

AGENDA
CITY OF CHARLEVOIX CITY COUNCIL MEETING

Monday, December 15, 2014 - 7:00 p.m.
210 State Street, City Hall, Second Floor City Council Chambers, Charlevoix, Michigan

- I. **Invocation or Pledge of Allegiance**
- II. **Roll Call of Members Present**
- III. **Inquiry Regarding Possible Conflicts of Interest**
- IV. **Consent Agenda**
 - A. City Council Meeting Minutes – December 1, 2014
 - B. Accounts Payable Check Registers & Payroll Check Registers
 - C. Certificate of Appreciation - Luther Kurtz
- V. **Public Hearings**
- VI. **Reports**
- VII. **Requests, Petitions and Communications and Actions Thereon**
 - A. Consideration of Approval for an Outdoor Dining Program
 - B. Discussion regarding the DDA's Contribution to the Charlevoix Public Library
 - D. Discussion Regarding Clarification of Airport Committee Members
 - E. Mayoral and Council Appointments
- VIII. **Introduction and Initial Actions Relating to Ordinances or to Resolutions That Require Publication or Hearings Prior to Final or Further Action**
- IX. **Resolutions**
- X. **Ordinances**
 - A. Outdoor Dining Ordinance
- XI. **Miscellaneous Business**
- XII. **Audience – Non-Agenda Input (written requests take precedent)**
- XIII. **Adjourn**

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The City of Charlevoix will provide necessary reasonable auxiliary aids and services, such as signers for the hearing impaired and audio tapes of printed materials being considered at the meeting, to individuals with disabilities at the meeting upon one weeks notice to the City of Charlevoix. Individuals with disabilities requiring auxiliary aids or services should contact the City of Charlevoix Clerk's Office in writing or calling the following: City Clerk, 210 State Street, Charlevoix, MI 49720 (231) 547-3250.

Posted December 11, 2014 11:30 a.m.

**CHARLEVOIX CITY COUNCIL
AGENDA ITEM**

AGENDA ITEM TITLE: Consideration of Approval for an Outdoor Dining Program.

DATE: December 15, 2014

PRESENTED BY: Mike Spencer

ATTACHMENTS:

1. Draft Outdoor Dining Application
2. Draft ordinance change
3. Cost comparison with other municipalities
4. Outdoor dining diagrams for cost comparisons

BACKGROUND INFORMATION:

As you recall the public hearing for the proposed ordinance change and draft Outdoor Dining Application was held on December 1. At that meeting Staff was giving direction to seek additional comments from the downtown business owners and to complete additional research on the fee structure. This includes potentially a cost per square foot.

Another article was published in the Charlevoix Courier on this issue and Staff emailed another notice to downtown business and property owners seeking comment on December 9. We have completed research on what some other communities charge, which can be found in attachment 3. We have also completed some drawings showing some examples of outdoor dining areas and what the associated cost would be if the City charged \$1 or \$2 per square foot. As you can see both the existing fee (\$250 1st year/ \$200 after that) and if the fee were \$2 a square foot would be higher than any other community we researched.

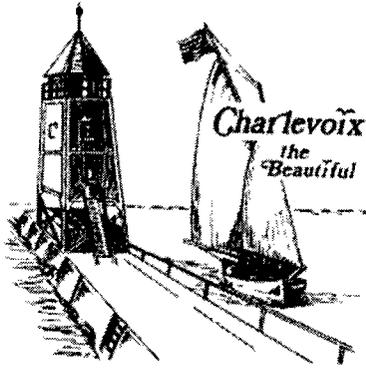
In addition, it has come to our attention that the Liquor Control Commission does inspections on an annual basis and if outdoor seating areas are part of the license they are required to keep up the barrier. Based on this concern City Council could consider changing the requirement to remove the barriers and outdoor seating between October 31 and April 1. That restriction could be removed or the language could be changed to allow seating areas and barriers if they do not interfere with maintenance and snow removal.

Finally, Council could consider removing the requirement that the applicants be in the food and beverage industry. This would allow the possibility for the book store and other retail shops to have outdoor seating areas.

RECOMMENDATION: If Council is comfortable moving forward, City staff would look for two motions:

1. Approve application/ guidelines as presented or with minor changes
2. Approve ordinance changes as follows:

- a. **Change Title IV: Chapter 40, Section 4.3 to read** “It shall be unlawful for any person, firm, or corporation to erect, place, maintain, or operate, on any public street or sidewalk or in any other public way or place, within the city limits, except in the area designated as the ~~CBD, Central Business District~~ DDA, Downtown Development Authority, ...”
- b. **Change Title IV: Chapter 40, Section 4.7(4b) to read** “Within eight (8) feet of the back of the street curb unless approved under the City of Charlevoix Outdoor Dining Program.”



City of Charlevoix

Sidewalk Café License Application

SECTION 1: APPLICANT INFORMATION

- This is an application for the renewal of an existing license agreement.
- This is a new application.

Name of Applicant: _____

Name of Business: _____

Business Address: _____

Phone: _____ E-Mail: _____

- By checking this box you acknowledge that you have read the *City of Charlevoix Sidewalk Cafe License Application: Appendix 1- Rules and Regulations* and agree to adhere to all provisions outlined. The City of Charlevoix maintains the right to revoke any license at any time for non-compliant license holders.

Applicant Signature: _____ Date: _____

SECTION 2: PROPERTY OWNER INFORMATION

- Check this box if applicant is also the property owner and move on to Section 3.

Name of Property Owner: _____

Mailing Address: _____

Phone: _____ E-Mail: _____

- I affirm that I am the owner of the property referenced in Section 1, or the owner's authorized representative, and I hereby grant permission for the Applicant names in Section 1 to operate a sidewalk café at the location stated.

Property Owner Signature: _____ Date: _____

SECTION 3: PERMIT FEES

- Application Renewal Annual Fee (\$200)
- New/Revised Application Annual Fee (\$250)

SECTION 4: SUPPORTING DOCUMENTATION

Total Number of Tables Proposed: _____ Total Number of Seats Proposed: _____

Hours of Operation for Outdoor Café Area:

April 1-June 1: _____ June 1-September 1: _____

September 1-October 31: _____

Please Include the Following:

- A drawing or site plan (to scale) showing the proposed layout of the café area. The site plan must:
 - Cover the entire area between the curb and the building.
 - Show all existing and proposed obstructions in the area such as trees, tree grates, benches, parking meters, light poles, planters, railings and tables/seating arrangement.
 - Be drawn with sidewalk chalk with the City Planner present before approved.
- If applicant would like to use the space in front of the store immediately adjacent to their business please include a letter of permission from both the business owner and the property owner.
- Please attach a certificate of insurance documenting coverage in the amount of \$1,000,000.00. The City of Charlevoix shall be named as "additional insured" on the certificate. The certificate must be valid for the duration of the season which is April 1- October 31.
- Please attach a completed Special Conditions for Sidewalk Café Permits form (Form 2433) from the Michigan Department of Transportation (*Only if your business is located on US 31*).
- If you would like to serve alcohol outside, attach a completed copy of your Michigan Liquor Control Commission (MLCC) Request for Outdoor Service. If your current liquor license does not include an Outdoor Service Permit, you must submit a written request with a diagram of the proposed service area and an inspection fee to the MLCC. Your outdoor service permit must be submitted with this application.

SECTION 8: APPROVAL PROCESS

- Completed applications will be processed within a timely manner. *Failure to submit all required items may result in a delay processing your application.*
- Businesses will be notified by City staff of their permit status.
- If your application is denied and you would like to appeal the staff decision, the applying business must write a letter stating why they believe an appeal is necessary and submit it to City Staff within 5 business days of being notified of their permit status.
- A meeting of the Outdoor Dining Committee will then be called within 10 business days of the letter being submitted to determine if the appeal will be granted.

SECTION 9: CONTACT INFORMATION

Ms. Bethany Pearson

Community Economic Development Director
City of Charlevoix & Charlevoix DDA
bpearson@cityofcharlevoix.org
231-547-3257

Mr. Mike Spencer

Planning and Zoning Administrator
City of Charlevoix
mspencer@cityofcharlevoix.org
231-547-3265

City of Charlevoix

Sidewalk Café License Application

Appendix 1: Rules and Regulations

ELIGIBLE APPLICANTS

- Applicants must be within the DDA District.
- Applicants must be in the food or beverage industry and must be operating on City Property, applicants who are operating on private property are not required to have a permit.
- Applicants may only use their permitted area for the purpose of outdoor seating, no other outdoor merchandise or services will be allowed.

PUBLIC RIGHT OF WAY

- Business must maintain a minimum of six (6) feet of unobstructed pedestrian walking space between the outside edge of their sidewalk café and the building or between the outside edge of their sidewalk café and the back of the curb.
- Business must maintain a minimum of one-and-a-half (1.5) feet of clearance between the outside edge of their barrier and the curb.
- All chairs must stay in the designated outdoor dining area. Business owners are responsible for ensuring chairs do not encroach on pedestrian walkway.
- All outdoor dining barriers and furnishings must be removed from October 31-April 1.

AESTHETICS

- Tables and chairs may not be made of plastic.
- Tables and chairs should be dark in color (black, dark brown, navy, hunter green) and match.
- Umbrellas will be allowed only in solid colors (hunter green preferred).
- Businesses must serve within and maintain a clearly defined area that is clean, appropriate, safe, and incorporates live vegetation. Flowers are preferred.
- Barriers must not contain any 90 degree corners.

ORDINANCES, PERMITS, INSURANCE AND FEES

- Business may not operate a sidewalk café between the hours of 11pm and 6am.
- Business must obtain a valid permit from the Michigan Department of Transportation.
- Business serving alcohol must obtain a valid permit from the Michigan Liquor Control Commission.
- Business must submit proof of insurance of \$1,000,000 with the City as a named insured.
- Applicants are required to pay a \$250 first time fee and a \$200 renewal fee yearly
- Sign ordinance regulations apply to all outdoor dining areas.

PERMISSIONS

- Businesses applying must have written permission from the property owner.
- Businesses will be allowed to extend their area up to one store length immediately adjacent to their business in either or both directions with written permission from the property and business owner.

OUTDOOR DINING FEES FOR OTHER MUNICIPALITIES

Birmingham

- Annual Fee \$200
- Off Season additional fee \$200
- Platform temporary structure permit \$85

Ferndale

- Review fee (one time) 100
- Alcohol establishments \$1.50/sq ft
- Non-Alcohol establishments \$1.00/sq ft

Ann Arbor

- Annual Permit \$1.00/ sq ft
- Daily permit \$0.05/sq ft

Traverse City

- Alcohol establishment \$165 annually
- Non-Alcohol establishments \$110 annually

Holland

- Sidewalk Café \$50 annual
- Design Review Fee \$25

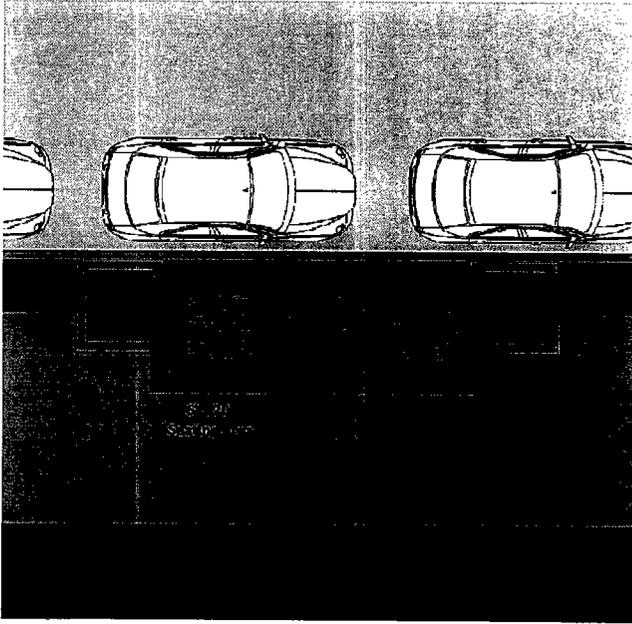
Boyne City

- Annual Permit (no alcohol allowed) \$10

Petoskey

- Annual Permit (no alcohol allowed) \$50

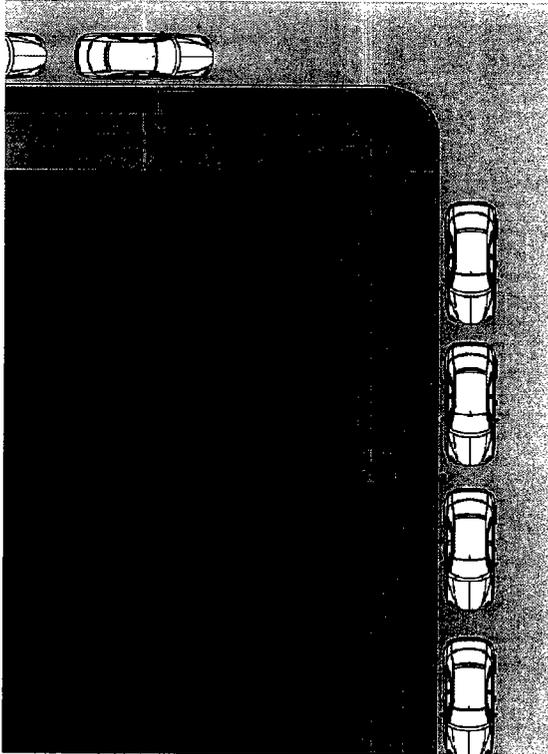
Outdoor Seating Fee Examples



Street Side Option:

**30' Building Frontage
10 Seats
Barriers Facing Sidewalk**

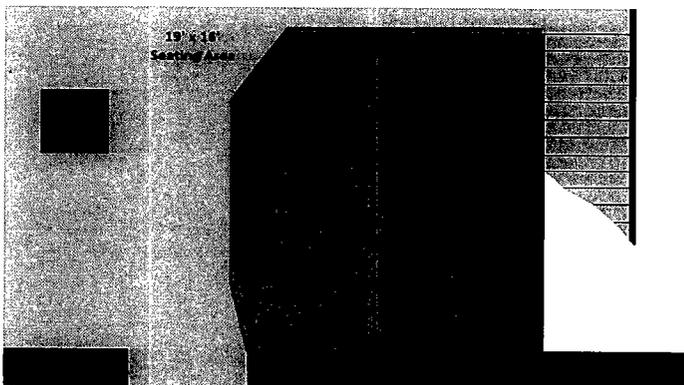
**Seating Area Square Footage:
125 sq. ft.
@\$1.00/sq. ft. @\$2.00/sq. ft.
Fee: \$125.00 \$250.00**



Corner Building - Building Side Option:

**110' Total Building Frontage
18 Seats
Table Alongside Building**

**Seating Area Square Footage:
250 sq. ft.
@\$1.00/sq. ft. @\$2.00/sq. ft.
Fee: \$250.00 \$500.00**



Off Street Option:

**Building Not on Primary Sidewalk
Barrier Enclosed Area**

**Seating Area Square Footage:
300 sq. ft.
@\$1.00/sq. ft. @\$2.00/sq. ft.
Fee: \$300.00 \$600.00**

**CHARLEVOIX CITY COUNCIL
AGENDA ITEM**

- AGENDA ITEM TITLE:** Discussion regarding the DDA's Contribution to the Charlevoix Public Library
- DATE:** December 15, 2014
- PRESENTED BY:** Dan Barron
- ATTACHMENTS:**
1. DDA Minutes- February 23, 2004
 2. Memo, Mike Weisner- March 26, 2004
 3. DDA Minutes- March 29, 2004
 4. DDA 6 year budget- \$30,000 contribution included
 5. DDA Minutes- February 8, 2010
 6. E-mail from Joseph Zielinski, Past City Treasurer
 7. Memo from Scott Howard, City Attorney
 8. Memo from Rick Brandi, City of Charlevoix Library Board Rep.

BACKGROUND INFORMATION: In order to preserve the former middle school property for a community facility, the DDA took on the task of amending its boundaries, purchasing the property, and maintaining the building until the Charlevoix Public Library was able to secure funding to purchase the property.

On February 23, 2004 the Library approached the DDA seeking additional support for the building project. "They'd like to ask the DDA to consider donating to the project to reduce the cost of land acquisition and building," the Library was also trying to raise money for matching funds so that they could apply for grant funding. The DDA wanted to help them leverage as much money as possible because we knew it would be a great asset to the community. The Library proposed two options:

1. Make a \$30,000 contribution each year for 20 years, or;
2. Lease the ten lots to the library for \$1.00/year for 99 years and release the library from paying on the option agreement.

Of those options, City Manager Mike Wiesner wrote a memo to City Council on March 26, 2004 questioning the legality and practicality of Option 2.

At that February 23, 2004 meeting Members Mason, DiMartino, Barron, and Chamber President Merta all expressed concern as to how this pledge would affect the DDA's ability to pay on our Marina/East Park bonds and what would happen if we couldn't make our debt payments and the library contribution. No clear answer is noted in the minutes. On March 29, the DDA passed a motion to make a \$30,000 contribution to the library for 20 years. No

contract was authorized as it would have been improper, if not irresponsible to bind the DDA to a long term obligation when its future financial wherewithal was in question.

In Rick Brandi and the Charlevoix Public Library's Board of Directors memo to City Council they reference the passing of a resolution. The City Clerk has confirmed that no such resolution is in existence. They also reference that a benefit to the City of selling to the Library, that marina parking was made available. The DDA kept that portion of the parcel and it was deducted from the total cost of the purchase agreement at higher than market value, again reducing the costs for the Library.

When this motion was made the long term projections for the DDA saw an annual increase in property valuations and therefore, increases in TIF funding. Since that time, the DDA has seen a drastic *decrease* in taxable value and correlating funding and an increase in the year to year cost of doing business and providing services. These circumstances have left us, as we feared in 2004, in jeopardy of making our bond payments. If the DDA does make this contribution to the library we will be in deficit spending next year and unable to make our bond payments by 2021-2022, five years short of our last payment. If the DDA is unable to make the payment, the bond will default to the City's General Fund. This is why the DDA was not willing to sign a contract for this deal. We knew if, at any point, it threatened our ability to make our payments, we would have to cease and protect the interests of our organization and the City.

In each year since the motion was made in 2004, City Treasurer Rick Brandi would come to the DDA Board and review the finances and ask for a motion which included payment to the library. The 20 year pledge was renewed each and every year, and was contingent upon available revenue. On January 25, 2010 Mr. Brandi did his annual budget review and advised us that the DDA was losing money. The DDA called a meeting on February 8, 2010 and made budget cuts, including the contribution to the library; the decision was unanimous.

Val Meyerson, Director of the Library and Rick Brandi, current Treasurer of the Library have both confirmed that the Library is not losing any money out of their operating budget because of the DDA's inability to pay. Furthermore, they are not collecting all of the millage that they were approved to collect.

The DDA is trying to think about what is best for the greater good, including City taxpayers The Library, much like the Pool, Mt. McSauba, and the City Golf Course are all regional amenities that should be paid for by the entire region (the library has over 9,400 constituents), lessening the burden on any one entity. The downtown businesses are now paying a disproportionate amount towards the library, with City tax revenue, compared to the other residents within the jurisdiction.

The DDA has cut our budget back year-after-year since this promise was made, but we have been able to continue doing projects that better and promote the whole district. Our projects bring more people, money, jobs, events, and investment into our community. How have we done more when working with less? We have had to make some tough cuts and we have had to become very tenacious and creative in alternate funding mechanisms. Each project we have done in the past few years has leveraged grant funding, sponsorships, donations, and

partnerships. For instance:

1. Art in Public Places- \$11,600: 100% paid for by grants and donations
2. Downtown Market Study- \$45,000: 100% paid for by donation
3. Movies in the Marina- \$2,500: 90% paid for by sponsorships
4. Charlevoix Concert Series- \$10,000: 50% paid for by sponsorships
5. Memorial Benches- \$23,000: 100% paid for by donations

The DDA wants to make it clear that we value the Library as a downtown asset. The DDA is in fact, the body which saved the property from sale to private developers. Our inability to fulfill the pledge is in no way reflective of our support of the Library. We have worked closely with them on procuring the property, promoting and passing the millage levy, developing community events, and facility promotion. However, it would be fiscally irresponsible to fail upon our bond payments and other responsibilities when so many taxpayers, businesses, initiatives and organizations depend on our services.

According to PA 197, and the City Attorney Scott Howard, Council cannot dictate the line items in the DDA Budget. City Council does have the right to approve or deny the budget in its entirety but should not withhold approval and thereby jeopardize the DDA's ability to make bond payments.

If and when the DDA should realize improved revenue, the Library pledge can be restored. Until then, the DDA, much like City Council, will function and serve within its limited financial means, with the solace of knowing that the library possesses sufficient operational revenue to function and prosper.

RECOMMENDATION: Discussion

City of Charlevoix
DOWNTOWN DEVELOPMENT AUTHORITY
Monday, February 23, 2004

MINUTES

A) CALL TO ORDER

Meeting was called to order at 6:29 p.m. by Chairman Mason

Present: Dan Barron, Fred DiMartino, John Taylor, John Yaroch, Jeff Porter,
Mayor Campbell, Hugh Mason and Jeannine Wallace

Absent: John Kurtz

Others present: City Manager Michael Wiesner, City Planner Gerry Harsch,
Jacqueline Merta, Mary Ann Chew, Val Meyerson and Cynthia
Postmus

B) APPROVAL OF AGENDA

Motion made by Jeannine Wallace and seconded by Mayor Campbell to approve the agenda as presented.

C) INQUIRY INTO POTENTIAL CONFLICTS OF INTEREST None.

D) APPROVAL OF MINUTES

1. January 26, 2004 Minutes

Motion made by Mayor Campbell and seconded by Dan Barron to approve the minutes of the January 26, 2004 meeting as presented. Motion adopted unanimously.

E) NEW BUSINESS

Discussion on DDA's Possible Involvement with Library Project

Members from the Charlevoix Library Board were present to ask for assistance in funding the new Library. Val Meyerson, Director of Charlevoix Public Library, reviewed with the Board the Library's plan to renovate the old Middle School building and their efforts to acquire funding. They are grateful for the DDA's support in acquiring the property. They'd like to ask the DDA to consider donating to the project to reduce the cost of land acquisition and building.

Jeff Porter stated that the Library's capital campaign is preparing for a millage vote in June. Presently, they are looking at a \$8.5 million millage levy. If the DDA became

DOWNTOWN DEVELOPMENT AUTHORITY MINUTES

Monday, February 23, 2004

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involved, the millage could be reduced..

Mayor Campbell stated that the DDA and the City Council took steps to expand the DDA District and purchased the property. It would look odd if the DDA did not continue to take steps to support the Library.

Hugh Mason reminded the Board that the DDA has limited resources. Fred DiMartino asked for additional information on an amount the DDA might be able to donate to the Library, without jeopardizing the downtown park/marina project. The DDA needs to send a message prior to the election that shows the support of the DDA for the Library's renovation project. If the bond proposal is defeated, the Library will have to the library will have to look elsewhere and the DDA and City could be stuck holding the property.

City Manager Mike Wiesner stated that DDA could give the building to the Library, but it could limit the funds available for the park/marina project. There would be no other funds available for any other DDA projects.

Dan Barron asked if the DDA could finance portions of the project - or pay as it goes along. It would be frustrating if funding was not available to complete the downtown park project. There is only so much money to go around.

Jacqueline Merta asked if grants or other funding was available for the project. Vel Meyerson advised that grants were being sought. Could the DDA pledge funds to the Library and then give the funds to the Library at a time when monies were not as tight?

DDA Board generally agreed to look at options to assist the Library. The matter will be discussed at the next meeting.

Resolution - Carry Over Funds for Projects within the Development Plan

Motion made by Dan Barron and seconded by John Yaroch to approve the following resolution.

RESOLUTION Carry Over of Funds for Projects within the Development Plan

WHEREAS, The City of Charlevoix Downtown Development Authority is projecting an approximate \$838,255 fund balance as of March 31, 2004; and

WHEREAS, The Downtown Development Authority is in the process of prioritization and implementation of future projects; and

Memo

To: Downtown Development Authority Board Members
From: Michael R. Wiesner, City Manager 
Subject: Library Proposal
Date: March 26, 2004

Attached is a proposal from the Vel Meyerson, Charlevoix Public Library Director regarding the DDA helping fund the Library project. It appears the proposal benefits the DDA cash flow wise, in addition to a lower present worth. Also attached is an item entitled "Library NPV Comparison." This sheet shows the option 1 - A \$30,000 a year for 20 years contribution verses the debt service on the Act 99 Loan for the 10 lots the Library would ultimately acquire. In addition, we have attached budget sheets assuming the Act 99 payments over 15 years. A revised sheet cash flow sheet showing the \$30,000 for 20 years will be available at the meeting.

I question the practicality of option 2, as we are not sure under that option if we could legally retain the Act 99 loan and if not, it is questionable if we could pay off the Act 99 loan from a cash flow standpoint.

CITY OF CHARLEVOIX
DOWNTOWN DEVELOPMENT AUTHORITY BOARD MEETING
Monday, March 29, 2004
109 Bridge Park Drive, USCGC Acacia Conference/Training Room

MINUTES

The meeting was called to order at 6:37 p.m. by Chairman Mason

I. Roll Call of Members Present

DDA Members Dan Barron, Mayor Campbell, Fred DiMartino, John Kurtz, Hugh Mason, Jeff Porter, John Taylor, Jeannine Wallace, and John Yaroch

II. Inquiry Regarding Possible Conflicts of Interest

None.

III. Approval of Minutes

February 23, 2004 Joint Meeting Minutes

Motion made by Mayor Campbell and seconded by John Taylor to approve the February 23, 2004 City Council and DDA joint meeting minutes and February 23, 2004 DDA minutes as presented. Motion adopted unanimously by voice vote.

III. General Business

Charlevoix Public Library - Request for DDA Support

Val Meyerson, Library Director met with the Board to seek additional support for the Charlevoix Public Library's building project. Two options were discussed. Option 1 - DDA would contribute \$30,000 a year for 20 years to the Library reducing the amount of millage the Library would ask in the millage election to \$7.8±. Option 2 - the DDA lease the ten lots to the Library for \$1 per year for 99 years.

Chairman Mason reminded the Board that the DDA would need receive approval from the City Council to extend the life of the DDA.

Presently, the Library brings approximately 200 people into the downtown area six days a week. The new facility will have the potential to bring an estimated 400 people into the

DOWNTOWN DEVELOPMENT AUTHORITY BOARD MINUTES
Monday, March 29, 2004

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downtown area seven days a week. DDA members discussed available options. The possibility of having the DDA sponsor a room in the facility was also discussed.

Motion made by John Kurtz and seconded Jeannine Wallace to contribute \$30,000 a year to the Charlevoix Public Library for the next twenty years, contingent that the City Council extends the DDA's term.

Motion adopted by the following yea and nay vote:

Yeas: Dan Barron, Mayor Campbell, Fred DiMartino, John Kurtz, Hugh Mason, Jeff Porter, John Taylor, Jeannine Wallace, and John Yaroch

Nays: None.

Motion carried.

This is Our Town, Inc. -- Discussion Proposed WalMart Development

Robert Hoffman, President of this is Our Town Inc. addressed the Board on their goal to stop the development of a WalMart store in Charlevoix. The group feels that the if a WalMart store opens in Charlevoix Township it will be detrimental to not only the downtown economy but other local businesses too.

John Winn invited Board members to attend a meeting on April 15th to hear Al Norman, an anti-WalMart activist and urged members to attend the Charlevoix Township Planning Commission meeting scheduled for April 28th at which time the WalMart development plan will be discussed. He advised the Board that the proposed WalMart building and parking area will encompass the area bounded by the drawbridge, Bridge Street, Antrim Street and Grant Street. Local cities and townships are being asked to consider adopting ordinances limiting the size of stores to under 50,000 square feet. The City of West Branch has had 10 stores close since WalMart opened. Over 3200 persons have signed a petition voicing their opposition to a WalMart being placed in Charlevoix.

DDA Board members voiced concerns of WalMart's impact upon the downtown area.

Robert Hoffman asked for the DDA to take a stand on the issue and make a financial commitment to This Is Our Town Inc. and support their grass roots movement.

City Manager Mike Wiesner asked the Board to seek advice from the City Attorney to see if the DDA can financially support This Is Our Town Inc.

Motion made by Mayor Campbell and seconded by Fred DiMartino to contribute \$5,000 to This Is Our Town, Inc., contingent upon the City Attorney's review that the DDA can make such a contribution.

CITY OF CHARLEVOIX
DOWNTOWN DEVELOPMENT AUTHORITY FUND
6 YEAR PROJECTION

	2015-16 Budget	2016-17 Projection	2017-18 Projection	2018-19 Projection	2019-20 Projection	2020-21 Projection
REVENUES						
CURRENT PROPERTY TAX	35,800	35,979	36,159	36,340	36,521	36,704 [1]
PROPERTY TAX-CAPTURE LOCAL	375,100	376,976	378,860	380,755	382,658	384,572 [1]
PENALTY - PROPERTY TAX	-	500	500	500	500	500
FEDERAL / STATE / OTHER GRANTS	12,200	5,000	5,000	5,000	5,000	5,000
FARMERS MARKET INCOME	24,500	24,990	25,490	26,000	26,520	27,050 [3]
INTEREST	500	5,280	4,837	4,302	3,685	3,040 [2]
RENTS & ROYALTIES	29,700	43,862	44,861	45,894	46,963	48,070
BOND SALE	-	-	-	-	-	-
MISCELLANEOUS	4,000	5,000	5,000	5,000	5,000	5,000
CONTRIBUTION FROM PRIVATE SOURCES	84,700	44,000	44,000	44,000	44,000	44,000
TRANSFER FROM OTHER FUNDS	-	-	-	-	-	-
TOTAL REVENUES	\$ 566,500	\$ 541,587	\$ 544,707	\$ 547,790	\$ 550,848	\$ 553,935
EXPENSES						
SALARIES & WAGES	29,200	29,784	30,380	30,987	31,607	32,239 [3]
WAGES - ICMA	2,500	2,550	2,601	2,653	2,706	2,760 [3]
SALARIES & WAGES - TEMPORARY	2,000	2,040	2,081	2,122	2,165	2,208 [3]
EMPLOYEE FRINGE BENEFITS	22,800	23,240	24,008	24,488	25,294	25,800 [3]
OPERATING SUPPLIES	27,200	27,744	28,299	28,865	29,442	30,031 [3]
IWF MAINTENANCE	7,000	7,140	7,283	7,428	7,577	7,729 [3]
MARKETING & PROMOTIONAL SVCS	56,100	60,000	60,000	60,000	60,000	60,000
MARKETING & PROMOTIONAL SVCS - FARMERS MKT	18,800	17,136	17,479	17,828	18,185	18,549 [3]
CONTRACTUAL SERVICES	16,900	17,238	17,583	17,934	18,293	18,659 [3]
LEGAL SERVICES	500	1,000	1,000	1,000	1,000	1,000
TELEPHONE	1,000	1,020	1,040	1,061	1,082	1,104 [3]
CONFERENCE & TRAVEL	4,000	4,080	4,162	4,245	4,330	4,416 [3]
PRINTING & PUBLISHING	500	510	520	531	541	552 [3]
INSURANCE & BONDS	1,500	1,530	1,561	1,592	1,624	1,656 [3]
PARK EQUIPMENT	17,500	17,850	18,207	18,571	18,943	19,321 [3]
REFUNDS - PROPERTY TAX & TIFA	5,500	5,500	5,500	5,500	5,500	5,500
MAINTENANCE - BRIDGE PARK BUILDING	1,000	1,000	1,000	1,000	1,000	1,000
MISCELLANEOUS	300	300	300	300	300	300
MISCELLANEOUS - MAIN STREET	5,000	5,000	5,000	5,000	5,000	5,000
DEBT SERVICE	-	-	-	-	-	-
LIBRARY CONTRIBUTION FOR DEBT SERVICE	30,000	30,000	30,000	30,000	30,000	30,000
TRANSFER TO OTHER FUNDS (MARINA)	331,200	331,195	340,195	348,395	350,795	357,195 [4]
TOTAL EXPENSES	\$ 578,500	\$ 585,857	\$ 598,198	\$ 609,502	\$ 615,384	\$ 625,020
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$ (12,000)	\$ (44,270)	\$ (53,491)	\$ (61,712)	\$ (64,536)	\$ (71,085)
YEAR END BALANCES						
FUND BALANCE / NET POSITION BEGINNING OF YEAR	4,594,449	4,582,449	4,538,179	4,484,688	4,422,976	4,358,439
CHANGE IN FUND BALANCE / NET POSITION	(12,000)	(44,270)	(53,491)	(61,712)	(64,536)	(71,085)
FUND BALANCE / NET POSITION	\$ 4,582,449	\$ 4,538,179	\$ 4,484,688	\$ 4,422,976	\$ 4,358,439	\$ 4,287,355
CASH & INVESTMENTS	\$ 627,971	\$ 583,701	\$ 530,210	\$ 468,498	\$ 403,962	\$ 332,877

Assumptions:

- | | | |
|--|--------------------|------|
| [1] Assumes 0% increase in TV 2014-15, 0.5% after | Tax inflation rate | 0.5% |
| [2] Assumes 1% interest for cash balances over \$100,000 | Interest rate | 1.0% |
| [3] Inflation at 2% | Inflation rate | 2.0% |

[4] Debt service amount for the Marina / East Park bond issue paid by the DDA Fund.

Equals total debt service amount less the amount contributed by the Marina, which is \$120k annually through 2018-19 and \$130k annually in 2019-20 and 2020-2021.

City of Charlevoix
DOWNTOWN DEVELOPMENT AUTHORITY

210 State Street, City Hall - Second Floor Council Chambers
Monday, February 8, 2010 -- 5:30 p.m.

Minutes

A) CALL TO ORDER

The meeting was called to order at 5:33 p.m. by Chairman Mason.

DDA Members Present: Dan Barron, Norman Carlson, Jr., Fred DiMartino, Kirby Dipert, Hugh Mason, Jeannine Wallace and Gina Whitney
DDA Members Absent: John Taylor and John Yaroch
Staff: DDA Executive Director Keith Carey

B) APPROVAL OF AGENDA

The Board approved the agenda as presented.

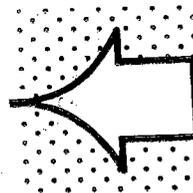
C) INQUIRY INTO POTENTIAL CONFLICTS OF INTEREST – None.

D) NEW BUSINESS

1. Downtown Development Authority 2010-11 Proposed Budget

The Board reviewed the proposed 2010-11 budget. The proposed budget reduces or eliminates the following items for the next fiscal year:

- Eliminates radio/television image advertising
- Eliminates sidewalk sales advertising
- Eliminates downtown corn stalks
- Reduces concert costs by \$3,000
- Reduces Flurry Fest expenses by \$1,000
- Reduces miscellaneous expenditures by \$3,750
- Eliminates \$30,000 contribution to Library
- Eliminates purchase of new trash receptacles



Executive Director Carey advised the Board that Charlevoix County's Recycling Committee has informed him that they hope to eliminate the need to sort recyclables. If the program is initiated, we will be able to redistribute the refuse/recycling containers to cover more park area.

The Board was informed that the City will not know the anticipated DDA tax revenue amount until May. Once the figures are available, the DDA can look at amending the budget to allow additional projects. The Board discussed possible additional line item cuts (i.e., concerts, post cards) and the need for additional advertising funds.

Mayor Carlson advised the Board that the Fountain of Youth interactive water fountain construction fund has left over monies that could be used to help maintain the fountain. The Charlevoix County Community Foundation will be contacted to see if the unexpended monies can be used for the IWF's maintenance costs.

CITY OF CHARLEVOIX DOWNTOWN DEVELOPMENT AUTHORITY BOARD MINUTES

Monday, February 8, 2010 - 5:30 p.m.

Page 2

The Board asked Executive Director Carey to seek concert sponsors to help pay for the summer concert series.

Members DiMartino, Dipert and Mayor Carlson asked that any additional funds be used to promote downtown Charlevoix.

Motion made by Member Barron and seconded by Member DiMartino to approve the 2010-11 Budget as presented. Motion was approved by unanimous voice vote.

E) PUBLIC INPUT, NOT RELATED TO OTHER AGENDA ITEMS – None.

Executive Director Carey reported that the City Council has ratified using the parking funds (PI #16) to remove the house at 108 Park Avenue and build a landscaped 40 space parking area. Street Superintendent Pat Elliott and the engineer are working with the design. Construction will take place in the spring in conjunction with the Park Avenue improvements.

Member Wallace asked that the DDA review the plan before it goes out to bid.

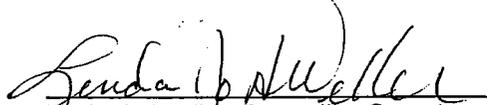
F) ADJOURNMENT

Motion made by Mayor Carlson Wallace and seconded by Member Wallace to adjourn. Motion was adopted unanimously.

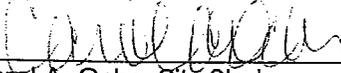
Meeting adjourned at 6:16 p.m.



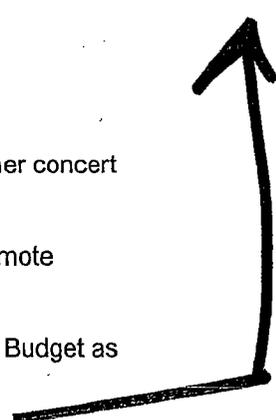
Hugh Mason, Chairman



Linda Jo Weller, Recording Secretary



Carol A. Ochs, City Clerk



Bethany Pearson

To: Joe Zielinski
Subject: RE: DDA \$30,000 Contribution to Library

From: Joe Zielinski [mailto:jazmsu@aol.com]
Sent: Tuesday, December 02, 2014 10:34 PM
To: Rob Straebel
Cc: Bethany Pearson; Linda Weller
Subject: Re: DDA \$30,000 Contribution to Library

Hi Rob,

It sounds like it was an exciting meeting last night. I'm sorry that I missed it.

As for Porter's comment that I made a commitment last year to have the \$30k DDA contribution in the library for the 2015-16 budget, I don't recall ever saying that or even when I would have made such a comment. Every time this subject came up, I made sure to specifically state that the DDA would make the contribution only if it could financially afford to. The \$30k contribution to the library has always been included in the out years of the DDA's 6 year projection included in the budget, but it was always understood that the contribution would be reviewed on annual basis to determine if the DDA was in a position financially to do so.

That being said, I agree with you and Bethany that the DDA cannot afford to make the contribution until it becomes clear that the DDA and the Marina have the necessary cash available to meet the debt obligations of the East Park/Marina bond issue. Based on my last projections, the DDA and Marina will not have the funds necessary to make the debt payments in the last few years of the bond term if the DDA contributes the \$30k to the library annually. Therefore, I find it financially irresponsible of the Council to keep pushing this issue unless they have a plan to replace these funds in the DDA in order for it to be able to pay the remaining debt payments. Otherwise, the obligation to make the debt payments falls on the General Fund which is currently not in a position to afford it either.

Like you, I also don't understand why the City keeps pushing this issue since it is benefiting the City at the expense of the other townships in the library district. The \$30k stays in the DDA as opposed to lowering the library tax levy for everyone in the library district. Personally, since I'm a resident of Hayes Township, I'm all for the City contributing the \$30k and lowering my taxes. Thanks!

Anyways, these are my thoughts on this issue which are based on facts and backed up by the numbers. Please don't hesitate to contact me if you have any other questions or concerns.

Regards,
Joe

MEMORANDUM

TO: City of Charlevoix DDA Director, City Manager and City Council

FILE NO. 5984.00

FROM: Scott W. Howard

DATE: December 10, 2014

RE: Downtown Development Authority Budget and City Council Review

You have requested a summary of the Downtown Development Authority budget approval process and the City Council's role in reviewing that budget. I understand that this question has arisen in the context of the DDA's former payment to the library. The purpose of this memo is to outline the process for DDA budget development and review by City Council, and it is not intended as a detailed discussion of potential library funding by the DDA or the City.

The DDA statute provides that the DDA Director is to prepare a budget to be approved by the DDA board. Prior to its approval, however, the budget must first be approved by Council. The DDA Act states:

The director of the authority shall prepare and submit for the approval of the board a budget for the operation of the authority for the ensuing fiscal year. The budget shall be prepared in the manner and contain the information required of municipal departments. *Before the budget may be adopted by the board, it shall be approved by the governing body of the municipality.* Funds of the municipality shall not be included in the budget of the authority except those funds authorized in this act or by the governing body of the municipality.¹

The City's DDA ordinance similarly indicates that the DDA annual budget is "prepared by the authority and approved by the city council..."²

Therefore, based on the DDA Act and the City's Ordinance, the DDA is responsible for creating its budget and the City Council reviews the budget in whole. The City Council may either approve or deny the budget, but there is no "line item" authority over the DDA's budget. If Council believes that an item in the budget either should or should not be included, then Council's remedy would be to deny the budget in its entirety. It would then be up to the DDA to propose a new budget for Council review.

I do note that this budget approval process still requires payment of any bond obligations committed to by the DDA and approved by Council. The City's ordinance provides that:

¹ MCL 125.1678(1), emphasis added.

² Code of Ordinances Article IV, Section 1.292 (Annual budget).

The downtown development authority may, from time to time, issue bonds to finance capital improvements provided for under the development plan. Under no circumstances shall total bonded indebtedness for all primary capital improvements under the development plan exceed the debt limitation established in the plan, as it may be amended. Prior to the issuance of any debt, the downtown development authority shall obtain the approval of the city council. In review of annual downtown development budgets, the city council shall be required to approve such revenues and expenditures as may be necessary to meet service payments on debt initially authorized by the city council.³

Therefore, at a minimum, Council must approve expenditures that allow the DDA to meet its bond payments. As indicated in the quote above, Council does have input in the bond process before the DDA issues any bonds. However, once the bond commitment is made, Council must authorize payment of those commitments.

³ Code of Ordinances Article IV, Section 1.293 (Debt).

To: Mayor and Charlevoix City Council
From: Rick Brandi, City of Charlevoix Library Board
Representative *RB*
Date: December 8, 2014

DDA's \$30,000 commitment to the Charlevoix Public Library

The DDA Commitment

The Downtown Development Authority passed a resolution on March 29, 2004 committing \$30,000 of their funds each year for the next 20 years to the Charlevoix Public Library. This was done to recognize that the site would be in downtown Charlevoix, preserve the old Middle School and they envisioned the fact that the library would bring people to the DDA district in the future. The resolution indicates that this contribution would reduce the amount of the Library's millage request and was contingent on the City Council extending the DDA's life. This issue is no longer a factor in that the DDA Bonds for East Park will run until March 31, 2027.

Library Action Due to DDA Commitment

So the Library set their operating millage that was voted on based on the DDA commitment to contribute \$30,000 per year until 2024. The DDA commitment was also considered by the Library Board in dedicating the addition to the old Middle School building for the two conference rooms. The Library recognized this by a plaque (even though the library has not received any commitment \$'s in 4 years) dedicating the room to the DDA and its members at the time of the building renovation. The Library used these "room namings" to raise funds for the building project, which raised over \$2,000,000 towards the capital campaign and also lowered the bonding requested to fund improvements. The library is able to increase their debt service levy to the entire district, so it is able to make its increasing debt service payments, but this cost is passed on to all residents of the district. The library has to raise their debt service millage to the entire Library District, including the DDA and City of Charlevoix.

It is my feeling that the City and the DDA receive an enormous benefit by having the district library in the DDA District and that is what the DDA Board realized and recognized by their commitment to contribute the \$30,000 per year.

More Historical Facts Concerning the Site Selection and Tax Capture

The DDA's annual contribution was a commitment to keep the library downtown at the time it was made. Site selection was a major area of public input and the purchase of the old Middle School property was a perfect example of a public-private partnership between the Schools, the City, the DDA, the District Libra

and the citizens. The DDA district was expanded to include the school property and although there was an effort to purchase the property for condos by a developer, it was the community's decision to keep the Library in the downtown area. The DDA and City of Charlevoix purchased the entire property from the schools, with the option for the District Library to purchase it IF its bond issue and operating millage passed (which it did in June 2004). The Library's millage is captured by the DDA because the original Library millage was part of the Charlevoix Public Schools millage and was included in the original DDA agreement with the Schools (including the ISD), the County and the City (1984).

City of Charlevoix Direct Benefit

The City also benefitted in the sale back to the Library of the property, since they were able to provide required parking for the marina expansion on a portion of the property that was originally owned by the Charlevoix Public Schools (southeast corner). The rain garden constructed by the Library benefits the City from the storm water collection from the Library and Marina parking areas.

DDA Direct Benefit

At the time the resolution was passed by the DDA, the DDA felt that keeping the Library downtown would certainly benefit the DDA District by bringing people into town and to its downtown area. This has proven to be the case as the library brings over 12,000 visitors to the downtown area each month (annual average, a bit higher in the summer slightly less in the winter) as well as providing jobs in the downtown and reusing a historical building that the community felt a strong tie to. The library has become the community's center and a great selling point in the relocation of new residents, during a period of population loss. Regular events bring many visitors from out of the area, including the recent successful Smithsonian exhibit. The library gave the Farmer's Market an indoor winter home for minimal cost, something other communities are struggling to provide their markets. The DDA also receives the annual capture of Library taxes of approximately \$33,000 per year (2013).

Cost to the City's General Fund

Cost to the City's General Fund is zero (many Cities fund their libraries through the City's General Fund (Petoskey – currently 2 mills). The City and Townships agreement to form a District Library was responsible for spreading costs to all residents and providing a facility that is the heart of the community.

The Ability to Pay – DDA (The Problem)

The reason the DDA was not able to fund the contribution in past years was concern with their ability to pay their share of the Marina Bonds which still have \$6.4 million of payments outstanding until 3/31/2027. Payments increase each year, assuming growth in the property values in the DDA (see Debt Service Report attached). The current year budget (2014-15) estimated a cash reserve of \$658,385 as of 3/31/15 in the DDA Fund. The financial problem comes in

future years as debt service payments rise, tax revenues from the district must increase in order to pay higher debt service. The long-term DDA budget adopted by City Council for 2014-15 indicates that with a small increase in DDA property values (.5%) per year starting in 2015-16, the payments can be made starting in 2015-16 as well as the \$30,000 contribution. (See the City of Charlevoix Budget Detail page D-46.) This assumes that the Marina Fund will pay \$100,000 per year towards the debt service cost of the Marina Bonds and the DDA would pay the remainder (each year).

It is the uncertainty of the growth in property values combined with the loss of revenue from the elimination of personal property taxes that makes the long-term outlook difficult to predict. If the DDA cannot pay the required debt service, either the Marina Fund or the General Fund must make up the difference. This financial decision must be considered each year with adoption of the budget.

Issues Since the DDA has not made their annual commitment to the Library

Since the DDA has eliminated their annual payment to the Library, other expenditures have been made which were not budgeted for later in the budget year, which appear to the Library Board to be ignoring the commitment to the Library in favor of downtown lighting, signage, marketing costs and other miscellaneous expenses. This seems to be a direct circumvention of the commitment to pay and an old budgeting trick to operate within their budget, but change priorities without any formal DDA Board or City Council oversight.

Comments that the raising of our debt service millage to all residents of the Library District "doesn't cost us anything" is very misleading. Keeping our millage rate as low as possible is very important to the Library Board and suggesting we think otherwise is false.

Assumptions:
 Tax inflation rate 0.5% (1)
 Interest rate 1.0% (2)
 Inflation rate 2.0% (3)

Downtown Development Fund Future Year Projections
 2014-16 Proposed Budget
 12/28/2013

Proposed Budget	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
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REVENUES	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
CURRENT PROPERTY TAX	\$37,000	\$37,200	\$37,400	\$37,600	\$37,800	\$38,000	\$38,200	\$38,400	\$38,600
PROPERTY TAX-CAPTURE LOCAL	376,000	377,880	379,789	381,688	383,577	385,484	387,422	389,369	391,308
PENALTY-PROPERTY TAX	200	500	500	500	500	500	500	500	500
FEDERAL/STATE GRANTS	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600	5,600
INTEREST	200	6,000	6,000	6,000	6,300	4,700	4,200	3,700	3,000
RENTS & ROYALTIES	43,000	43,882	44,861	45,894	46,983	48,100	49,215	50,401	51,828
BOND SALE	0	0	0	0	0	0	0	0	0
MISCELLANEOUS	5,000	5,000	5,000	2,500	2,500	2,500	2,500	2,500	2,500
CONTRIBUTION FROM PRIVATE SOURCES	6,300	2,600	2,500	2,500	2,500	2,500	2,500	2,500	2,500
FARMERS MARKET INCOME	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
TOTAL REVENUES:	\$508,200	\$513,542	\$516,330	\$514,062	\$516,640	\$519,284	\$522,837	\$524,860	\$527,564

EXPENSES	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
SALARIES & WAGES	\$28,400	28,888	29,547	30,138	30,741	31,366	31,983	32,623	33,275
WAGES - ICMA DEFERRED COMPENSATION	2,400	2,448	2,487	2,547	2,598	2,650	2,703	2,757	2,812
SALARIES & WAGES - TEMPORARY	2,000	2,040	2,081	2,122	2,165	2,208	2,252	2,297	2,343
EMPLOYEE FRINGE BENEFITS	22,400	22,848	23,305	23,771	24,246	24,731	25,228	25,731	26,245
OPERATING SUPPLIES	27,000	27,540	28,091	28,653	29,228	29,810	30,408	31,015	31,636
IWF MAINTENANCE	5,300	5,300	5,300	5,300	5,300	5,300	5,300	5,300	5,300
MARKETING & PROMOTIONAL SVCS	22,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
MARKETING & PROMOTIONAL SVCS - FARMERS MKT	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000
CONTRACTUAL SERVICES	6,300	6,300	6,300	6,300	6,300	6,300	6,300	6,300	6,300
LEGAL SERVICES	500	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
TELEPHONE	900	900	900	900	900	900	900	900	900
CONFERENCE & TRAVEL	3,600	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
PRINTING & PUBLISHING	400	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
INSURANCE & BONDS	2,800	2,886	2,913	2,971	3,031	3,091	3,153	3,218	3,281
PARK EQUIPMENT	4,300	2,800	2,500	2,500	2,500	2,500	2,500	2,500	2,500
REFUNDS-PROPERTY TAX & TIFA	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000
MAINTENANCE - BRIDGE PARK BUILDING	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
MISCELLANEOUS	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
CAPITAL PROJECT - PROFESSIONAL SVCS	0	0	0	0	0	0	0	0	0
CAPITAL PROJECT - CONTRACTUAL SVCS	0	0	0	0	0	0	0	0	0
DEBT SERVICE ***	0	341,045	351,195	360,195	368,385	376,795	385,195	372,785	382,185
LIBRARY CONTRIBUTION FOR DEBT SERVICE	0	0	0	0	0	0	0	0	0
TRANSFER TO OTHER FUNDS (Marina - Debt Svc)	325,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
TOTAL EXPENSES:	\$482,700	\$548,886	\$558,129	\$568,898	\$578,902	\$573,142	\$571,419	\$568,933	\$560,288

RESERVED FUND BALANCE YR END	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	\$15,500	(\$33,083)	(\$41,789)	(\$54,836)	(\$62,262)	(\$53,877)	(\$49,881)	(\$84,073)	(\$72,752)
FUND BALANCE-PREVIOUS YR (RESTRICTED TO DOA PROJECTS)	4,508,503	4,525,003	4,491,951	4,450,152	4,395,316	4,333,054	4,279,177	4,228,785	4,165,722
FUND BALANCE AT YEAR END:	\$4,524,003	\$4,491,920	\$4,450,162	\$4,395,316	\$4,333,064	\$4,279,177	\$4,229,296	\$4,165,712	\$4,092,970
CASH BALANCE-YEAR END:	658,365	626,333	590,534	528,688	468,438	412,589	363,177	298,104	228,352
CASH RESERVE-DEBT SERVICE & CASH FLOW	325,000	200,000	200,000	180,000	180,000	175,000	165,000	165,000	150,000
UNRESERVED CASH BALANCE:	333,365	426,333	381,534	358,688	288,438	237,589	198,177	134,104	78,352

*** Amounts after budget year are total debt service on Marina project, less \$100,000 contribution from the Marina Fund. Debt service on Marina bonds runs until 2018-19, less \$120,000 in 19-20 and \$130,000 in 20-21.

Debt Service Report

Local Unit Name: City of Charlevoix
 Local Unit Code: 152020
 Current Fiscal Year End Date: 3/31/2015

Debt Name: LTGO Development Bonds 2006
 Issuance Date: 8/29/2006
 Issuance Amount: \$5,500,000
 Debt Instrument (or Type): Bonds
 Repayment Source(s): DDA Fund, Marina Fund

Years Ending	Principal	Interest	Total
3/31/2015	\$ 240,000	\$ 195,995	\$ 435,995
3/31/2016	\$ 255,000	\$ 186,395	\$ 441,395
3/31/2017	\$ 275,000	\$ 176,195	\$ 451,195
3/31/2018	\$ 295,000	\$ 165,195	\$ 460,195
3/31/2019	\$ 315,000	\$ 153,395	\$ 468,395
3/31/2020	\$ 340,000	\$ 140,795	\$ 480,795
3/31/2021	\$ 360,000	\$ 127,195	\$ 487,195
3/31/2022	\$ 380,000	\$ 112,795	\$ 502,795
3/31/2023	\$ 415,000	\$ 97,195	\$ 512,195
3/31/2024	\$ 445,000	\$ 79,973	\$ 524,973
3/31/2025	\$ 470,000	\$ 61,505	\$ 531,505
3/31/2026	\$ 500,000	\$ 42,000	\$ 542,000
3/31/2027	\$ 500,000	\$ 21,000	\$ 521,000
Totals	\$ 4,800,000	\$ 1,559,633	\$ 6,359,633

Local Unit Name: City of Charlevoix
 Local Unit Code: 152020
 Current Fiscal Year End Date: 3/31/2015

Debt Name: State of Michigan MDOT Loan
 Issuance Date: 9/1/2004
 Issuance Amount: \$100,000
 Debt Instrument (or Type): Fixed Rate Loan
 Repayment Source(s): Airport Fund

Years Ending	Principal	Interest	Total
3/31/2015	\$ 11,805	\$ 460	\$ 12,265
3/31/2016	\$ 11,805	\$ 460	\$ 12,265
Totals	\$ 23,610	\$ 920	\$ 24,530

Local Unit Name: City of Charlevoix
 Local Unit Code: 152020
 Current Fiscal Year End Date: 3/31/2015

Debt Name: Sewer Revenue Bonds (LTGO), Act 94
 Issuance Date: 9/17/2014
 Issuance Amount: \$9,900,000
 Debt Instrument (or Type): CWRFF Fixed Rate Loan
 Repayment Source(s): Sewer Fund

Years Ending	Principal	Interest	Total
3/31/2016	\$	\$ 247,500	\$ 247,500
3/31/2017	\$	\$ 247,500	\$ 247,500
3/31/2018	\$ 385,000	\$ 242,888	\$ 627,888
3/31/2019	\$ 395,000	\$ 232,938	\$ 627,938
3/31/2020	\$ 405,000	\$ 222,938	\$ 627,938
3/31/2021	\$ 415,000	\$ 212,888	\$ 627,888
3/31/2022	\$ 425,000	\$ 202,188	\$ 627,188
3/31/2023	\$ 440,000	\$ 191,375	\$ 631,375
3/31/2024	\$ 450,000	\$ 180,250	\$ 630,250
3/31/2025	\$ 460,000	\$ 168,875	\$ 628,875
3/31/2026	\$ 475,000	\$ 157,188	\$ 632,188
3/31/2027	\$ 485,000	\$ 145,188	\$ 630,188
3/31/2028	\$ 495,000	\$ 132,938	\$ 627,938
3/31/2029	\$ 510,000	\$ 120,375	\$ 630,375
3/31/2030	\$ 520,000	\$ 107,500	\$ 627,500
3/31/2031	\$ 535,000	\$ 94,313	\$ 629,313
3/31/2032	\$ 550,000	\$ 80,750	\$ 630,750
3/31/2033	\$ 565,000	\$ 66,813	\$ 631,813
3/31/2034	\$ 575,000	\$ 52,583	\$ 627,583
3/31/2035	\$ 590,000	\$ 38,000	\$ 628,000
3/31/2036	\$ 605,000	\$ 23,063	\$ 628,063
3/31/2037	\$ 620,000	\$ 7,750	\$ 627,750
Totals	\$ 9,900,000	\$ 3,175,375	\$ 13,075,375

Local Unit Name: City of Charlevoix
 Local Unit Code: 152020
 Current Fiscal Year End Date: 3/31/2015

Debt Name: Airport Terminal Act 99
 Issuance Date: 9/28/2000
 Issuance Amount: \$180,800
 Debt Instrument (or Type): Installment Purchase Agreement
 Repayment Source(s): Airport Fund

Years Ending	Principal	Interest	Total
3/31/2015	\$ 16,279	\$ 1,883	\$ 18,162
3/31/2016	\$ 17,195	\$ 967	\$ 18,162
Totals	\$ 33,474	\$ 2,850	\$ 36,324

**CHARLEVOIX CITY COUNCIL
AGENDA ITEM**

AGENDA ITEM TITLE: Airport Advisory Committee Membership

DATE: December 15, 2014

PRESENTED BY: Joyce Golding, City Clerk

ATTACHMENTS: 1) December 2, 2013 Discussion Regarding Clarification of Airport Committee Members Agenda Item
2) December 2, 2013 City Council Meeting Minutes: Discussion Regarding Clarification of Airport Committee Members

BACKGROUND INFORMATION:

At the December 1, 2014 City Council Meeting citizen Scott Woody was appointed to the Airport Advisory Committee. After the appointment there was some discussion whether a citizen or a Councilmember should be appointed to fill previous Councilmember Gennett's seat. At the meeting, Mayor Campbell indicated that the Committee's membership may want to be changed.

Per Council's direction, background information regarding the membership of the Airport Advisory Committee has been provided to aid in discussion. As referenced in the December 2, 2013 City Council Minutes, the Committee is comprised of: two Councilmembers, City Manager, Airport Manager, Community Economic Development Director and Don Seelye.

RECOMMENDATION:

Council has two main options to consider: 1) keep the current membership of the committee or 2) modify the membership of the committee.

- 1) Keep the current membership of the Mayor, two Councilmembers, City Manager, Airport Manager, Community Economic Development Director and Don Seelye
 - a. Make a motion to RECONSIDER the appointment of citizen Scott Woody to the Airport Advisory Committee
 - b. Make a motion to appoint a Councilmember to the Airport Advisory Committee
- 2) Modify the membership of the committee.
 - a. Make a motion to modify the membership of the committee: list members by job title and/or by qualifications (i.e., Airport Manager, citizen with airport background)
 - b. Decide whether Scott Woody will remain on the committee
 - i. Make a motion to RECONSIDER the appointment of citizen Scott Woody to the Airport Advisory Committee
 - c. Make a motion to appoint members to the Airport Advisory Committee per 2)a. above

CHARLEVOIX CITY COUNCIL

AGENDA ITEM

AGENDA ITEM TITLE: Discussion Regarding Clarification of Airport Committee Members

DATE: December 2, 2013

PRESENTED BY: Scott Woody

ATTACHMENTS: October 7th, 2013 Meeting Minutes

BACKGROUND INFORMATION: On October 7th 2013, City Council approved dissolving 3 of the 4 Airport committees and retain the Airport Advisory Committee. This discussion is to clarify the membership on the committee.

At the October 7 meeting, City Council voted to appoint the Community Economic Development Director as a voting member of the Airport Advisory Committee.

There has been some question as to the actual membership of the Airport Advisory Committee. The Airport Manager would like clarification on this and recommends the following members be officially appointed to the Airport Advisory Committee:

1. Mayor Carlson
2. Councilperson Gennett
3. Councilperson Gibson
4. City Manager
5. Airport Manager
6. Community Economic Development Director
7. Community member Don Seelye

The following names would not be part of the committee but could be asked to attend meetings for specific airport issues.

1. City Attorney Jim Young
2. QOE Consultants: Mike Borta, Paul Shapter, Ron Lebbon
3. FAA Program Manager: Alex Erskine
4. MDOT Program Manager: Kelly Crannell

RECOMMENDATION: Motion to approve the following members to the Airport Advisory Committee:

Mayor Carlson
Councilperson Gennett
Councilperson Gibson
City Manager
Airport Manager
Community Economic Development Director
Community member Don Seelye

E. Discussion Regarding the Adopt-A-Brick Program for Plaza B in East Park

City Manager Rob Straebel presented the item and answered questions from Council. Manager Straebel reviewed the proposed application form, proposed cost of the program, uses of prospective revenue, and acceptable/unacceptable language for engraving. Staff proposes that the bricks, which will cost approximately \$25 each to engrave, be sold for \$100 each and the revenue be earmarked for Public Improvement Fund #11, the Recreation Improvement Fund. In response to questioning, Manager Straebel stated that the Interactive Water Fountain could be considered a recreational activity, and these funds could be used for maintenance of the fountain. There are several hundred bricks available for purchase.

The Mayor called for public comments.

Jodi Bingham is not in favor of the program and stated that the plain, unengraved bricks look nice.

Jodi Laurent asked if the City was going to allow memorial language on the bricks. Manager Straebel stated that "in memory of" would be acceptable language and does not think the community would object. He believes that the issue with the fireplace was building it in memory of one person. Ms. Larent stated that she wanted to ensure that no one would be upset with allowing "in memory of" language on the bricks, as there had been comments and concerns in the past, but that she did not have a problem with it personally. Councilmember Porter suggested that Council postpone the decision and seek additional input from the community.

The Mayor closed the item to public comments.

Council agreed that comments of the audience were valid concerns and decided to allow additional input from the community over the next two weeks and address the program at the next meeting.

F. Consideration to Approve Decommissioning the Airport's Non-Directional Beacon

Airport Manager Scott Woody presented the item and answered questions from Council. The Non-Directional Beacon (NDB) is an outdated navigational aid which has been replaced by more modern systems, such as Global Positioning Systems (GPS). There has been significant maintenance costs related to the NDB and to minimize future costs, staff recommends decommissioning the beacon. The FAA has stated that the City can decommission the NDB by a motion of the City Council.

The Mayor called for public comments. There were no comments. The Mayor closed the item to public comments.

Motion by Councilmember Gibson, second by Councilmember Campbell, to approve decommissioning the CVX NDB effective January 1, 2014.

Yeas: Porter, Campbell, Cole, Gennett, Gibson, Stevens
Nays: None
Absent: None

G. Discussion Regarding Airport Committees

Airport Manager Scott Woody presented the item and answered questions from Council. There are currently four airport-related committees: the Airport Ad-Hoc Committee, the Airport Design/Development Committee, the Airport Technical Advisory Committee, and the Airport Advisory Committee. The purpose of the first three committees no longer exists. Staff recommends dissolving the first three committees and expanding membership for the Airport Advisory Committee to include the CED Director. Council may also want to recruit an airport patron to represent the aviation community through membership.

The Mayor called for public comments. There were no comments. The Mayor closed the item to public comments.

Motion by Councilmember Campbell, second by Councilmember Gennett, to dissolve the following Airport Committees: Airport Ad Hoc Committee, Airport Design/Development Committee, and the Airport Technical Advisory Committee.

Yeas: Porter, Campbell, Cole, Gennett, Gibson, Stevens
Nays: None
Absent: None

Mayor Carlson would like to appoint the "CED Director" to the Airport Advisory Committee.

Motion by Councilmember Cole, second by Councilmember Stevens, to affirm the appointment of the CED Director to the Airport Advisory Committee.

Yeas: Porter, Campbell, Cole, Gennett, Gibson, Stevens
Nays: None
Absent: None

Mayor Carlson closed the item to public comment.

Action by Resolution.

D. Review of Draft 2014-15 Department Head Goals

City Manager Straebel presented the item and answered questions from Council. Comments from Councilmembers Porter and Stevens were incorporated into the document. Comments from Councilmember Gibson were provided just prior to the meeting; additionally, Councilmember Gibson noted that the Voter files need to be updated, and asked for input from the Deputy Clerk.

Deputy Clerk Brown stated that there are many reasons why the files are out of date: when people move and do not reregister at their new location, they remain an active voter at the original location. When the Clerk's office has reason to expect that a person is no longer a qualified voter due to a move, action can be taken to put the person on a "cancellation countdown". If the person does not vote or otherwise contact the Clerk's office, the voter is removed from the qualified voter files after two even-year November elections. The process, while very slow, protects voters who are temporarily away from home or only interested in "major" elections. Upon further questioning, Ms. Brown reported that deceased voters can be immediately removed based on information from the County Clerk, an obituary, or an immediate family member. Work can be done on the qualified voter file to "clean up" the files, but it is a time consuming and drawn-out process.

Councilmember Gennett stated that several community members have remarked that the playground equipment at Michigan Beach is old and insufficient. City Manager Straebel noted that there a goal under "Recreation and Mt. McSauba" for funding to update that equipment.

Mayor Carlson opened the item to public comment. There was no comment, and the item was closed.

E. Discussion Regarding Clarification of Airport Committee Members

Airport Manager Scott Woody presented the item and answered questions from Council. At the October 7, 2013, Council meeting, three airport committees were disbanded, leaving the Airport Advisory Committee. Airport Manager Woody would like Council to remove the following members: City Attorney Jim Young, QOE representatives, the Federal Aviation Administration (FAA), and the Michigan Department of Transportation (MDOT). Remaining members would include: the Mayor, two Councilmembers (currently Councilmembers Gennett and Gibson), the City Manager, the Airport Manager, the Community Economic Development Director, and Don Seelye.

Mayor Carlson opened the item to public comment. There was no comment, and the item was closed to public comment.

Motion by Councilmember Porter, second by Stevens, to affirm the following individuals are members of the Airport Advisory Committee: Mayor Carlson, Councilmembers Gennett and Gibson, the City Manager, the Airport Manager, the Community Economic Development Director, and Don Seelye..

Yeas: Gennett, Gibson, Stevens, Perron, Porter
Nays: None
Absent: Cole

VIII. Introduction and Initial Actions Relating to Ordinances or to Resolutions That Require Publication or Hearings Prior to Final or Further Action
None.

IX. Resolutions

- A. Consideration to Approve a Notice of Intent Resolution Relating to Issuance of Bonds for Wastewater Plant Improvements
Motion by Councilmember Stevens, second by Councilmember Gibson, to adopt Resolution 2013-12-01 as follows:

RESOLUTION 2013-12-01
NOTICE OF INTENT RESOLUTION

WHEREAS, the City of Charlevoix, County of Charlevoix, State of Michigan (the "City"), has determined that it is necessary for the public health, safety and welfare of the City to acquire, construct, furnish and equip improvements to the City's Sewage Disposal System (the "System") including improvements to the Charlevoix Wastewater Treatment Plan, together with all related appurtenances and attachments (the "Project"); and

WHEREAS, the City has been advised by the Michigan Department of Environmental Quality ("MDEQ") that financial assistance to accomplish the acquisition and construction of the Project is available through the State Revolving Fund ("SRF") Loan Program administered by the Michigan Department of Environmental Quality (the "MDEQ") and the Michigan Finance Authority (the "MFA"); and

**CHARLEVOIX CITY COUNCIL
AGENDA ITEM**

AGENDA ITEM TITLE: Mayoral and Council Appointments

DATE: December 15, 2014

PRESENTED BY: Joyce M. Golding, City Clerk

ATTACHMENTS:

BACKGROUND INFORMATION:

The following list includes vacancies on various City boards and committees.

	Seat	Term	Appointment	Term Expires
Zoning Board of Appeals	Member Vacancy (Alternate)	3 years	Council	12/31/2014
Zoning Board of Appeals	Chair Greg Withrow	3 years	Council	12/31/2014
Zoning Board of Appeals	Member Ann Gorney	3 years	Council	12/31/2014
Housing Commission	Member Mary Campbell	5 years	Mayor	04/2014
Housing Commission	Member Vacancy	5 years	Mayor	04/2015
Historic District Commission	Member Jeannine Wallace	3 years	Mayor rec/Council app	06/2014
Recreation Advisory Committee	Member Jennifer Vollmer	3 years	Mayor rec/Council app	12/05/2014
Recreation Advisory Committee	Student Member Vacancy	1 year	Mayor rec/Council app	12/31/2015

RECOMMENDATION:

Motions to appoint or re-appoint citizens to the various boards.