

## Leland Township Board Special Meeting

### Open Session

May 17, 2023, 9:30 a.m.

Leland Township Office, 224 W. Main St., Lake Leelanau

**PRESENT:** Supervisor Susan Och, Clerk Lisa Brookfield, Treasurer Shirley Garthe, Trustee Clint Mitchell, Trustee Mariann Kirch, Deputy Clerk Allison Hubley-Patterson

**GUESTS:** Keith Ashley, Gary Coyle, Steve Mikowski

#### CALL TO ORDER/ PLEDGE OF ALLEGIANCE

Ms. Och called the meeting to order at 9:32 a.m. with the Pledge of Allegiance.

**A portion of this meeting may be held in closed session if an open meeting would have a detrimental financial effect on the Township's litigating or settlement position.**

#### APPROVAL OF AGENDA

**ACTION:** Mr. Mitchell moved to approve the agenda as presented; supported by Ms. Brookfield. Motion carried.

**DECLARATION OF CONFLICT OF INTERESTS** - none

**PUBLIC COMMENT** – none

#### ACTION ITEMS

Discuss purchase offer for 489 W. Main Street, Lake Leelanau, MI 49653

Ms. Och brought new information about the USDA loan. The term of the loan can go for up to 40 years and the interest rate would be 3.7% if we can get through the obligation phase by July 1, 2023. The loan requires that a building inspection be conducted, and the Township must be qualified through an audit. A CPA is required to attest that the Township can meet the terms of the loan. If the loan were paid back over 30 years, this would bring the cost down. One year of debt service is required to be held in an account. Ms. Kirch asked if this is similar to an escrow account and inquired if the money can be invested. Ms. Och will look into this; she mentioned that the Township has an account from which the fire station bond is paid. Ms. Och was asked if the loan can be used to buy out a land contract. She replied that this is permissible but stated that it is called something else. Mr. Ashley stated that the land contract is still a good way to purchase this property.

**ACTION:** Mr. Mitchell moved to go to closed session for the purpose of discussing the purchase of 489 W. Main Street, Lake Leelanau, MI 49653; supported by Ms. Garthe. Motion carried. A roll call vote was conducted by Ms. Brookfield; 5 ayes, 0 nays.

Mr. Mikowski asked what is so critical that the public cannot know what is discussed during the closed session. Mr. Brookfield replied that the Board plans to discuss the terms of the offer and stated that

they wish to keep this information confidential for now. Mr. Mikowski inquired about the offer; Mr. Mitchell stated that the Board would be discussing a counteroffer. Ms. Och stated that having the public involved at this point could jeopardize the negotiation process.

The meeting went into closed session for real estate discussion of price, negotiations, financing and calendar.

The meeting returned to open session at 10:20 a.m.

**ACTION:** Ms. Garthe moved to authorize Ms. Brookfield and Mr. Mitchell to participate in conversation with Dr. LeBlanc and the attorneys involved for the purpose of discussing the parameters of the purchase as discussed in closed session with the intention of having a tentative agreement; supported by Ms. Kirch. Motion carried.

Mr. Ashley stated that he has contacted four appraisers but only one individual will do this work; this appraiser is scheduling out four weeks. Ms. Och indicated that she will ask if Tobin & Company can perform a feasibility study for the Township; they are the audit firm that we currently use. Ms. Och asked Mr. Coyle if he could schedule an inspector; he stated that there are approximately five different inspectors that he could call. Ms. Kirch asked Ms. Och to confirm that the income of the community will not disqualify us from applying for the loan.

**OTHER/OLD BUSINESS** - none

**BOARD COMMENT** – none

**PUBLIC COMMENT** - none

**ADJOURNMENT**

**ACTION:** Mr. Mitchell moved to adjourn the meeting at 10:35 a.m.; supported by Ms. Kirch. Motion carried.

Respectfully Submitted,

Allison Hubley-Patterson, Recording Secretary

Date Approved: \_\_\_\_\_

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Susan Och, Leland Township Supervisor

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Lisa Brookfield, Township Clerk