



ACME TOWNSHIP
SHORELINE PARK AND PRESERVATION ADVISORY COMMITTEE
Monday, July 10, 2006, 4:30 p.m.
Acme Township Hall
6042 Acme Road, Williamsburg MI 49690

Meeting called to Order at 4:35 p.m.

Members present: P. Brink (Co-Chairs) C. Abernethy, L. Brohl, K. Guy, N. Knopf, D. Krause, J. Maitland,

Members excused: F. Gingras, P. Salathiel, O. Sherberneau

Staff present: N. Edwardson, Recording Secretary
M. McDonough, GT Regional Conservancy

A. Correspondence: None

B. Consider approval of the June 12, 2006, meeting minutes:

MOTION BY KRAUSE. SECONDED BY BROHL TO APPROVE THE JUNE 12, 2006, MINUTES WITH ONE CORRECTION. MOTION CARRIED UNANIMOUSLY.

Knopf abstained from voting.

C. Limited Public Comment: None

D. Reports from subcommittees:

a. Meeting with land owners:

Maitland had been unable to meet with McDonough. He did meet with Fred VanZandt, owner of Shoreside Inn. Mr. VanZandt is ready to meet with McDonough. There is a meeting schedule for Wednesday, July 12th with Knopf owner of Willow Beach.

b. Fundraising:

Brink read a outline of the short term financing idea regarding the acquisition of shoreline properties that come on the market. Here is how it would work: suppose the property cost is \$1,200,000. We look for an investor willing to buy the property outright for that amount under an interest only mortgage financing where he/she would put up 20% (\$240,000) and borrow the rest from the bank. The investor gives the Township (or perhaps the GTRLC) an option to purchase the property at x\$ for 18 months. The option cost is Y. If and when the option is exercised the investor is obliged to put a conservation easement on the property. The values placed on X and Y are key. Brink was thinking that perhaps setting Y (option price) equal to the mortgage loan closing costs. As for X (the ultimate purchase price) Brink was thinking it should equal 1,200,000, plus interest paid on the loan, minus the tax benefit derived by from the conservation easement, plus a profit incentive. How much the profit incentive would need to be is something we will need to discuss. McDonough thought the outline was good, with one exception; a bargain sale would

be a better tax deductible scenario. If the investor is legally obligated to donate a conservation easement as part of the transaction, there is not donative intent and the easement donation would not be tax deductible. Having the investor sell the land to the Township at less than fair market value (at a “bargain sale”) would be tax deductible. The difference between the fair market and the actual sales price is the amount that can be claimed as a tax deduction.

c. Shoreline master plan:

Krause

d. Communications:

Brohl

E. Discuss proposed logo:

Brohl passed out a proposed drawing of a logo. She asked for any suggestions or comments.

F. MDNR 30th anniversary celebration on July 18, 2006:

The Michigan Department of Natural Resources will be celebrating their 30th year this July. Throughout the summer, the DNR will be hosting three anniversary celebrations, one at the Upper Peninsula State Fair, one in Farmington Hills, and in Traverse City our Northern Michigan event is scheduled for Tuesday, July 18th.

We were encouraged to participate in the celebration and to provide a display of our Trust Fund Projects. The Conservancy will be putting together a display for Acme Township. There also will be a Pig Roast Supper sponsored by the Grand Traverse Regional Land Conservancy at the Maple Bay Farm.

G. Report to township board

Brink passed out a draft report from the Shoreline Park and Preservation Committee that will be presented to the July 11, 2006, Board meeting. He read through the report with no additions or corrections.

H. Adjourned at 5:45 p.m.