

**CLAM LAKE TOWNSHIP DDA – SPECIAL MEETING MINUTES**

**March 2, 2022**

Vice-Chairperson Kleinsorge called the March 2, 2022 Special Meeting for the Downtown Development Authority of Clam Lake Township to order at 8:00 a.m. This meeting was held at Clam Lake Township Hall in Cadillac, MI. The following Board Members were in attendance: Pat Carroll, Secretary/Treasurer; Scott Kleinsorge, Vice-Chair; Jennifer Davis, Member; Josh Trust, Member; Steve Kitler, Township Supervisor; Jeremy Winkle, Member. Members absent: Drew Rummel, Member; Julie Snider, Chairperson; Brian Potter, Member.

Others Present: Mike McGuire, Robb Munger

**PUBLIC COMMENT:** Mr. McGuire stated that he has a purchase agreement to develop the property. He said the DDA has talked forever about getting water & sewer. He commended the Township Board on the agreement with the City. He added that Mr. Munger has committed to develop the property with a stipulation that REU’s have to be committed to the project. He said this is an opportunity to get water & sewer to the DDA. He thanked the DDA Board for the special meeting.

**APPROVAL OF THE AGENDA:** Motion by Member Winkle supported by Member Carroll to approve the agenda as presented. Motion carried.

**APPROVAL OF THE MINUTES:** Motion by Member Carroll supported by Supervisor Kitler to approve the January 19, 2022 regular meeting minutes as presented. Motion carried.

**REPORTS OF OFFICERS, BOARDS AND STANDING COMMITTEES:**

**Treasurer’s Report:**

 Secretary/Treasurer Carroll stated that included in the meeting packet are copies of the December 2021 and January 2022 Financials and Bank Statements, December autopay statement invoice from Baird, Cotter & Bishop for $145.00 and January 2022 for $150.00, Consumers January invoice for $165.05 and February for $151.27: and the check stub showing payment to McCurdy Wotila & Porteous for $535.00 for real estate services.

 Director Warda sought authorization to pay the invoice from Baird Cotter & Bishop in the amount of $100.00 for 1099 preparation. Motion by Member Carroll supported by Member Winkle to approve the request. Motion carried.

**Executive Director’s Report**

 Director Warda stated that the copy of the Township Board’s February 14, 2022 Meeting Agenda is included in the meeting packet.

 A. McGuire/Munger Rezone/Utility Update

 Mr. Munger passed out a handout titled “Diamond Ridge Multi-family DDA Meeting”.

 Mr. Munger stated that he has a purchase agreement and a preliminary development plan on the 70 acres.

 He reviewed his past projects in the City of Cadillac. He said he is in the process of a Site Plan Review for the 3 acres in the City off of Pearl Street for 20 units in April.

 Mr. Munger said he can’t do a site plan for the 70 acres until he knows if he can get water & sewer.

 He stated that the sidewalks, lighting and Welcome Sign are positive improvements but those don’t increase property values or bring in tax revenue. He said the DDA has been stagnant and tax revenue flat for 5 years. He said he needs teamwork to increase property values with water & sewer. He continued to go over his handout. He stated that he doesn’t think sewer off of the State Hwy makes sense and that he feels Pearl Street is a better location.

 Mr. Munger stated that he is looking for two things today – Consideration of extending water & sewer from Pearl Street and the ability to have business meetings versus the public forum. He said land development has been his main focus of business, so he is well-versed. He added that he has already met with Consumers on power to the site.

 Member Carroll asked about Mr. Munger’s timeline.

 Mr. Munger responded pretty quickly if business meetings are approved. He said as soon as July on the 3-acre parcel in the City.

 Vice Chair Kleinsorge stated that we were told that it is an 8” line in front of Riemer’s and that we would have to upsize to bottom of the hill (Granite/Whaley).

 Supervisor Kitler stated that construction is required if we connected and if improvements were needed that it would be on the Township.

 Discussion followed on average daily flow vs real flow.

 Member Winkle stated that our consultant says 330 units would use 100% of our contracted flow. He asked how 338 units were determined.

 Mr. Munger responded from zoning.

 Zoning Administrator Warda added that the 338 was determined on 9,000 sf of lot area per unit on the total acreage of the parcel. She said that with the challenging topography of the lot and other zoning requirements, she doesn’t know the actual number of units that will be permitted.

 Member Winkle questioned public water & sewer vs private.

 Mr. Munger responded that the State doesn’t like private systems. He stated that if he builds out the 338 units & wants to do more, that maybe the Township would want to do their own system.

 Supervisor Kitler stated that the agreement prohibits the Township from doing their own system, but the Township has the ability to remove areas; primarily carve out areas such as M-115/Mackinaw Trail.

 Member Winkle stated that water & sewer has been a stick all these years. He doesn’t think the City would add capacity. He asked Mr. Munger if these would be market rate units with no subsidies.

 Mr. Munger responded market rate. He said he applied for grant monies for utilities from the State, not MEDC. He is looking at a rent range of $750-1,250. He said a lift station would run $850-1M and he is looking for partnership, perhaps pay increased REU’s to pay back the Township such as pay $50 vs $40 an REU. He said he is looking to start at Pearl Street & end up at Mackinaw Trail (lowest part) with lift station.

 Discussion followed on line size, lift stations, flow, etc.

 Member Winkle asked about the financing as it is a big project and if the development was to be staged.

 Mr. Munger stated that this is in his “wheelhouse”, no partners. He said he already has the financing in place. He said the Township can ask for a performance bond, adding that the project would be phased.

 Member Winkle asked what guarantees does the Township have if you ask them to spend $1M?

 Mr. Munger responded that there would be a contract and taxation in place.

 Vice-Chair Kleinsorge stated he still has a lot of questions. He said the DDA has been talking about utilities for 20 years and now we have someone come along and wants it all.

 Mr. Munger responded that he is not asking for it all.

 Supervisor Kitler said that the Township would have to borrow money to fund the $850-1M and that could take years through Ag loan.

 Mr. Munger responded that the County has some funs and looking at grants.

 Member Carrol asked Mr. Munger what he is looking for.

 Mr. Munger responded that he wants to know if the Township is interested in moving forward and if they want to see the property developed.

 Member Carroll responded that the DDA wants to provide water & sewer, but then lots of people are in line, so he said he is not in favor of giving it all to Mr. Munger. He asked how much does Mr. Munger need, 50%? What is that number?

 Mr. Munger responded that if DDA says yes, tentatively 50%, then he can move forward.

 Member Winkle asked if DDA said 50%, would 160 units be viable?

 Mr. Munger responded yes, adding he is not an engineer. He is trying to get the City and the Township to work together as a community Cadillac area.

 Discussion followed on line size and capacity.

 Member Winkle questioned the time frame for 50% and what performance bond would be.

 Mr. Munger responded two years for 50% of capacity.

 Mr. Munger added that he has three (3) solid buyers but plans on keeping the property.

 Motion by Member Winkle supporte4d by Supervisor Kitler to refer the matter to the Land Use Committee to meet with the engineers and to replace Steve Anderson with Supervisor Kitler. Motion carried.

 Vice-chair Kleinsorge asked if City would be putting us on a meter.

 Supervisor Kitler responded that it is based on reading of average flow at the master. Meter to show we are in compliance.

 Vice-chair Kleinsorge suggested getting utility bills for Maple Hill & neighboring apartments for flow. He also questioned Access Management for ingress/egress.

**Committees:**

**Marketing** – Chairperson Snider; Members Winkle & Carroll, vacancy. No report.

**Strategic Planning Committee** – Chair Vacant; Members Winkle, vacancy No report.

**Land Use** – Chairperson Winkle; Supervisor Kitler, Member Kleinsorge. No report.

**Beautification** - Chairperson Kitler; Members Kleinsorge, Snider; vacancy. No report.

**SPECIAL ORDERS:**

**UNFINISHED BUSINESS AND GENERAL ORDERS:** None

**OLD BUSINESS:**

1. Land Purchase Update – No report

**NEW BUSINESS:**

1. Letter of Support – ORV Grant Application

 Director Warda stated that the Visitors Bureau asked for a Letter of Support for the USDA Rural Development Grant they are submitting for an ORV Project.

Motion by Member Winkle supported by Member Carroll to approve the Letter of Support for the ORV Project. Motion carried.

Motion by Supervisor Kitler supported by Member Carroll to adjourn. Motion carried.

Meeting adjourned 9:20 a.m.

**NEXT MEETING DATE AND TIME:** Wednesday, April 20, 2022 at 8:00 a.m.

Cindy Warda, Executive Director