

MINUTES OF A MEETING OF THE KATHY'S TASK FORCE
COMMITTEE WITH MR. GENE OSTLING

Present for	
Torch Lake Dev't, Inc.	Task Force Committee
Gene Ostling, Realtor	Harvey Jacobitz, Chairman
	Bill Good, Member
	Jack Norris, Secretary

Village Hall, March 8, 1989, 2:00 PM to 3:15 PM.

Meeting got under way after introductions all around and modicum of sociable comment on weather, genealogy, etc.

Task Force members made clear that their authorization was to collect information and report it to the Township Board, but not to conduct negotiation. Mr. Ostling said he understood and would be glad to furnish any information he had.

Mr. Ostling had brought with him for the Task Force a packet of materials useful in applying for a grant for the purchase of property under the Michigan Water Conservation Fund, thinking that we might use it toward the financing of a purchase of the former Kathy's Campground. He has some experience in the use of such financing -- he mentioned two current instances -- and he offered to put that experience, as well as some governmental "push" at the service of the Township.

The Task Force appreciated that friendly gesture and discussed the general topic briefly, but did not avail itself of the offer since it has independently obtained the same materials and offers of professional help.

The Task Force offered the surmise that if the Township were to develop an interest in buying the campground and were to finance the purchase in this way, TLD would be unlikely to sit still for the couple years that it would take for the funding wheels to turn and the money to become available. There was general agreement that the delay would present a problem. There was brief mention of the possibility of interim financing through one or another of the conservancy groups.

Mr. Ostling explained that TLD's development plan was not advancing as expected and now seemed to be going nowhere except for deepening legal entanglements, and that TLD was looking for some positive and profitable use of the property and saw the four possible alternatives to their original plan listed on the next page.

TLD's alternatives

- 1) Sue the seller, Terrell, on grounds related to contingency provisions in the purchase agreement regarding:
 - a) acquisition of additional land,
 - b) Public Health Dep't approval of revised operating plans, and
 - c) project approval by local authority.
- 2) Agree with seller that payments to him be stopped until the current difficulties are settled.
- 3) Terminate the contract between TLD and Terrell by negotiated cash settlement.
- 4) Sell to another buyer, such as:
 - a) the Township
 - b) buyers potentially interested in residential lots resulting from dividing the property.

To facilitate the Township's consideration of the matter, Mr. Ostling left with the Task Force a summary of TLD's financial position in the property and copies of the two relevant land contracts.

The Task Force asked whether it was correct to interpret Mr. Ostling's friendly visit as a dependable reflection of TLD's current disposition toward the Township or whether his visit expressed just his own views. Mr. Ostling said that he was the spokesman for TLD in this matter and invited us to confirm that claim through a telephone talk with the attorney, Brandt.

The Task Force engaged to report this meeting to the Township Board and to assure a response to TLD.

After mutual expressions of appreciation, the meeting adjourned at 3:15 PM.

These minutes circulated for any comments or corrections by

Jack Norris, Task Force Secretary.

Dist: Gene Ostling

Harvey Jacobitz
Bill Good
Walter Cook
Otto Bretz
Jack Norris

Fred Backstrom
Bud Hassard
Leighton L. Leighty
Ross Hickman