

**Bellaire Village Council
Meeting Minutes
October 4, 2023
7:00 PM**

1. **Call to Order:** President Bennett called the meeting to order at 7:00 PM.

2. **Roll Call Attendance:**

Present: President Dan Bennett, Council Trustees Trish Drollinger, Pat Boyd, Eldon McPherson, Dave Ciganick, Bryan Hardy & Helen Schuckel.

Absent: None

Staff Present: Cathy Odom, Treasurer, Nicole Essad, Clerk & Bill Drollinger, Chief of Police.

Also Present: Linda Gallagher, Terry VanAlstine, Sherry Comben, Ray & Marguerite Karabin, Carl & Christina Regner, Derek Coppess, Issac Oswald, Kyle Shumaker, Susan from Fishbeck & Janet Koch.

3. **Approval of Agenda:** The agenda was approved with the additions of new business item b, SRF Project Funding, item e, Property Sale, item f, Northern Monument Donation, item g, Marijuana, item h, Resolution #21 of 2023, Budget Amendments & item I, Middle School Softball.

Motion by Boyd, seconded by Schuckel, to approve the agenda as amended. Motion carried by voice vote.

4. **Conflict of Interest:** None presented.

5. **Consent Agenda:** The consent agenda was approved as presented.

Motion by Schuckel, seconded by McPherson, to approve the consent agenda as presented. Motion carried by voice vote.

6. **Public Comment:** None presented.

7. **Old Business**

a) **County Update:** The County will be interviewing a new VA director. The façade project is on task. The remodel of the health department building will be completed this month, and the police department will move into it. Forest Home Township will be approving the 911 communication tower tomorrow, The Planning Commission will be finalizing the project at their meeting tonight. Barnes Park is hosting Halloween in the Park this Saturday. The contract for the Grass River boardwalk has been approved and the project should begin in the spring. There is a Brownfield training meeting via zoon October 9, 2023 from 1:00-2:00 pm for anyone interested in attending. Jen Wright from Grass River has been named to the most influential woman's list.

b) **DDA Update:** Taylor Sutherland informed Council that the DDA will begin working on their next year's budget. They will be using the Square point of sale system to collect donations for the Culver auction. They did an interview with 9 & 10 News about the Culver Exhibit, and it was very favorable. They applied for the MACC grant for \$3,600

for their next art project. The table and chairs will be stored for the winter on November 8, 2023.

- c) **Ballfield Update:** There was nothing to report.
- d) **Office Staff Wages/Benefits/Direction:** Based on the reduction of hours for the office staff, decisions about work schedule, PLT and salary must be made. Trustee Drollinger said we do not need to close the office so their hours should be staggered, and their positions should be changed to hourly. President Bennett disagreed and said closing the office one day a week shouldn't be a problem. Trustee Boyd noted that PLT should stay as is.

Motion by Bennett to close the office on Friday's. Motion failed due to lack of a second.

Motion by Drollinger, seconded by Hardy, that the office staff work Monday-Friday, one off on Monday, one off on Friday, giving them the latitude to make that decision. Motion carried by voice vote with one nay vote by President Bennett.

Motion by Boyd seconded by Hardy, to change the office staff positions from salary to hourly. Motion carried by voice vote.

Hourly employees are given three days of personal time. The council noted that this is the case.

The office staff were also looking for directions on how to handle essential spending. Do you want staff to make the decision on what should and should not be essential spending or does Council want us to ask Council and which member should be tasked with this. Trustee Boyd said that if it is an expense in the budget then staff should be able to move forward with the purchase. If the expense is above and beyond what is in the budget, then discretion should be used, and someone informed. Trustee Ciganick noted that supervisors are the people who normally approve purchases and they are in those positions because they have and use good judgement when making purchases.

Motion by Boyd, seconded by Hardy, that if an expense is above and beyond what we currently have budgeted then staff should notify the President before the purchase. Motion carried by voice vote.

8. New Business:

- a) **Brownfield Redevelopment:** This is an affordable housing plan (Bellaire Lofts) to be located at the old gravel pit on Bellaire Hwy. Derek Coppess and Issac Oswalt from 1983 Company presented their plan and potential financing options to the Council. It is a 50-unit affordable housing project. They understand the importance of having affordable housing for employees to be able to live close to their employment. They also understand that affordable means \$800-\$1,000 a month rents, which is difficult to do with rising construction costs and interest rates. One such option to help keep costs down is through a Brownfield Redevelopment. At the next meeting they will ask for support for the Brownfield Redevelopment. Susan Wenzlich from Fishbeck explained what the Brownfield Redevelopment is and how it works. The Brownfield law is Act 381 and it has been amended to expand its uses. Housing is one of those uses. The Brownfield is a tax capture of funds, which captures the difference in tax revenue between the current tax and what might be collected after the project is complete. It works in the same manner as

the DDA tax capture. The funds collected from the tax capture will be put back into the project to pay their bills and help to keep rents lower. This also affects other local taxes and state taxes. MSHDA is also involved in this project. They will be putting funds into the project so that schools and other local unit taxes would not be lost. The Brownfield Plan was presented. There are four eligible expenses. One is environmental due diligence. An environmental assessment would have to be done, which would be one of the things that the tax capturing would pay for. Site preparation, the housing gap and reimbursement for interest costs are the other expenses. They are asking for 7.9 million dollars. The law says they have to ask for 100% of the tax capture. However, they can reimburse the village an amount set by a service agreement, paid annually, so we do not lose 100% of that revenue. Susan Wenzlich said this has not been put before the Brownfield Authority yet, so there may be some changes to the plan that they will require. At the next meeting, if the Council wants to move forward with the Brownfield, they will provide a resolution of support that will have to be approved. It will go before the Brownfield Authority and then a public hearing will be held, which will be at the County. Trustee Ciganick asked how “affordable” rents are determined. Susan explained that affordable for this program means 120% of the area median household income per household. AMI for the County is approximately \$60,700. MSHDA uses a formula that helps determine whose income meets those qualifications. Any future phases of this project would require an approved amendment to the original plan. Mac McClelland introduced himself and he will also be working with them on the Brownfield plan. Trustee Boyd noted that affordable housing is an important issue here in the Village.

- b) **SRF Project:** Because we did not receive any of the SRF funding, Andy Campbell, our financial advisor from Baker Tilly, was present to discuss funding options for the WWTP projects that are being required from EGLE. Mr. Campbell said the first option is to reapply for the SRF funding from the State next year. The points we have earned, the ACO timelines that we have with EGLE, and construction cost increases would be issues in waiting and reapplying for next year. The two funding options are the USDA and the open market. He noted that financially, for the Village, USDA is going to be the best option. USDA offers lower than market interest rates. The current rate is 2.375%. If you move forward with the USDA, the interest rate can be locked in. He explained the financial impact to the Village depending on which choice Council decides to move forward with. He noted that one of the biggest things the Village must deal with is to stay in compliance with the ACO. It is going to take at least a year to go through the USDA process, with construction beginning in 2025. He explained the process if the USDA option is chosen. The application is sent in. The engineering and bidding process would be next with construction to start after bids are in. The process does take time and is cumbersome and we would have to talk with EGLE to make sure the ACO timelines could be adjusted to align with the USDA timeline. If that doesn't work because EGLE is not willing to adjust their deadlines, then the other funding option is the open market. The interest rates and payments are higher. They also only offer 30-year terms with USDA at 40 years. He said he will work with Jennifer Hodges, from Gourdie Fraiser on the ACO deadlines, which happens first, and then they will work on the USDA process.
- c) **Parking Hours Downtown:** The DDA has asked if Council will consider changing the 4-hour parking to 2-hour parking. Trustee Boyd said he doesn't feel there is a parking problem. He said he understands people want to park close to where they want to visit, but he doesn't want to limit a visitor's time downtown because they have to move their vehicle in two hours. He suggested limiting or not allowing truck & trailer or bus parking downtown. Chief Drollinger said marling tires is no longer allowed. He said the only solution to this issue is to install parking meters. Trustee Ciganick also doesn't feel there

is that big of a problem, people may just have to walk a little. No further action was taken.

- d) **Connection Fees-Tractor Supply:** Tractor Supply has picked up their meter. Staff is looking for Council decision on whether they are to pay for the meter and the tap in fee even though they are installing the watermain extension at their cost. The council discussed and the following motion was made.

Motion by Boyd, seconded by Drollinger, to waive the connection fee, have them fill out a permit application so it is on file and have them pay the difference between the 3/4" and 1" meter. Motion carried by voice vote.

- e) **Property Sale:** Trustee Ciganick said that someone brought it to his attention and as we contemplate the cuts we have been making to stay cash positive, that we look at the possibility of selling the 30 acres we own on Orchard Hill Road. Trustee Boyd said that some parts of it are being used by Glacial Hills. He also said Council discussed, about a year ago, allowing Glacial Hills to build a parking lot. Splitting the property and selling part of it was discussed. The value is roughly \$100,000 for the parcel. If the property is split, then we adjust the value accordingly. It was noted that we no longer use it as it was previously used. President Bennet asked the two of them to further investigate this.
- f) **Northern Monument Donation:** Dave Wilson, who owns Northern Monument, has built a stone carving business. He has an 8000-pound boulder approximately 5' x 4 1/2' high x 4 1/2' deep that he would like to donate to the Village at no cost. He will engrave the Village of Bellaire or Welcome to Bellaire on the stone and would like to set it by the downtown restroom's pine tree. He would only ask that he can put a QR code on it so that when scanned it will show who engraved the stone. He would have to set the stone with a crane or loader. Once he has a plan of what to put on it, he will let us know so the Council can see it before he does the work. His thought was that it would allow visitors to take vacation pictures in front of it.

Motion by Bennett, seconded by Boyd, to allow Mr. Wilson to move forward with the donation of the engraved boulder. Motion carried by voice vote.

- g) **Marijuana:** Trustee Drollinger said she would like the Council to consider moving forward with the option of allowing a marijuana facility in Bellaire. She has done some research, and it is not difficult to amend zoning to allow it. Clerk Essad said the first step would be to repeal the police power ordinance, then develop an ordinance to opt in. From there, zoning will take over the process. The specific use would have to be named on the zoning ordinance. It was noted we can have our attorney guide us through the process so that repealing the ordinance doesn't allow for a free for all to take over. Council will have to decide what they want to allow and name specific uses. Mr. VanAlstine thought it would be a good idea to see if it is something that taxpayers want. It was also noted that Central Lake put it out to a vote, which passed by a narrow margin. It was noted that attorney fees for this are not included in the budget. There will be public hearings where the public can offer their opinions. It was suggested and Council verbally agreed to talk with Central Lake and research the process that they followed.

- h) **Resolution #21 of 2023, Budget Amendments:** Due to the cuts that have been made there are some budget amendments that need to be approved.

Motion by Boyd, seconded by Bennett, to approve Resolution #21 of 2023, budget amendments. Motion carried by roll call vote. Ayes: Boyd, Ciganick, Drollinger, Hardy, McPherson, Schuckel & Bannett. Nays: None.

- i) **Middle School Softball:** Christina Regner has approached the Village about using the fields for a middle school softball club. The school is not involved with this program. They understand that the varsity teams take precedence. There are 5 or 6 schools also have a middle school club. They will also pay the player fees that the Village charges.

Motion by Boyd, seconded by Hardy, to approve their request for the use of the fields utilizing our current fee schedule. Motion carried by voice vote.

9. **Discussion Items:** President Bennett commented on an article describing Proposal A and the Headlee Amendment and how it is beginning to affect municipalities. He suggests that if Council has not read it yet, they should, as it will provide a possible explanation as to why some communities are having financial struggles.

10. Department/Committee Reports:

- a) **Committee Reports:** Committee minutes, for the committees that have met, were included in packets for review.
- b) **Clerk/Zoning Administrator:** Clerk Essad said she has a meeting with another developer to look into developing property behind Family Fare and there is another developer that wants to build townhomes on another piece of property in the Village.
- c) **Treasurer/Deputy Clerk:** Treasurer Odom provided information about unemployment that was requested at the last meeting.
- d) **Department of Public Works:** None presented.
- e) **Police Department:** Chief Drollinger said he is busy and currently helping the County on an investigation and the Harvest Festival is coming up so he will be working.
- f) **Planning Commission:** Nothing presented.

11. Closing Member/Public Comment:

- **Trustee Drollinger:** The chimney has been repaired, which was paid for by Forest Home. She thanked them for that and other projects that they have helped us with.
- **Trustee Boyd:** informed Council that the Planning Commission did address the Bellaire Lofts project and put a stipulation on the PUD, noting that none of these units could be short term rentals.
- **Trustee Ciganick:** asked if Mr. Keiser had left him a leadline replacement list, noting that he had not as of yet. He also asked if anyone had a conversation with the DDA about the possibility of having to cut the DDA program due to the budget constraints the Village is currently facing.

12. Adjourn: Meeting adjourned at 8:52 P.M.

Compiled by Cathy Odom
Minutes are subject to approval.

Approved: _____

Date: _____