

City of Charlevoix
DOWNTOWN DEVELOPMENT AUTHORITY BOARD

Monday, January 25, 2010 @ 5:30 p.m.

210 State Street, City Hall, City Council Chambers, Charlevoix, Michigan

Minutes

A) CALL TO ORDER

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

DDA Members Present: Dan Barron, Kirby Dipert, Hugh Mason, Jeannine Wallace and John Yaroch
DDA Members Absent: Mayor Norman Carlson, Jr., Fred DiMartino (Excused), John Taylor and Gina Whitney

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) APPROVAL OF MINUTES

1. November 23, 2009 DDA Meeting Minutes

Member Barron asked to correct a spelling error in item D) Approval of Minutes.

“Originally, the building was to be preserved, but the lessee failed to step to the table and restore it.”

Motion made by Member Barron and seconded by Member Wallace to approve the November 23, 2009 as amended. Motion was adopted by a unanimous voice vote.

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

F) OLD BUSINESS

1. 108 Park Avenue Property

Executive Director Keith Carey asked the Board for confirmation on the course the DDA wishes to take on the DeWitt property. The Board reviewed a report entitled “*Report on 108 Park Avenue – January 2010*” prepared by City Planner Mike Spencer and the Executive Director on the various research that has been done on the property. The Michigan State Historic Preservation Office (SHPO) received a preliminary questionnaire seeking an informal opinion as to whether the structure could be included on the national registry as a historic site. SHPO’s preliminary report indicated that if the information provided in the preliminary questionnaire is accurate, the structure could qualify for inclusion based upon meeting two criteria – its ties to Charlevoix’s early maritime history and its unique architecture. Proposed parking area drawings have been submitted by Performance Engineers for the Board’s review. The project costs will be increased if the parking area is constructed in two phases. Executive Director Carey requested the Board to consider the options outlined in *Report on 108 Park Avenue* and determine a direction in which to proceed.

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The Board reviewed the parking area concepts from Performance Engineers and landscaping concepts prepared by Landscape Architect Ken Polakowski. The City Council will be discussing the use of monies from PI #16, Downtown Parking Fund to develop the parking area at their February 1st meeting.

The Downtown Parking Fund receives its monies from downtown businesses when it is impractical for them to create on-site parking.

Chairman Mason recommended the Board look at the value of the building and the amount of money that needs to be put into it to bring it up to Code. What is the value of the building? If you wish to renovate the building, you have to do it right. Also, what will we do with the building, if it is renovated?

Member Barron agreed that the building has an impressive history, but questioned the use of the building and if someone was willing to pay for the necessary improvements. The building needs a great deal of work.

Executive Director Carey advised the Board that he has investigated possible grants to help pay for the needed renovations. Unfortunately, applicable grant carry conditions that the building would have to be used as a museum. At this time, neither the Historical Society nor the DDA/City wishes to establish another museum in the City.

Members Dipert and Wallace voiced concerns about the amount of monies that are needed to renovate the house. The Board has received estimates that the renovation could be between \$20,000 to \$100,000. Member Wallace hates to see the demolition of an old building, but given the estimated costs, its more than we can afford. The DDA has had a goal to create a parking area in this block since 1982.

Lyle Gennett stated that he does not think the DDA or the City has the funds to keep a building that is deteriorating. It will cost a fortune to clean it up.

Executive Director Carey advised that Board that another Council member has expressed concerns regarding the building's appearance and its structural integrity.

Tony Duerr of Pine River Books, 104 Park Avenue asked the Board to consider preserving the building. The City needs to explore grants and other inexpensive ways to save the building. He does not wish to lose a pioneer structure for a couple of parking spaces. He does not feel additional parking is needed in the area. Presently, the street is attractive and the creation of a parking lot will create a negative impact.

Executive Director Carey advised the Board that he has spoken to a building mover on the possibility to relocating the structure. The minimum cost of the move would be in excess of \$10,000, but could easily reach up to \$50,000. Moving costs depend upon whether the building could be moved in one piece or if it would have to be cut in half. Given the building's significant disrepair, relocation is risky. Historic District Commission Chairman Bob Heath has spoken to a local contractor on the cost to renovate the building, but the contractor did not wish to prepare an estimate due to the scale of the improvements that the contractor believes need to be made.

Member Yaroch reminded the Board that there are vacant stores and office areas in the downtown area. If in the future the DDA wishes to build a building, it can be done. Businesses need parking for their employees. He voiced support in removing the building.

The Board studied the parking area concepts. Member Wallace asked that the parking area have a greenbelt along Park Avenue to minimize its appearance similar to Hoffmann Park.

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Motion made by Member Dipert and seconded by Member Yarocho to recommend to the City Council that this piece of property (108 Park Avenue) become a parking area with maximum green space along Park Avenue with a pleasant ambience of similar to Performance Engineers' concept #2. Motion was adopted by unanimous voice vote.

2. Fiscal Year 2010-11 Budget

City Treasurer Rick Brandi reviewed the proposed 2010-11 budget with the Board. The DDA district's taxable value is proposed to decrease an estimated -4.3%. The DDA has a number of debt service requirements. The budget proposes that the Marina Fund help pay for the East Park bonds this year. The proposed budget does not include the Library contribution. The Bridge Park Act 99 bonds will be paid off in 2012-13 and the LTGO bonds will be paid off in 2014-15. Maintenance for the trout stream is presently being paid by Parks, but in the future this may be transferred to either the DDA or Marina. The City will have final tax revenue figures the end of May.

The Board discussed the proposed budget. The items that are proposed to be eliminated are:

- Radio/television advertising
- Sidewalk sales advertising
- Downtown cornstalks
- Miscellaneous reductions
 - Flurry Fest
 - Concert series

City Treasurer Brandi advised the Board that this is difficult to estimate the DDA capture amounts. The DDA has a complex formula that is used to determine its tax capture. We will not know the 2010 DDA revenues until the formula is applied to individual parcels.

The Board asked to meet in again in two weeks to discuss the budget. The Board will meet on Monday, February 8th at 5:30 p.m.

G) NEW BUSINESS – None.

H) EXECUTIVE DIRECTOR'S REPORT - None.

I) MISCELLANEOUS BUSINESS - None

J) FUTURE AGENDA ITEMS

- February 8, 2010 - DDA budget
- February 22, 2010 - DeWitt property, 108 Park Avenue

K) ADJOURNMENT

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

Meeting adjourned at 6:43 p.m.

Hugh Mason, Chairman

Linda Jo Weller, Recording Secretary

Carol A. Ochs, City Clerk