



**ACME TOWNSHIP SPECIAL BOARD MEETING
ACME TOWNSHIP HALL
6042 Acme Road, Williamsburg MI 49690
Tuesday, February 8, 2011 6:30 P.M.**

MEETING CALLED TO ORDER AT 6:30 P.M.

Members present: D. Dunville, R. Hardin, W. Kladder, P. Scott, E. Takayama, L. Wikle, F. Zarafonitis
Members excused: None
Staff present: S. Vreeland, Township Manager and Recording Secretary
J. Jocks, Township Counsel

A. LIMITED PUBLIC COMMENT: None

B. APPROVAL OF AGENDA:
Motion by Wikle, support by Dunville to approve the agenda as amended to remove item D4.
Motion carried unanimously.

C. INQUIRY AS TO CONFLICTS OF INTEREST: None noted

D. OLD BUSINESS;

1. **Agricultural Production Renaissance Zone – Shoreline Fruit:** Dunville read the proposed resolution was read into the record. The resolution was based on a state template and supports a 15-year APRZ for Shoreline Fruit. It was noted that the text of the resolution needs to be corrected to remove extra words from several “whereas” paragraphs of the resolution accidentally left over from the template that refer to governmental units other than the township, and to specify “Acme Township” in the third “whereas” paragraph.

Motion by Wikle, support by Dunville to adopt Resolution R-2011-04 as corrected.

Jocks has reviewed the resolution and finds the substance appropriate.

Motion carried by unanimous roll call vote.

2. **Update – East Bay Harbor Marina:** Matt McDonough of the GT Regional Land Conservancy was present to update the Board regarding the status of attempts to purchase the former Mountain Jack’s and East Bay Harbor Company properties.

Phase II of the Shoreline acquisition project includes the Mountain Jack’s, Sun ‘n Sand Motel and Sarris properties. The marina and Mountain Jack’s used to be one parcel, and when they were separated some cross-easements were created between the properties involving use of the parking lot and a portion of the building for the marina offices and bathrooms. If both properties are ultimately acquired by the township this is not an issue because the easements would be extinguished. If the township does not acquire both parcels, then the Mountain Jack’s parcel would be potentially encumbered by the rights of the marina as created by the easements.

It is possible that the township might negotiate to acquire the harbor. We would apply for acquisition funding as a phase III through the Michigan Natural Resources Trust Fund if we did, but we would not actually acquire the property until at least the summer of 2012.

The Conservancy has been negotiating with a representative of the majority shareholder in the East Bay Harbor Corporation. At the present time the Conservancy and the shareholder are far apart on acceptable price. The Conservancy's position is based on the results of two preliminary appraisals that have been conducted at Conservancy/township expense to date. The majority shareholder is currently seeking a third appraisal. Another factor in the negotiations is that the majority shareholder's representative has indicated that some of the shareholders might require the ability to have the first right of refusal on seasonal slip rentals. This may or may not be possible according to the dictates of the Trust Fund as the potential funder of 75% of the acquisition price and/or the DNRE Waterways Division as the potential source of grant funding for engineering and construction of renovated or new facilities. Based on earlier discussions we have reason to think that one or both agencies might require a majority or even all slips to be transient, or for there to be an annual lottery for seasonal leases. McDonough has meetings in Lansing with the Trust Fund next week and will obtain more information about their position at that time.

The Trust Fund normally does not permit acquisition of land with their funds if it is subject to any private usage rights such as those created by the Mountain Jack's/marina cross easements. McDonough is going to ask the Trust Fund next week if there is any flexibility for unique situations such as this, at least as to the parking. As to the location of the marina offices/restrooms, another possibility might be for just that portion of the Mountain Jacks property to be "carved out" of the project agreement and not paid for with Trust Fund grant proceeds. We are also seeking to understand if the nature of the cross-easements would permit the precise location of the marina office to move on the site.

A related problem is that it is generally not legal for townships to spend public funds for a private use. Therefore, it may not be legal for the township to have the marina office on its property and be responsible for the cost of its maintenance as required by the existing easement. Again the Conservancy, the Supervisor, the Manager and the attorney have been discussing potential creative options to these challenges.

The worst case scenario would be that the Trust Fund would not permit acquisition of the property with any easements on the property and that we would not be able to renegotiate them with the marina. The Conservancy might or might not be able to renegotiate their option on the Mountain Jack's property, so the property and/or the option money paid to date at \$8,200/quarter would could be lost, particularly if there are potential private buyers for the site.

Kladder does not know how much it would take to maintain a facility for the marina offices or if the township can and should accept that burden. He stated that the difference in acceptable purchase price between the marina and the Conservancy is significant. The goal of this discussion is for the Board to be fully up to speed regarding the challenges currently being faced as to acquisition of either or both properties. McDonough does not believe the obstacles are insurmountable, but they do need to be worked through.

The option money paid to date is applicable to the purchase price. Takayama stated that he worked at the former Mountain Jack's building. It is outdated, out of style, and larger than most facilities built today. It would be a very expensive proposition for a potential commercial buyer. If the township were not able to acquire the property and it became a restaurant surrounded by public parkland, this could have positive aspects, but he believes it would only last a year or two at most before it went up for sale again. He would have a hard time approving an expenditure of significant funds for facilities that are deteriorated and have little remaining value. He believes most of the value on the two sites currently would be in the land.

Kladder asked if the Phase II money could be applied to alternative properties if the Mountain Jack's property can't be acquired. McDonough stated that a project change would have to be requested of the Trust Fund. We should still be able to acquire the other two phase II properties. Kladder would hope that the Trust Fund would understand that even if a particular parcel cannot be acquired that it would still be valuable to fund acquisition of other properties on the other properties in the project area.

3. **Update – Zoning Administrator position:** Kladder reported that of all the applications originally received, two candidates remain interested in interviewing for the position. One of the candidates may not actually have a strong interest. The Personnel Committee met and recommends that the application process be reopened again for a short period of time to see if there are other interested parties. Minutes of the meeting including a timeline were provided.

~~4 — Appointment to Planning Commission:~~

E. PUBLIC COMMENT & OTHER BUSINESS THAT MAY COME BEFORE THE BOARD:

Nels Veliquette, Shoreline Fruit thanked the Board for their support of the agricultural production renaissance zone. The County Economic Development Corporation will be meeting this Thursday morning on the issue, the County Ways and Means committee will meet a week from Wednesday and the County Commission the Wednesday after that if anyone would like to attend in support of the request.

Brian Bourdages, GT Regional Land Conservancy Farmland Preservation Specialist stated that Jean Derenzy from the County EDC have indicated that it is very important for township officials to continue to show support for the project throughout the remainder of the County process.

MEETING ADJOURNED AT 7:24 p.m.