Village Manager Report
February 8, 2024

1. **Treasurer/Administrative Assistant**. Both candidates have accepted offers, at hourly and salary rates within the budget established by the Villager Council. Elizabeth Brennan began work as our part-time Administrative Assistant on January 19th. Her hours are Monday through Thursday 9am to 1pm. Diana Simons will start as Village Treasurer on February 19th. This position will be full-time, with regular Village business hours.

2. **Short Term Rental Task Force.** Membership established. The first meeting will be scheduled soon, with the assistance of our new administrative staff. I have also gathered useful resource information from other municipalities, including the City of Frankfort, Bingham Township, and the Village of Suttons Bay.

3. **Sewer Capital Improvement Grant.** We responded to an inquiry from Treasury asking whether we could complete our project if we were to receive partial funding, rather than the full $454,387.00 requested. We were also asked to rank each separate project in the plan, in order of priority. Our response said that the minimum grant funding necessary to complete all ten projects was $368,887.00. As for prioritizing we listed the three Main Lift Station and manhole clean, rehab and relining projects as the most (and equally) critical of all the projects scheduled for fiscal 2024-25. It is also likely that all these projects could be completed in a single mobilization, by a single contractor, with potential savings. The grant documentation says the award will occur before March 29, 2024.

4. **Housing North Partnership Contract.** Since our last meeting, I have explored the possibilities of a contract with Housing North to provide attainable housing resources and advocacy services. While they are an organization in transition, they are the principal housing resource agency for the 10 County Northwest Michigan region. Any group that is seriously pursuing attainable housing projects in Leelanau County will be working with Housing North to facilitate grants and assist with project design, financing, and implementation. Yarrow Brown, Housing North Executive Director, has agreed to come to a Village Council meeting to discuss their capabilities and what the Village could expect in return for its investment.

5. **Seventh Street Property Public Hearing.** The current plan is to schedule the proposed public hearing for the March 7th Village Council meeting, devoting the entire meeting to that issue, with a subsequent special meeting to take care of more routine business. Citizen input in the form of email and letters concerning the property continues to arrive. Those received since the last Village Council meeting are included in the Drop box folder for this meeting.

6. **Audit Firm Contract Recommendation.** I recommend the Village approve a three-year contract with UHY, LLP, a large multistate CPA firm, which recently acquired (in June 2023) a local CPA firm with offices in Cadillac and Traverse City. The UHY office that responded to our proposal does audit work for local government, with about 160 audits done per year. Derek Graham, the partner assigned to our account, personally supervises approximately thirty audits per year as the audit team lead. The cost is $18,750 to audit the 16-month fiscal year 2023-24; $2,750 to prepare the non-audit year Municipal Qualifying Statement for Fiscal 2024-2025; and, $18,120 for the full audit in fiscal year 2025-2026. We interviewed one other firm, located in Cadillac. Their cost was comparable, but they decided to withdraw due to scheduling concerns related to our change in fiscal year.

7. **Three Rivers Property Line Dispute Proposed Resolution.** The proposed resolution will settle a long-standing dispute concerning the width of Park Street. The proposal is to abandon and quitclaim the western four feet of the current paved portion of the street. In exchange for the right to use, decorate, and maintain the "Christmas Tree" and continue the "Northport

Sign" that end of northbound Waukazoo Street. The advantages and disadvantages of this proposal are too extensive to describe in this report.

8. **Fiscal Year Extension and Budget Amendments** Because of this transition, each of our major funds will show either a surplus or deficit of revenue compared to expenses. This is entirely due to the timing of transactions, not a deficiency in the management or operation of the village.

   For example, the temporary deficit in the general fund is due, entirely to the timing of real property tax revenue receipts, which will not be billed until Jul 2024. Expenses incurred during this four-month budget extension will not be offset against revenues received until at least the 1st Quarter of the next full fiscal year. This will result in a corresponding, and larger than expected surplus in the 2024-2025 fiscal year budget, which will restore the fund balance used during this four-month budget extension.

9. **Ongoing Projects.**

   a. **Kayak Launch Proposal**. Meeting on Monday 2/12/24 @ 11am to discuss progress, next steps, and a presentation at the Waterfront Committee next week.

   b. **Fairway Residences Development**. Pending further meetings with developer this Spring.

   c. **Economic Development**. Multiple meetings with local business owners. Strong interest in revisiting the concept of adopting a Social District ordinance in the Village.

10. **Upcoming Issues**

    a. Adoption of a resolution approving the Leelanau County Natural Hazard Mitigation Plan. The County Emergency Services Department is adopting an update to its existing plan. Village adoption of the plan would make us eligible to seek risk mitigation grants, disaster relief funds and local disaster risk assessment reviews by the County. The Village has adopted this plan in the past.

    b. Golf Course Management Contract Extension.

    c. Social District Ordinance

11. **Zoning Administration.** The current focus is on concluding the adoption of the re-write of the Village Zoning Ordinance. I intend to review with the Planning Commission some workforce housing favorable zoning and non-land-use ordinances used by the City of Frankfort in its successful effort to develop workforce owner-occupied and rental housing.

    a. One Land Use Permit received, this morning, from John Woomer for a vacant lot adjacent to 305 S. Shore Drive to construct a Garage with a finished artist studio. The project will require a variance since the principal use associated with the proposed structure will be located on an adjoining property but will have a common owner. A variance conditioned upon a continuation of common ownership would satisfy the objective of the Zoning ordinance requirement that accessory structures be located on a lot with a principal structure. Such a conditional variance is permitted by Section 20.09 (3)(a) of the Zoning Ordinance.

"Our goal is Persistent Positive Action; to live in the future, and only learn from the past."