

ACME TOWNSHIP SPECIAL BOARD MEETING ACME TOWNSHIP HALL 6042 Acme Road, Williamsburg MI 49690 7:00 p.m. Tuesday, August 17, 2004

Meeting called to Order with the Pledge of Allegiance at 7:08 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. Discuss possible placement of a request for a farmland and open space acquisition millage request on the November 2004 ballot: Christopherson prepared a proposed resolution to place a millage request on the ballot and proposed ballot language, which Amon read for the public's benefit.

Knopf asked whether the a sheet that Amon passed around showing 2004 taxable values and the amount a millage would raise at 5 different millage rates and two different time periods would apply to only current households in the community. Amon clarified that the spreadsheet is based on the current taxable value of all real property in the township and doesn't attempt to project for future growth in the values of properties. Knopf stated that she would prefer to have the spreadsheet amended to give an idea of what taxable value increases over time, as well as interest that might be accrued on accumulated balances. Knopf also stated that she would oppose imposing the millage on personal property as well as real property values. Walter agreed, stating that in his view this would be "double-dipping" against business property owners and operators. Christopherson stated that he drafted the proposed resolution and millage language in this way because the other four townships contemplating similar millages (Whitewater, Elk Rapids, Milton and Torch Lake) included personal property values. Knopf stated that she opposes personal property taxes entirely. Hoxsie noted that if the millage is imposed on real but not personal property, it will complicate the preparation of annual tax bills for the township's next Treasurer. It can be done, but there will be potential for error.

Amon stated that current personal property taxable is \$11,476,500 of the total taxable value shown on the spreadsheet (\$243,956,232 real property current taxable value). He noted that some of the other township millages, such as the one for fire protection, are imposed on real property only, while others (the township general operating millage and the policing millage) are imposed on both property classes. The Board reached consensus to delete the words "and tangible personal" from the proposed documents.

Motion by Walter, support by Agruda to request a levy for a period of 20 years at a rate of one-quarter mill.

Walter proposed the figures he did because he anticipates a tremendous amount of growth within the township in ways we can't currently imagine. He also would have appreciated a projection in this regard. He also has not heard from the farm community how they plan to participate other than asking for public funds raised by this program. How will the farm community itself assist the program financially? He further feels that a full mill, which would raise taxes by \$50 per \$50,000 in taxable value, would be onerous on the amount of taxable value some members of the community have (a half million or more.) Finally, he does not wish to have significant amounts of funding for this program come from his personal pocket.

Knopf stated that she would favor a quarter mill but for a shorter period of time, such as 10 years. Hoxsie stated that the taxable value of real property in Acme Township is significantly different than that of our fellow townships, but it's also important to recognize that farmland in our township will command a higher per-acre price. We will need to raise more money to enable any significant purchase of development rights. Amon stated his opinion that the goal

in generating the dollars is not to have 100% of the funds for land acquisition come from the proceeds, but to leverage the dollars raised as matching funds for grant dollars. He agreed with the statements Hoxsie made regarding Acme agricultural land values due to our proximity to Traverse City. Walter stated that perhaps, because of our proximity to Traverse City, we should be a major growth area rather than a major land preservation area. Perhaps the more outlying areas might be ripe for preservation, but we can't expect that all of the growth in the Traverse City region will occur in areas other than Acme Township. Amon recognized this point of view. He noted that the spreadsheet he provided did not provide projections for a quarter mill.

Knopf asked about the point. Are we seeking to preserve the entire township at taxpayer expense? Amon stated that all of the other townships have adopted requests for 1 mill for 10 years, and they will likely have lower land acquisition costs. He also noted that we are calling this a farmland <u>and</u> open space acquisition program. Knopf stated that even if we ask for half a mill, since our property values are higher than those in the other townships we would still be "ahead of the game." Hoxsie disgreed, saying again that because our property values are higher the development rights will be more expensive to acquire. He believes we need a full mill. Amon asked if the philosophy is to only throw a little money at the situation to test the waters, or if we are really trying to make this work and ask for what we truly need?

Agruda stated a concern over how much taxation the citizens will be able to bear? He supports open space preservation, but he pointed out that a new fire protection millage will be absolutely required in 2005. People may be more concerned with safety and personal well-being than with open space preservation. There has also been discussion about other millages for recreational opportunities. Walter agreed, saying that those who represent themselves as Republicans in general would generally support the party platform of minimal taxation in support of health, safety and welfare. He also stated that he would be flexible in terms of amending his motion to specify a different timeframe for the millage duration, since he believes significant growth will come sooner rather than later. Amon stated he would still propose 1 mill for 10 years and letting the voters decide. Is the goal to "get the job done" or is it to pass the millage even if it isn't sufficient. Knopf stated that she is thinking of individual taxpayers as well; some people are on fixed incomes and not wealthy. Hoxsie stated that as a farmer his income is declining, but he still supports a request for 1 mill for 10 years. Amon feared that if Acme breaks ranks with the other townships, whatever the reason, it will be seen as unfriendly. Knopf and Agruda did not find this argument persuasive; this Board is charged with looking after this townwship's interests, and faces different problems.

Motion amended by Walter, supported by Agruda to request one-quarter mill for 10 years.

Amon can understand the argument that the townships don't have to operate identically, but he still believes that anything less than a mill will not be sufficient. Agruda stated that a few years ago he said that he didn't feel the amount we asked for a fire millage was sufficient. In less than a year the current millages will be insufficient to pay for our current fire coverage. The township is not required by law to provide fire service, but it will take a lot of public education to help people understand what is required and why. If a sufficient millage doesn't pass and fire service must be cut, what will that do to public safety, as well as insurance rates? He isn't even sure people will be persuaded to vote a sufficient fire millage. Agruda asked if he feels that the amount of the requested farmland preservation millage will affect the future of a fire millage; Agruda believes it will.

Motion carried by a vote of 3 in favor (Agruda, Walter, Knopf) and 2 opposed (Hoxsie, Amon).

Christopherson will draft the final language for the documents based on the outcome of the vote.

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

Rick Sayler appreciated the comments everyone shared, but feels that some of the thoughts expressed were not based on facts. For instance, if there will be "tremendous growth" in the area, this will increase farmland values further. Also, regarding the fire millage, if farmland

isn't preserved as open space it will develop as houses that will need additional fire protection. Finally, he does not believe that a quarter mill will raise enough funds to acquire any property or match potential grants. He feels that the outcome has been to kill any true chance at a viable farmland preservation program in Acme Township. Asking for a mill would truly have left the decision in the hands of the people rather than with the Board. Also, matching the efforts of the other townships would have made public education an easier process. He is trying not to be critical of the Board, but he feels that they agonized for too long for little return.

Amon stated that he feels that what has just happened is "a travesty."

Motion by Hoxsie, support by Knopf to levy an additional one-half mill for 10 years. (effect is a request for a total levy of three-quarters of one mill for 10 years.)

Hoxsie noted that future boards could decide to terminate the millage early or ask for an additional millage if they feel it is warranted.

Motion failed by a vote of 2 in favor (Hoxsie, Amon) and 3 opposed (Walter, Knopf, Agruda).

Knopf asked what would happen if the township did not recommend that a landowner's application be forwarded to the County program administration. How will properties be evaluated? Amon stated that there will be a concrete set of standards based on measurable land qualities (proximity to other farmlands, air drainage, soil quality.) Knopf was concerned that the process not become politically-driven (people can't be prevented from participating in the program because the current Board doesn't like them). Hoxsie noted that there might be other programs a landowner could apply to (through the Conservancy, for instance) if he isn't accepted by the township or county programs. Mr. Sayler stated that the local farmers expect to participate in creation of the scoring system.

Amon stated his disbelief that the Board won't consider a higher millage.

Denny Rohn, 9267 Shaw Road, asked Knopf why she supported the motion but did not vote in favor of it. Knopf stated that she changed her mind. Ms. Rohn asked for her reasons; Knopf stated that she didn't have to provide a response. Ms. Rohn stated that she is asking a Board member as a constituent; Knopf responded that she didn't receive the information she wanted, so she changed her mind.

Herb Smith, Planning Commission Chairman, stated that he feels that the Board has done a disservice to the township. It may collect money from a millage, but it will be unable to spend them because it will be too little to have any effect. What will be done with the collected taxpayer funds then.

Motion by Amon, support by Agruda to request a total 1 mill for 10 years.

Agruda stated that after he has heard comment from the public, he feels that the full amount should be presented to the voters, who will ultimately decide whether they value the program sufficiently. Amon agreed. Walter stated that he is disappointed about Amon's position in asking for 1 mill in additional taxes. He is on a fixed income. Amon stated that Walter has every right to vote against the proposition. With all of the information that has been received, he feels the Board is obligated to ask the public for the amount of money it will take to truly fund the program. Walter stated that he is not taking away a right to a public vote, as he feels Amon is implying. He proposed that we ask for a quarter mill, and Amon browbeat him by saying that this was being cheap with the township. Amon stated that this was not his intent, but that along the way the Board has made "certain inferences and innuendoes" along the way, such that not asking for a full mill would be "a travesty." Knopf stated that she hopes Amon has not made any undue promises.

Smith pointed out that a quarter-mill request has already been authorized.

Motion amended by Amon, support by Agruda to amend the motion to add three quarters of a mill to the original one-quarter mill, for a total 1 mill request. Motion carried by a vote of 3 in favor (Amon, Agruda, Hoxsie) and 2 opposed (Walter, Knopf).

A resolution numbered R-2004-12 regarding the initial quarter-mill request and a resolution R-2004-13 regarding the amendment to a full mill will also be prepared.

Meeting adjourned at 8:14 p.m.