

**St. Charles Village Council  
Minutes of Special Meeting  
March 28, 2018**

Meeting called to order at 7:00 pm with the Pledge of Allegiance by President Roe.

Members present: White, Theile, Neumann, Roe, Dennis, and Kutz.

Members absent: McPhail.

Others present: Matt Lane, Deanna Koehler, Peter Potterpin, Ken Kutz, Susan Tanney, Steve Tanney, Mark Weslock, and Mandilee Hecht.

Mr. Weslock inquired about diminished snow plowing and blight on the corner of North and Main. President Roe thanked him for his comments.

Ken Kutz asked Mr. Weslock the location of the blight and what Mr. Weslock considered as blight.

Motion by Kutz, second by Neumann to approve the March 14, 2018 Village Council Minutes as presented. Chris Neumann and Diane Dennis requested more comments and discussion be included within the Council Minutes. Motion carried.

Motion by Neumann, second by White to close the regular meeting and open a public hearing for Ordinance #18-3 a Village of St. Charles Tax Exemption Ordinance – Arbor Glen Apartments 7:07pm. Motion carried.

Matt Lane gave a synopsis of the PILOT and Municipal Agreement along with the legal opinion from the Village Attorney.

Ken Kutz asked what is the advantage of a PILOT and Municipal Agreement for PK Housing if they still pay the same amount to the Village.

Pete Potterpin explained that the PILOT gives them tax credits and that equates to “points” for their MiSHDA application, making them competitive to receive the tax credits that they can then sell to investors. It also stabilizes the tax amount. Due to having a federal government mortgage, they already have audited finances to ensure the PILOT and municipal agreement will match the tax amount.

Ken Kutz then asked how PK Housing can receive a Payment in Lieu of Taxes when PILOTS are reserved for non-profit and governmental entities that do not pay taxes. Mr. Potterpin explained that they have a federal government mortgage on the property and multiple PILOT programs in place for their properties throughout Michigan, and they are applying for MiSHDA funds while the program is available. Without the PILOT the renovation will not happen.

Motion by Neumann, second by Theile to close the public hearing and resume the regular meeting at 7:22 pm. Motion carried.

Mr. Potterpin addressed the council. He stated that PK Housing qualifies to sell the low income housing tax credits under IRS Section 42 to investors, such as banks and insurance companies lowering their tax liability, and giving PK Housing the funds needed for renovation.

Chris Neumann asked if the PILOT was mainly a show of support enabling points on their application. Mr. Potterpin confirmed this.

Diana Kutz asked if PK Housing accepted Section 8 qualifying residents. Mr. Potterpin stated that yes they are required to due to their Federal Mortgage.

Tom White asked how many units and vacancies they have. Mr. Potterpin stated they have 48 units and he believes there is currently 1 vacancy.

Chris Neumann asked how long the PILOT would be in effect. Mr. Potterpin explained that it would be in effect for the duration of their mortgage, which will be 30 years.

Motion by Theile, second by Neumann to Adopt Ordinance #18-3 Village of St. Charles Tax Exemption Ordinance – Arbor Glen Apartments. Roll call vote: White, yes; Theile, yes; Neumann, yes; Roe, yes; Dennis, yes; Kutz, no. Motion carried.

Motion by Neumann, second by Theile to enter into a Municipal Services Agreement between PK Arbor Glen LDHA LLC and the Village of St. Charles. Roll call vote: Theile, yes; Neumann, yes; Roe, yes; Dennis, yes; Kutz, no; White, yes. Motion carried.

Motion by Kutz, second by Neumann to adopt Resolution #18-5 FY 2017/2018 Budget Amendment. Motion carried.

Tom White shared MML Conference updates. There are marijuana growing companies looking to expand within Michigan if the decriminalization of marijuana passes on the November ballot. Tom had discussions with them at the conference in reference to the boatwork's building. If everything works out, they would employ 150 people, have 24 hour shifts, and multiple levels of security. It would be beneficial to those companies to purchase existing properties than to build new and Tom let them know that the zoning and location of the building is within the required parameters

Ken Kutz inquired about sound amplification and if anyone has moved forward with it. Marie Roe responded that Matt Lane has started getting prices and specifications.

Chris Neumann asked about inquiries regarding a possible Pickle Ball court in the Park. Matt informed her that it had been brought to the Parks and Recreation Committee and they are going to proceed with a test run by painting lines and evaluate the response. If it is used successfully we will develop full courts as a future project.

Marie Roe advised that Tony's Restaurant is in the process of changing ownership and is expected to be completely renovated.

Motion by Dennis, second by Neumann to adjourn at 8:10 pm. Motion carried.

Respectfully submitted,

Deanna L. Koehler, Village Clerk