



**ACME TOWNSHIP REGULAR BOARD MEETING
ACME TOWNSHIP HALL
6042 Acme Road, Williamsburg MI 49690
7:00 p.m. Tuesday, August 10, 2004**

Meeting called to Order with the Pledge of Allegiance at 7:00 p.m.

Members present: R. Agruda, D. Amon, D. Hoxsie, N. Knopf, C. Walter
Members excused: None

INQUIRY AS TO CONFLICTS OF INTEREST: None noted.

A. CONSENT CALENDAR

Motion by Agruda, support by Knopf to approve the Consent Calendar as printed, including:

RECEIVE AND FILE:

1. Treasurer's Report through 6/30/04
2. Clerk's Report through 7/31/04
3. Draft unapproved minutes of the July 26, 28, and August 4, 2004 Planning Commission meetings.
4. Draft unapproved minutes of the July 21, 2004 Yuba Creek Natural Area Steering Committee meeting.

ACTION:

5. Approval of minutes of the June 22, June 29, 2004, Special Board Meetings and the July 6, 2004 regular meeting.
6. Approval of Accounts Payable in the amount of \$180,910.29 through July 31, 2004, including \$80,375.00 for 3rd Qtr 2004 Fire Assessment and \$49,103.19 for DPW Hoch Rd Exp

Motion carried unanimously.

B. LIMITED PUBLIC COMMENT:

Wayne Kladder, 4301 Deerwood Drive spoke regarding the Farmland and Open Space Preservation Ordinance, encouraging further progress in this regard. He appreciates the initiative to consider the importance of agriculture to the economic and social life of the community along with five surrounding townships.

Lewis Griffith, 5181 Lautner Road, stated that he perceives a problem with conflict of interest. He attends nearly all Board and Planning Commission meetings. He stated that there is a Planning Commissioner, Bob Carstens, who votes "no" consistently on most proposals. A strictly negative point of view across a range of issues seems to him to be a conflict of interest, and he believes action should be taken.

Dorrance Amos, Elk Rapids Township is a farmer who supports the Farmland and Open Space Preservation Ordinance and a millage initiative. Milton Township has decided to ask for a preservation millage in November as of last evening. The ordinance has been assembled with input from farmers from a five-township area. The township is being pressured by development, and it's critical in his opinion to define where agricultural land will be preserved and where development is appropriate. It would be ideal if all five townships would ask for a millage for this important initiative at the same time, and if the Board gives the proposed ordinance its support this evening.

Lon Bargy, Milton Township Supervisor, stated that his township adopted this ordinance two months ago and is asking for a 10-year 1 mill levy in November. He feels it is important that the five contributing townships stick together.

Larry Inman, 8179 Crockett Road, is also this area's County Commissioner. The County and Antrim County worked together to pass similar farmland preservation ordinances. Both commissions felt unanimously that it is now important for each township to evaluate the program and made a decision independently. He feels the program is particularly relevant to Acme Township.

Rick Saylor, 8265 Saylor Road, is an Acme Township farmer who supports adoption of the farmland ordinance. Only 12 farmers are currently active in Acme Township, and most are over 50 years of age. What will happen when they retire? This program would give the farmers and the township options to be proactive in combating sprawl. He supports a millage request in November as well.

- C. Presentation by Scott Everett, American Farmland Trust re: Farmland and Open Space Preservation Ordinance:** Amon introduced Mr. Everett, who provided a PowerPoint presentation regarding the farmland preservation program locally. His presentation included an overview of general and local land use trends and local land preservation initiatives.

Michigan's overall population isn't growing, but within the state people are tending to move from urban to rural areas. They tend to develop at low densities on large parcels of land, which tends to fragment large areas of land. Costs of community services are rising, and people are increasingly dependent on automobiles for daily living. Natural areas and resources are declining, as is land available for resource-based industries. Also when land is fragmented into large residential parcels, there are fewer large land tracts available for larger-scale development. As residential areas encroach on working farmland, conflicts arise over odors, noise and working hours. Agricultural land values are not primarily tied to crop values, but to the land's development value. This adversely affects the farming industry, as farmers cannot afford to purchase new acreage for their operations.

Mr. Everett displayed two Acme Township plat maps; one from 30 years ago and one recent map. The number of non-public tracts of land larger than 40 acres had apparently diminished noticeably. He believes that the township is uniquely positioned to take advantage of the concept of transfer of development rights (TDR). Two areas would be set up, sending and receiving zones according to where the community believes land should remain in open space and where it should be more densely developed. Development right units could be transferred from the sending zone to the receiving zone. Farmers share in developmental equity no matter where development occurs, as they would be selling rights in the sending zones to those wishing to develop in the receiving zones, who would in turn be permitted to develop the receiving areas more densely than underlying zoning would otherwise permit. The key is that public funding is not necessary, and the program involves voluntary participating between willing buyers and sellers at market prices.

Another mechanism is purchase of development rights (PDR). Again the program is voluntary, but in this case a landowner is paid the difference between the development right and agricultural components of land value, and a permanent conservation easement is placed on the land.

Mr. Everett shared results from several areas in the eastern part of the county, including Maryland and Pennsylvania where these programs have been in use. In Lancaster County, PA, \$2 million was appropriated in 1980. In 1986 a statewide bond raised \$100 million. In 1989 a statewide 2-cent cigarette tax was imposed. In 1998 the county bonded for \$25 million, and in 2001 the governor asked for another \$100 million. Federal Farm and Ranch Land Protection Program grant dollars have been sought, and the new governor has continued the previous governor's "Growing Greener" program, even though one is a Democrat and the other is a Republican. Significant amounts of farmland have been preserved.

Farmland protection programs in Michigan are growing slowly at the county government level. Locally, Acme, Whitewater, Milton, Torch Lake and Elk Rapids Townships have been working together to promote preservation programs in Antrim and Grand Traverse Counties.

A total of 11 public hearings and many advisory committee meetings have been held. Approximately 74,155 acres of farmland have been lost between the two counties over a recent 15-year period.

The program the counties have adopted establishes a voluntary PDR program to which each township may subscribe. An intergovernmental agreement will be sought so that a joint board can be established. Then a system by which to score and rank lands to decide which should receive priority for preservation can be finalized. Landowners will have the option of applying to the program on a voluntary basis, and must commit to retaining at least 51% of a parcel in agricultural use. The township where the land exists must have opted into the program, and must approve the landowner applications. The overall program is county-administered, which provides support to township governments, but townships retain control in the situation. And, by cooperating with other municipalities, it becomes more likely that additional grant funding can be attracted.

Acme Township has already adopted a resolution opting in to the County program. This evening, the Board will consider passage of an Ordinance to fund purchase of development rights, and will consider asking the public for a millage to accomplish the funding. Milton Township has passed the resolution, Ordinance and ballot language. Whitewater and Elk Rapids Townships have passed the resolution and Ordinance, but have yet to consider ballot language. Acme and Torch Lake Townships are considering the Ordinance and ballot language now. Asking for a millage is crucial to provide a source of matching funds to attract more grant funds; sustained "leveraging" will be critical to success. The number of acres that can be preserved will depend entirely on how much outside funding can be attracted using millage funds.

Mr. Everett pointed out that one day, a farmland and open space preservation program will end one day in the future when all of the targeted lands are preserved. Preserved land will not demand public services at increasing public expense.

Knopf asked what would happen to funds raised if no farmers came forward to participate in the program. Mr. Everett found this scenario unlikely, stating that in most places there is a waiting list to use the program. Walter asked if there has been an effort to lobby the state to come up with tax assessments for farmland purchase. Mr. Everett responded that such an initiative was part of a bill introduced by Representative Walker that would have imposed a \$2 tax per property, but it may have been removed. He believes that the state Legislature will provide the tools one day, but not until demand has been created by implementation of more PDR programs. Before Governor Granholm won her current position, Mr. Everett began lobbying her and took her on his farmland preservation bus tour. When the local bi-county initiative recently was adopted, she was also in town for the Cherry Festival and came to a gathering to celebrate and support the cause.

Knopf asked what would happen to farmers whose land is not initially selected for development rights purchase, perhaps if it is adjacent to selected land. Mr. Everett stated that the zoning ordinances in place would still operate. The non-selected landowner would still have the right to develop his or her land. Also, all program applications will begin with township consideration before being passed along to the County level to compete with county-wide properties. If a property score is low at that level, the township can still decide to fund PDR for that property with township funds, such as from a millage. Knopf asked if Acme funds might end up funding PDR on a property in Antrim County; Mr. Everett replied that the proposed ordinance specifically states that Acme funds will only be used to purchase development rights on Acme properties.

Amon read a letter received from Glen Chown, Grand Traverse Regional Land Conservancy (GTRCF) supporting the proposed ordinance and ballot proposal and offering technical assistance when and as needed. The Conservancy has partnered with the Township and state in the past to preserve significant land areas within our jurisdiction. He read a similar letter from Jim Lively, Michigan Land Use Institute.

Amon stated that ballot language for the November election must be submitted to the County Clerk by August 24. The proposed Ordinance is identical to the ones being considered by the

other four mentioned townships, which are all discussing a 1 mill request. He referred to the township Parks & Recreation plan and the priorities it contains in terms of improved boating access to the Bay and waterfront property acquisition, developed ball fields, and watershed preservation, and asked if the Board should ask for more than 1 mill to address some of these additional public concerns and values. He believes that another meeting will be necessary to continue discussion past this evening and for Christopherson to prepare proposed ballot language.

Walter agrees with discussion about the proposed Ordinance continuing, but he feels that current discussion should center on farmland preservation and not be complicated with wider recreation issues. He supports adoption of the proposed Ordinance.

Motion by Walter, support by Hoxsie to adopt the Acme Township Farmland and Open Space Development Rights Ordinance.

Hoxsie agrees that expansion of the question by adding wider recreational issues would be needlessly complicating and might jeopardize passage of the basic 1 mill request. Walter feels that more study is required as to the appropriate amount of funding to request. He also stated that even though he has made the motion to accept the Ordinance, he believes that farmers who might wish to subscribe to farmland preservation should consider doing so without taking public funds.

Motion carried by unanimous roll call vote.

Amon stated that the next consideration would be whether or not to propose a millage on the November ballot. He has heard Walter and Hoxsie call for further discussion on this issue, but also notes that there have been surveys indicating that the public values a range of open space and recreation options. He fears that subdivision dwellers in the southern portion of the township may not understand the full importance of farmland preservation, and this is why also considering other recreational initiatives may be critical. Walter still strongly feels that the issue needs discussion past this evening. Hoxsie believes that it may well be advisable to follow the lead of the other townships that are asking for 1 mill in November, but that further discussion would be warranted. Amon provided projections he asked Assessor Dawn Plude to prepare to the Board showing the amount of money that could be raised and the impact on individual taxpaying households. He asked Plude to cover the definitions of SEV and taxable value and how they differ. Amon stated that he would not mind discussion ballot language at a future meeting, but feels an amount should be decided this evening to give Christopherson direction in drafting the language. Walter feels strongly that he needs more time to study the entire issue before even discussing it. Knopf feels that perhaps we should be talking about separate millages for farmland preservation and recreational development; Hoxsie noted that Amon is suggesting a combination of both issues into one millage. Knopf still feels that the two issues should remain separate.

Christopherson stated that since the Board has just adopted an Ordinance, they have created a set of rules to govern how farmland preservation funds will be managed. The township has not created a set of rules to govern how funds for other recreational purposes would be treated. Knopf asked if he could come up with such an ordinance within two weeks; Christopherson felt this would be too tight a timeline for him but will try to come up with some initial thoughts. He will also provide some proposed ballot language with a blank to fill in with the final requested millage amount for farmland preservation only. Amon asked Mr. Everett if other communities have included multiple purposes in their millage request; Mr. Everett said that he would not want to say no, but that he agrees with Knopf. The matter at hand is a discussion of purchase of development rights. The other uses being discussed would entail fee simple acquisition of land for public access.

The Board set a meeting for Tuesday, August 17 at 7:00 p.m. to discuss proposed ballot language for a millage, as well as a request amount.

D. CORRESPONDENCE

1. 2004 Conservation Easement Monitoring Report from Grand Traverse Regional Land Conservancy

- E. SUPERVISOR'S REPORT – David Amon:** Amon has provided a letter from Ron Reinhold asking that the Waterfront Recreation Task Force be permitted to schedule a public hearing to inform the community about their work to date. He also mentioned that Corpe and Smith attended a quarterly M-72 Corridor Access Management committee meeting on July 21. They learned that in 2006 US 31 will be reconstructed from the Resort entrance north to the county line. M-72 will be resurfaced in 2005 from Lautner Road east to the county line. An engineering firm has been hired to evaluate the US 31/M-72 intersection. MDOT recently had the intersection and surrounding roadways surveyed, and have performed a traffic count. Several different intersection redesign alternatives are being considered to solve existing and anticipated future traffic issues. The consultant has been told that cost is not to be considered a limitation to designing a long-term solution. The report is due by mid-September; Amon suggested that perhaps a special meeting to discuss the findings may be held. All of this work has been accomplished with \$140,000 in available funds. The access management group includes all of the townships between Acme and Grayling working cooperatively.
- F. COUNTY COMMISSIONER'S REPORT – Larry Inman:** The County Board is making appointments to various boards and commissions. Several vacancies exist so he would encourage interested parties to apply for appointment. Jean Derenzy at County Administration can assist with the application process. The County budget continues to be a concern. \$3 million and 20 positions were eliminated last year due to revenue stream decreases. The coming year will witness a repeat of similar circumstances, with a current projected budget shortfall of \$1 million. If the state cuts county revenue sharing entirely, the shortfall will increase by another \$1.3 million dollars entailing massive budget cuts. A summer state budget conference is forthcoming in Sault Ste. Marie. The only "lifeline" counties are being offered is the opportunity to advance tax collections, which would place a burden on individual taxpayers. The Hartman-Hammond bridge permit process will not be moving forward at this time until funding for an updated transportation study can be found. The blue-ribbon committee is still working with the public to educate them regarding jail overcrowding and to come up with possible expansion funding solutions. 20-30 inmates are currently being housed in jails in surrounding communities, which also costs money. The district court system also needs more space. The community is growing, and the County public services budget is strained.
- G. TOWNSHIP COUNSEL'S REPORT – Jim Christopherson:** The Johnson lawsuit settlement has been approved. The Township's insurance company has made a payment, and the Johnson family will be permitted to purchase sewer benefits for residential use for the next seven years at the original rate.
- H. SHERIFF'S REPRESENTATIVE REPORT – Deputy Matt McKinley:** 118 calls for service were made last month, including 21 car accidents, 6 criminal arrests, 32 criminal complaints, 65 non-criminal complaints. The 35 calls he took largely involved work at the Resort and personal property damage at a local car wash. He made 5 arrests including a drunk driver. The radar trailer is currently in Springbrook Hills. When he is handling speeding complaints, he has to balance enforcement and public relations. In this particular area, he has found people to be traveling at an average of 45 mph in a 25 area. Under 36 mph he tries education, under 40 mph he is issuing warnings, and over this he is writing tickets. He will address the Peaceful Valley Road area next.
- I. METRO FIRE REPORT – Randy Agruda:** The strategic plan initiative for Metro Fire is being advanced by Chief Parker, including possible location of new fire halls in Garfield and East Bay Townships. A new facility for Acme farther north on US 31 is also under consideration. There has been discussion about forming a fire district to meet funding needs; Metro Fire may be preparing some materials to assist member communities in addressing this question.
- J. ENGINEER'S REPORT – Jim Minster, Gourdie Fraser Associates:** The insurance claim for the sewer break during the relief sewer project is nearing resolution. Once it is resolved,

final payment to the contractor will be made. Routing options for the northern half of the project will be discussed with Amon in the near future.

K. ROAD COMMISSION REPORT – Chuck Walter: The County Road Commission has agreed to halt further study of the Hartman-Hammond bridge issue until a new traffic study is done. Walter personally believes that the “naysayers” are hounding the Road Commission, but the people who want and need the road are not providing the commission enough support.

L. BUILDINGS AND GROUNDS REPORT – Tom Henkel: The new Dumpster screen has been built, and screening vegetation will be installed in the spring. Additional Acme Cemetery fencing is being installed, as are information kiosks for the Yuba Creek Natural Area. Amon asked Henkel to discuss the fire hall staff person who is on-call for the summer months. So far the program is working well, and was helpful with the recent fires in Whitewater Township. Agruda echoed the latter sentiment, saying that the Acme engine responded faster than the Whitewater engine did. An individual is staffing the fire station from 9-5 on weekdays.

M. OFFICE & PLANNING COORDINATOR’S REPORT – Sharon Corpe: Corpe mentioned that the East Bay Masonic Lodge and Acme Civic Association are combining forces to try to reintroduce the custom of the annual Acme Community picnic. Information was available with agendas at the entrance, is on the township website, and will be posted throughout the community closer to the date. The picnic will be held on September 19 at Sayler Park, with the service organizations providing meat, buns and condiments. Attendees are asked to bring a dish to share, beverages and personal table service.

1. Consider Minor Change to SUP #99-3P, Traverse Bay RV Park: Bob Binsfeld and Kim Kouris, owners of the RV park, recently approached Corpe about changes to their proposed project and obtaining a land use permit. After reviewing the file, Corpe found that there have been several amendments to the originally-approved plan made over the years that perhaps might have been better documented for posterity. The changes currently proposed involve a reduction in the overall number of pad sites and roadways, and an expansion onto 11 newly-acquired acres to the north of the existing project site. While overall the impact on the land and community should be less than previously anticipated, Corpe felt that formal approval of the current and past changes by the Board as a minor change to the original SUP would be advisable.

Motion by Walter, support by Knopf to approve SUP Minor Change Permit #2004-13P as requested. Motion carried unanimously.

N. ZONING ADMINISTRATOR’S REPORT – John Hull: Corpe summarized Hull’s memo, which provided an update about The Williamsburg. The Board approved a minor change to the project’s SUP at a recent meeting to accommodate the facility being open to some walk-in traffic (rather than just for dinner theater and banquets). The facility operators stated that being open to walk-in traffic is a requirement of their Class C liquor license, and the Board approved the change pending verification that this was indeed the case and that all other SUP conditions have been met. Hull reports having verified all of these facts. Amon applauded Hull’s efforts in answering public questions and following up on issues within the township.

O. PUBLIC HEARINGS: None

P. NEW BUSINESS:

1. Consider final action regarding SUP Application #2004-12P by Hilltop Condominiums for Approval of an amendment to their existing Special Use Permit/Site Plan to permit reconstruction of their driveway and parking area (part of the G.T. Resort PUD along M-72 East, to the east of TraVino): Hilltop Condominiums has asked for permission to carry out a project that is primarily a reconstruction of existing pavement with minimal changes. Hoxsie mentioned that the Planning Commission is recommending that the requirement that a sidewalk along M-72 be installed be deferred to coincide with expected changes to the M-72

right-of-way in this area, rather than installing a sidewalk now and having it torn up by other new construction later.

Motion by Hoxsie, support by Walter to approve SUP Application #2004-12P as recommended by the Planning Commission. Motion carried unanimously.

2. **Consider final action regarding SUP Application #2004-5P by LochenHeath LLC for amendment to existing PUD Special Use Permit to relocate existing main entrance drive along US 31 and construct clubhouse:** Roger Williams provided consulting support to the Township regarding this application, and referenced a staff report he prepared for the Board. Approval is recommended subject to several conditions: that the new access road be far enough from property boundaries to permit some landscaping screening; that air drainage for adjacent orchard lands is maintained. Christopherson has prepared a sample resolution and SUP for the Board containing all recommended conditions. Joe Elliott, speaking for the applicant, stated that the conditions are satisfactory.

Motion by Agruda, support by Hoxsie to approve SUP Application #2004-5P as recommended by the Planning Commission.

Walter asked Jim Maitland what the expected phasing timeline would be. Mr. Elliott indicated that this pertains to the upcoming application. Amon clarified that the motion includes both the resolution and the SUP document.

Motion carried by unanimous roll call vote.

3. **Consider final action regarding SUP Application #2004-6P by LochenHeath LLC for Special Use Permit/Site Plan approval for an Open Space Development expansion of LochenHeath community housing throughout approximately 370 acres of land on the west side of US 31 North, immediately to the north of Dock Road and south of the existing LochenHeath development (the “Veliquette Orchard”), currently zoned A-1, Agricultural and R-2, Residential:** Mr. Elliott provided a brief overview of the plan for the public’s benefit. He provided an aerial photograph of the subject property and surrounding areas. The property contains approximately 360 acres zoned R-2 and A-1 and is within the existing sewer district. The applicant proposes to use the Open Space Development Ordinance. Under current zoning, approximately 341 housing units would be permitted. Using the OSD, by maintaining at least 50% of the land area in open space they achieve a 20% density bonus, bringing the permitted density to increase to 409 units. The current amount of land to be left in open space is 57%. As part of the OSD requirements, an analysis of the conservation values of the property was performed. Features selected for preservation include viewsheds from US 31 identified as critical in the Master Plan and a wetlands/woodlands area in the southwest corner of the property. Slopes across the site average 6-10%. A new wetlands delineation has shown that the wetlands area is smaller than previously anticipated; the report is being confirmed by the DNR this week.

Mr. Elliott provided an open space map demonstrated the areas for development and those counted as open space. The wetland/woodland area is being preserved, and a buffer along Peaceful Valley Road on the west side of the property is being maintained. The viewshed in the southeast corner is also being protected with a 500’ development setback from US 31. A north central valley is being preserved as well, and a system of 5-6 lakes with 36 surface acres should add to the overall property conservation value. Over 3,000 trees are expected to be planted as part of the development process, and the existing woodlands will be conserved.

Mr. Elliott turned to a development conceptual site plan showing how the homesites would be laid out. Phasing will begin with entrance reconstruction and the northwestern housing loop, along with a connection to utilities and perhaps earthwork for the lakes so that stormwater treatment and storage for phase one can be

accomplished through them. Phase 2 would be the northwest portion of the site, and Phase 3 the southwest portion of the site. Phasing may change over time. All agency approval letters have been received.

Conditions recommended for approval include removal of three proposed homesites in the wetlands area (accomplished), inclusion of an emergency Dock Road access point on the site plan (accomplished) and both a flare and a turn lane on US 31 (agreed); future detail regarding the community recreation facility and landscaping on the US 31 roadside berming (agreed).

Amon asked Hoxsie for any comments. Hoxsie responded that this is one of the most complete applications ever received, generating few questions which were promptly answered.

Motion by Hoxsie, support by Knopf to approve SUP Application #2004-6P as recommended by the Planning Commission.

Mr. Williams noted that the area in the northwest site is planned for multiple-family housing; to do so would require a rezoning request as this is not an allowed use in the A-1 or R-2 districts or per the OSD. Mr. Elliott stated that the applicant understands this requirement. Christopherson can address this in revised SUP language.

Motion amended by Hoxsie, with support from Knopf, to incorporate statement that applicant understands that development of multiple-family housing within the development would require prior rezoning of underlying land.

Corpe noted that per the OSD documentation of the conservation value of the property must be documented. Mr. Williams provided a memo for the Board detailing his opinion that conservation value for the open space has been demonstrated both in writing and on a map that has been provided to the township. Amon noted that the OSD also requires that the applicant provide legal documents demonstrating how the preserved open space areas will be owned and managed.

Walter stated that he hopes the people occupying this community will have a place to shop.

Motion carried by unanimous roll call vote.

4. **Consider approval of Record Eagle Dollar Value Contract:** Recently the township has had reason to place several display ads in the paper over and above the customary legal notices published for public hearings. Record Eagle staff made her aware that there is a program available whereby if the township commits to spend a certain dollar amount of non-legal notice advertising dollars during a one year period, a substantial discount is available. As an example, the series of display ads run for one public meeting at New Hope Church (3 columns by 5.25" for three days) would cost over \$500 without the contract and about \$180 with the contract. Two sets of display ads have already been run, with at least one more likely to publicize upcoming public meetings about the work of the Waterfront Recreation Task Force.

Motion by Agruda, support by Hoxsie to enter into the Record Eagle Dollar Value Contract as proposed. Motion carried by unanimous roll call vote.

5. **Request from Planning Commission to hire a consultant to assist Planning Commission with zoning ordinance revision and future land use map:** Smith stated that review of the Master Plan is nearing completion. Back when the plan was originally adopted, it should have included a future land use map, but none was ever developed. The Zoning Ordinance is in critical need of an overhaul. The current zoning map should be reviewed. The Planning Commission believes it needs help from at least one consultant, including a Michigan attorney, to put these items in

order and in place. Amon noted that such a request was contemplated as part of the budget process. He asked what process Smith is recommending; Smith responded that no plan has been put in place but if given the go-ahead work will begin.

Amon asked about the status of the Master Plan review. Smith stated that all sections of the existing plan have been reviewed, and that most of the changes are minor. The changes will be compiled by Corpe for the Commission to double-check. Amon asked if the future land use map should be included in the current master plan revisions; Corpe recommended strongly that this be the case. She also asked if a Board member would be directly involved in the process of seeking a consulting candidate; the Board reached consensus to have Walter work with Smith, Corpe and perhaps a few other individuals to conduct a search.

Jon Stinson suggested including a member of the future Board in the selection committee. Knopf pointed out that there is still one election to go through before we know precisely who the future Board members will be.

Q. OLD BUSINESS

1. **Consider adoption of Resolution of intent to form a Downtown Development Authority in Acme Township and set date for public hearing:** Amon stated that the Board has been considering formation of a DDA for over a year. A few months ago the Board detailed himself and Walter to seek consulting assistance to move forward, and they recommended Steve Lasher from Foster, Swift, Collins & Smith, a Lansing law firm. Mr. Lasher introduced himself, how DDAs work and the DDA formation process. He stated that the first steps in creating a DDA are prescribed by law, and are under consideration this evening.

The process begins with the Board adopting a resolution of intent to consider forming a DDA. There is also a proposed DDA Ordinance and a proposed DDA map. The map indicates an area in which the DDA would operate to maintain and increase property values. To adopt the Ordinance, a public hearing must be held, so the packet for tonight also includes materials for providing notice of a hearing to individuals within the proposed district between 20-40 days from now. Notice would also be published in the paper and posted in "at least 20 conspicuous and public places in the proposed downtown district." After the public hearing, there would be a waiting period of approximately 60 days during which affected taxing authorities would have an opportunity to decline to participate.

A DDA is formed for the purpose of making public improvements that will have a positive impact on properties within the district (not the township at large.) The primary funding mechanism by which this is accomplished is tax increment financing (TIF). This enables the township to recapture certain taxes (current millages, not new ones) that are currently being distributed to other taxing authorities over a certain period of time. The entire process of forming and funding a DDA involves many opportunities for public and citizen input.

Walter noted that one idea for a TIF plan would be that the township might not take 100% of the increased taxes created by rises in taxable value, but would share them with the taxing authorities and the ratio of funds flowing to either township or other taxing authorities would change over time to phase out township receipts and return to full funding to other taxing authorities by the end of the period. Mr. Lasher agreed that the law allows DDAs to enter into contracts with taxing authorities to do just this. In fact, unless a township takes aggressive steps during the taxing authority opt-out period to reach sharing arrangements, the authorities may opt out entirely. However, since during this period the DDA board hasn't been appointed yet, it is the township itself that is negotiating.

Lewis Griffith stated that the current proposal seems different than previously advertised. He thought the idea was to keep the money within the township for the

township's benefit. However, now he is hearing that when taxable values may be at their highest, we may be giving up most of the potential revenue stream back to the original taxing authorities. Mr. Lasher responded that we are discussing potential negotiation of an arrangement that would benefit both the township and the other taxing authorities by sharing the revenues in some way. No firm discussions about the nature the sharing might take have occurred. Even in a worst-case scenario such as Mr. Griffith projected, negotiating a solution whereby there is some income stream would be better than having the taxing authorities opt out entirely. Also, the other taxing authorities may realize that improvements in the DDA district with captured funds will ultimately have a benefit to those taxing authorities as property values rise.

Mr. Griffith asked how business owners would likely react to increased taxes. Mr. Lasher stressed that the program does not include a tax increase. Instead, it involves a reallocation of where existing tax moneys flow. The revenue stream is generated by taxes on the yearly increases in the taxable values of properties that would occur whether or not a DDA and TIF are in place.

Hoxsie noted the statement that captured funds can only be spent within the DDA district. Mr. Lasher noted that the proposed DDA area cannot be increased, although it could be decreased. He also confirmed that the funds can only be spent within the proposed DDA district, and not elsewhere in the township.

Motion by Hoxsie, support by Knopf to extend meeting to 10:30. Motion carried by unanimous roll call vote.

Amon stressed that for the process to move forward a public hearing must be held. More questions can be answered at that time. Plude also offered her help in explaining the concept to citizens on a one-on-one basis.

Motion by Walter, support by Knopf to adopt Resolution #R-2004-11 to begin the process of forming a DDA.

A date for the public hearing must be selected and included in the resolution. Corpe stated that after looking at the calendar, September 7 appears to be the earliest practical date. The public hearing must be held as a separate meeting from the regular Board meeting, which is scheduled for September 7. Amon suggested holding the public hearing regarding the DDA ordinance at 6:00 p.m on September 7, with the regular Board meeting to follow at its regular time.

Motion carried by unanimous roll call vote.

2. **Continued discussion regarding annual renewal premium for township liability insurance:** Christopherson recommends increasing the zoning liability insurance.

Motion by Knopf, support by Hoxsie to approve the annual township liability policy premium at \$13,522 plus \$1,000 to increase zoning (takings) coverage to \$1 million. Motion carried by unanimous roll call vote.

3. **Continued discussion regarding personnel policies:** Amon would like to schedule a special meeting to discuss a policy for Acme Township at a future point in time. Knopf provided copies of the Whitewater and Garfield Township personnel policies.

R. PUBLIC COMMENT/OTHER BUSINESS THAT MAY COME BEFORE THE BOARD

Meeting adjourned at 10:00 p.m.