

Approved Minutes

The Manistee Township Board met on Thursday, August 03, 2023 at 7:00 P.M. in the Manistee Township Hall for a public hearing. Board members present were Dennis Bjorkquist, Connie Jankwietz, Guy Finout, Dianne Taylor, and John Dontz. Also present, were Zoning Administrator Karen Clouse, Deputy Clerk Heather Taylor, Dennis Skiera, Nathan Waggner, Dean Ethridge, Roger and Sal Reckow, Robert Nash, Eric Lampinen, Tracy Davis, Dennis Baut, Molly Whetstone, Rick Jensen, Richard Wilson, and Gary Madden. The meeting had been posted in compliance with the Commercial Rehabilitation Act 210 of 2005 and the Open Meetings Act.

The meeting was called to order by Supervisor Dennis Bjorkquist with the pledge of allegiance.

Supervisor Bjorkquist announced the meeting was to hear and receive public comment on an Application for a Commercial Rehabilitation Exemption Certificate received from Riley Apartments, LLC to construct Phase I of a commercial rehabilitation project to be located at 610 East Parkdale Avenue. Nathan Waggner, from Cash Waggner & Associates, presented an overview of the Riley Apartments, LLC Project to the board and residents. Nathan explained they are asking for approval to start the first phase that would be constructing four buildings containing 144 units, an office building housing an onsite manager, fitness center, and maintenance, and driveways with parking spaces. The buildings will contain 140 two (2) bedroom and 4 one (1) bedroom market-rate apartments.

Richard Wilson asked if any of the units will be available as short-term rentals and was advised that they will not have short term rentals. The units will be geared towards transient housing which usually consists of one to three years rental then the occupant purchases a home.

Dean Etheridge asked where the bus garage fit in, was advised it's a separate parcel and it will stay there.

Dennis Skiera asked about the sewage and was advised it will be hooked to the tribal sewer with city water.

Supervisor Bjorkquist mentioned that there will continue to be two driveways going into the complex. Nathan confirmed they will share the West driveway with bus garage. The West driveway will also be used by construction vehicles during phase II to minimize disruption for the residents on the East driveway.

Dean Etheridge asked which buildings would be constructed first. Nathan advised that buildings 1, 2, 3 and 8 will be constructed along with the driveway loop and an office in Phase I.

Supervisor Bjorkquist stated that the demolition of the school would be a highlight of the much-needed project. Attending residents agreed that the school was in need of removal. MDOT is

aware of the traffic volume and is looking into reducing the speed limit from 55 mph to 45 mph on Parkdale Avenue from M55 to M22.

Dean Etheridge asked if there will be balcony's and confirmed the buildings will be 3 stories? Nathan confirmed they are three stories with each unit having a balcony. Half will face the front and half will face the back.

Sal Reckow stated that airplanes come out of the airport on a regular basis and come through the area. Nathan advised the buildings would not be taller than the trees, if they are in the flight plan then they will coordinate with the FAA for clearance.

Dennis Skiera asked how long is the requested exemption for? Nathan advised that it is for 10 years. Molly Whetstone explained that the land will stay on the ad valorem roll which will uncap this year due to the purchase. The land assessment will go up to market value. The buildings will only pay the school tax (18 mills and 6 mills SET) for the length of the certificate. When the certificate expires, they will return the ad valorem tax roll. If they have one building completed or started as of December 31, 2023, that one building will go on the tax roll as a partial value and they will pay the school operating and SET. The certificate will start when construction is completed. The buildings will either pay on the ad valorem roll or the special act roll. The buildings cannot sit there and not be on a tax roll. What the township will be gaining is any revenue sharing, people shopping in the stores, and eventually a larger tax base.

Gary Madden asked about the construction time. Nathan advised where normally phase one should take 12 to 18 months to complete but with the labor and material shortages causing delays and pushes completion time to drag on. Hopefully everything falls in place and it will be completed in the 12-to-18-month time frame.

Sal Reckow asked the vacant land will still be subject to the 18 mills? Molly advised that the vacant property is always on the Ad Valorem roll. They will pay the full millage rate; the property will uncap this year, and it will be going up for commercial.

Dennis Skiera asked what the rental rate would be. Nathan does not currently know what the rental rate will be; the actual rate cannot be computed until constructions is in place.

Eric Lampinen stated the area is in need of more housing, but if 50 percent of the population of Manistee County is baseline or below the poverty line, where are 288 families coming from to afford these apartments? Nathan advised that the company doesn't build the units to take away from other communities, they build apartments to attract work force and new people to the community. Tracy Davis from Housing North, stated that they have done an assessment and the ALICE's population is at 42% in our county. What they are hearing from employers and the community is that they can't get people to accept jobs in the community without having housing available. They are looking at the market rate and need for the professionals coming in. Treasurer Jankwietz spoke that the employers may also negotiate with the professionals coming into the area to fill positions by offering their wages and an allowance to subsidize the

market value rates to entice them into the area. Nathan advised that it will be year around rentals/corporate housing to bring the professionals in. Tracy stated there was a sign-on letter from some of the employers that they would be using this complex for their employees. Gary Madden asked who those employers were. Clerk Taylor stated there were 13 employers, representing 1,470 jobs, that signed the letter from the Chamber of Commerce. The following employers supported this housing development; Munson Healthcare Manistee Hospital, Packaging Corporation of America, Martin Marietta Magnesia Specialties, Myotek, Blarney Castle Oil and Propane, M R Products, Inc, Fab Lite, Iron Fish Distillery, LLC, 6PM Hospitality Partners, LLC, Blue Fish Kitchen and Manistee Bank Building, The Golden Stag, Consumers Energy, and Edward Jones (Jeffery Reau).

Dennis Baut asked about the fund that is being used for the demolition and is it a \$200,000.00 max for cleanup/contamination? Tracy Davis stated the developers are working with the Manistee County Land Bank for demolition and any contamination cleanup for both phases. Supervisor Bjorkquist said the amount approved by the state for the county land bank is \$580,694.00, and the demolition needs to be completed by August 1, 2024. Tracy stated that this is grant money that will be used.

Bob Nash, from Myotek, thanked Clerk Taylor for reading the support letter. He stated that he's happy to be here working in the area. He stated he has team members that would like to be able to get into housing in the area and others that would like to build families here. This will help the community and small businesses to grow. This project is vastly needed and would like the board to support it.

Nathan Waggner stated that the tax exemption incentivizes the banks to lend on the project.

Supervisor Bjorkquist stated there are just under 18 acres of property. Dean Ethridge asked how close it came to the old railroad track. Nathan stated the property runs up to the old railroad track.

Gary Madden asked if he owned 10 acres of undeveloped land, could he put 5 or 6 homes on the property and could he apply for a 10-year tax abatement? Richard advised no, unless the 10 acres in the last 15 years has contained an obsolete commercial enterprise. This tax abatement only applies to eligible facilities that were commercial and in need of rehabilitation. Molly Whetstone stated there are other tools for residents that can be used for abatements.

There being no public comment or further business to attend to, Trustee Finout motioned, Trustee Dontz seconded, to adjourn the public hearing at 7:46 P.M. All in favor; motion carried.

Respectfully submitted,

Dianne Taylor
Manistee Township Clerk

MANISTEE TOWNSHIP
MANISTEE COUNTY, MICHIGAN

NOTICE OF PUBLIC HEARING

PLEASE TAKE NOTICE that the Township Board of the Township of Manistee will conduct a public hearing on Thursday, August 3, 2023, at 7:00 p.m., at the Manistee Township Hall, 410 Holden Street, Manistee, Michigan 49660. The purpose of this public hearing is to consider an Application for Commercial Rehabilitation Exemption Certificate, submitted by Riley Apartments, LLC, pursuant to the Commercial Rehabilitation Act, being Act 210 of the Public Acts of Michigan of 2005, as amended. If approved by the State Tax Commission, the Commercial Rehabilitation Exemption Certificate would apply to the commercial property situated on the lands described below:

Situated in the Township of Manistee, County of Manistee, State of Michigan, and further described as: Part of Lots Nine (9) and Ten (10), Block D, Supervisor's Plat of Sibley's Addition to Parkdale, and part of the Northwest quarter (NW1/4) of the Northeast quarter (NE1/4) all in Section Thirty-one (31), Township Twenty-two (22) North, Range Sixteen (16) West, Manistee Township, Manistee County, Michigan, more fully described as follows:

Beginning at the Northwest corner of said Lot Nine (9), thence North 00°31'41" West, 520.06 feet along the West line of said Lot Ten (10), thence along the South right of way of the old Chesapeake and Ohio Railroad the next two courses: North 65°55'08" East 477.19 feet (previously recorded as North 65°53'11" East, 477.69 feet), thence North 64°51'59" East, 330.60 feet, thence South 00°01'38" West 173.60 feet (previously recorded as South 00°17' West), thence South 00°09'59" West 1205.32 feet (previously recorded as 1202.03 feet) to the North right of way of Highway US-31, thence South 77°25'54" West 459.71 feet (previously recorded as South 77°25'00" West 459.62 feet) along said right of way, thence South 77°20'57" West 49.99 feet along said right of way, thence North 00°15'38" East 526.67 feet, thence North 89°50'05" West 230.51 feet (previously recorded as North 89°50'23" West 230.59 feet), to a point of the West line of said Lot Nine (9), thence North 00°31'41" West 107.41 feet (previously recorded as 108.41 feet) along said West line of Lot Nine (9) to the point of beginning. Parcel ID Nos. 51-07-820-021-10 and 51-07-131-005-00.

The street address for this property is 610 E Parkdale Ave, Manistee, MI 49660.

Public comments concerning the proposed Commercial Rehabilitation Exemption Certificate Application will be received at the hearing. Written comments may be addressed to Dianne Taylor, Township Clerk, 410 Holden Street, Manistee, MI 49660, so they are received at or prior to the hearing. All comments will become part of the hearing record.

Dated: Date July 14, 2023

Manistee Township Board
By: Dianne Taylor, Clerk