wunsch: we're in a slightly different situation than we've been in the past. We've had a millage rate that is fixed. From a negotiating standpoint, the sheriff's office knows we have a certain amount of money in our pot and tells us how many officers we can get. The flexible millage rate will open up new parameters for discussion around the millage. Let's look at different scenarios.

Sanger: we need to encourage our two officers today to help us with some metrics. I would ask them to work with the department and central dispatch on metrics much like we do with the fire department. I.e., response time, location of incidents. It's tempting to go to three officers just because we have the money, but the prudent thing to do is determine what the need is in terms of past experience.

Rudolf moved to take the [police] millage to .23 for winter 2022 with a second by Shanafelt.

Roll Call Vote: yes – Sanger, Rudolph, Shanafelt, Chown, Wunsch, Achorn Passed unan

3. Motion to go into closed session to consider our written confidential legal opinion from the township attorney pursuant to MCL 15.268(1)(h) and (2) consult with the township attorney regarding trial strategy in the wineries' litigation pursuant MCL 15.268(1)(e)(two-thirds roll call vote required)

Wunsch moved to go into closed session to (1) consider a written confidential legal opinion from the township attorney pursuant to MCL 15.268(1)(h) and (2) consult with the township attorney regarding trial strategy in the wineries' litigation pursuant to MCL 15.268(1)(e).

Roll call vote: yes – Rudolf, Shanafelt, Chown, Wunsch, Achorn, Sanger **Passed unan**
Nadolski: before you break up, I'd like you to congratulate TJ Andrews on her win to be our representative.

[Township Board and audience applaud]

Andrews: I would request a minute at the podium if you are going to be gone long in closed session.

Wunsch: I'll allow public comment from anyone who wants to do an end-of-meeting public comment because we will be out for a while.

Shanafelt moved for a five-minute recess from closed session with a second by Chown.
Passed unan

TJ Andrews: thank you for the accommodation. My name is TJ Andrews. I wear numerous hats in our community. I'm here today as your commissioner elect to the Grand Traverse County Commission. Thank you, [Clerk] Chown, and your team for administering an efficient, peaceful, secure election. I know a lot of work went into that; a lot of people were involved, not just visibly with the number of voters who participated but behind the scenes. Thank you for that. The second point I'd like to make is, I consider myself your partner in local government in Grand Traverse County. I welcome your input and your advice and counsel at every step of the way. I've got high mountains to climb, and I look forward to getting input from you as co-partners in local governments, as stakeholders, as people who are affected by what we do and what we refuse to do on the county commission. I have an open-door policy; you have my phone number. If you don't, I will give it to you. It's publicly available. If you would like to meet and discuss anything you would like to see us do or not do or what direction to take or not take, I welcome that. Thank you for your support, your work, and your service.

Wunsch: when are county terms effective?

Andrews: January first.

Wunsch moved to close the five-minute recess and resume closed session with a second by Shanafelt.
Motion approved by consensus

Wunsch moved to return to open session pursuant to MCL 15.261 with a second by Rudolph.
Motion approved by consensus

Resumed at 3:24

4. Discussion on the adoption of zoning ordinance amendments relating to farm processing with potential board action to occur

Cram: based on our discussion with legal counsel, we recommend tabling the action on

this item to the meeting on December 13. This is also considerate of the public comments that we received so that we have an opportunity to do this at one of our regularly scheduled evening meetings. There were some minor changes recommended on November first. We're going to get all of those revisions in place and get a draft document out to the public as quickly as possible prior to the December 13 meeting. At that time, we would recommend that the board could take action. But we want to give the public plenty of time to review that document and do it at a time that is convenient for everyone.

Chown: at the regularly scheduled meeting.

Cram: December 13. I would recommend that you make a motion to formally table your action today on this item to December 13.

Sanger moved to table the adoption of zoning ordinance amendments related to farm processing to the December 13 regular meeting of the township board with a second by Rudolph. Motion approved by consensus

9. Citizen Comments: none

10. Board Comments

Chown: I would like to correct the record. Dave Edmondson commented earlier tonight that these proposed farm processing amendments haven't been vetted thoroughly with Right to Farm. That is absolutely inaccurate. They have been thoroughly vetted with Right to Farm, and Right to Farm was quite complimentary, as you [Jenn Cram] discussed at our last meeting. I also want to take a moment to thank every person in this township who came out to assist with our elections on Tuesday. We had a wonderful election. Election inspectors, chairs, co-chairs, receiving board members, staff in the office...We had no problems, and we're very proud of Peninsula Township and our wonderful turnout. If I'm remembering correctly, 77.51% of our registered voters voted.

11. Adjournment

Rudolf moved to adjourn with a second by Wunsch. Motion approved by consensus
Adjourned at 3:27 p.m.