

CITY OF CHARLEVOIX
DOWNTOWN DEVELOPMENT AUTHORITY (DDA) MINUTES
Wednesday, September 23, 2013 — 5:30 p. m.
210 State Street, City Hall, City Council Chambers, Charlevoix, MI

A. Call to Order

The meeting was called to order at 5:30 p. m. by Chair Hugh Mason.

B. Invocation or Pledge of Allegiance

C. Roll Call of Members Present

Chair: Hugh Mason

Members Present: Kirby Dipert, Dan Barron, Mayor Norman L. Carlson, Jr., Fred DiMartino, Jeannine Wallace

Members Absent: Todd Wyett, John Yaroch

City Staff: Bethany Pearson, Community Economic Development Director

D. Inquiry Regarding Possible Conflicts of Interest

None.

E. Approval of Minutes: August 26, 2013 and September 11, 2013

Motion by Member Barron, second by Mayor Carlson to approve the August 23, 2013 minutes as presented. Motion passed by unanimous voice vote.

Motion by Member DiMartino, second by Member Wallace to approve the September 11, 2013 minutes as presented. Motion passed by unanimous voice vote.

F. Old Business

None.

G. New Business

1. Michigan Main Street Program

Community Economic Development (CED) Director Bethany Pearson stated that the Board had reviewed this Program briefly at the last meeting and had received a copy of the Program application. Member Dipert understands that the Main Street Program was mainly built around volunteers and he felt it was important that before taking on a project like this that they have an adequate amount of volunteers. Director Pearson stated that this item also plays into the Charlevoix est Dynamique! (Charlevoix is Vibrant) program that was outlined in the Executive Director's Report. At the economic development sessions that are part of the program, presenters will be asking for volunteers and compiling lists of volunteers who are willing and able to work on the Main Street Program. Discussion followed regarding specifics of the Main Street Program. Director Pearson felt that the Program is worthwhile, would provide a lot of resources and education for different property owners and businesses in town, and it could be very good for the City. She stated that the application was due November 1, 2013.

Motion by Member Dipert, second by Member DiMartino to accept the resolution to support the Michigan Main Street Program and to direct CED staff to prepare and submit the Associate level application by the November 1st deadline.

A RESOLUTION IN SUPPORT OF COMMITMENT AND COOPERATION WITH THE MICHIGAN MAIN
STREET PROGRAM IN BECOMING AN ASSOCIATE MAIN STREET COMMUNITY

WHEREAS, Downtown is vital to our community's identity and quality of life;

WHEREAS, The Charlevoix Downtown Development Authority was formed on April 19, 1982 to act as a DDA under Public Act 197 of 1975, with the following responsibilities: to correct and prevent deterioration in the DDA District, to encourage historic preservation, to create and implement development plans, and to promote economic growth;

WHEREAS, It is the City's intent to reverse the historic trend which has led to the loss of population, jobs and businesses in the downtown district and to work on the continued improvement, revitalization and development of the community by improving pedestrian access and enhancing the areas aesthetics; and

WHEREAS, The Michigan Main Street Center @ MSHDA, formed in 2003, provides consulting services to up to three communities that commit to the Main Street Four Point Approach (Design, Organization, Promotion and Economic restructuring) to strengthen commercial activity and improve buildings in a community's downtown; and

WHEREAS, The Main Street Approach to downtown revitalization has generated community-wide interest and support; and

WHEREAS, the City will apply to become an Associate Main Street community and a local Main Street organization will be formed to stimulate economic development and historic preservation of the downtown, thereby lessening the burden of local government; and

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The Community and its Local Main Street Program agree to these minimum participation standards set forth by the MMSC @ MSHDA including submitting biannual reports to the MS Program and participation at required trainings and services.
2. The Community and its Local Main Street Program agrees to participate as an Associate Main Street with the intention of applying to become Select Main Street in October of 2014

RESOLVED, this 23rd day of September, A.D. 2013.

Resolution was adopted by the following yeas and nays vote:

Yeas: Mason, Dipert, Barron, Carlson, DiMartino, Wallace

Nays: Wallace None.

Absent: Wyatt, Yaroch

2. Charlevoix Farmer's Market

Director Pearson stated that, before she took her current position of CED Director, she organized the downtown Farmers' Market at the Chamber of Commerce. When she accepted the City position, she approached the Chamber about the possibility of the DDA taking over the Farmers' Market. The Chamber is open to the transition and would pursue other priorities. Director Pearson recommends that the DDA take over the operation of the Farmers' Market and outlined her reasons.

Erin Bemis, President and CEO of the Chamber, stated that the Chamber was not dropping the Market nor pushing it away. The Market will continue. The Chamber agrees that this could be a good fit for the DDA; however, Ms. Bemis is concerned about the timing of the transition.

Chair Mason opened the item for public comment.

Jeff Porter stated that Director Pearson was hired by the City to work on economic development. He does not see an existing program, run by the Chamber, as viable for great economic development in the City. He would rather that efforts were focused on getting new industry to move to Charlevoix.

Chair Mason closed the item to public comment.

Motion by Member Dipert, second by Mayor Carlson to accept the takeover of the downtown Charlevoix Farmers' Market from the Charlevoix Area Chamber of Commerce starting in the 2014-2015 fiscal year (or at a mutually

agreeable time), and additionally, to allow the CED Director to hire an outside contractor (Market Master) to perform the duties associated with the orchestration of market days. Motion passed by a 5 to 1 vote with Member Wallace voting against the motion.

3. Art in Public Spaces

Director Pearson stated that the Sauvé Foundation Grant for the current Art in Public Spaces initiative is set to expire on October 1, 2013, and that the DDA would not be eligible to apply for additional funding through this Foundation. She requested permission from the DDA to apply for two grants for \$4,000 each: one through the Michigan Council for Arts and Cultural Affairs and one through the Charlevoix County Community Foundation. The Community Foundation grant would count as the one to one match for the Council for Arts' grant. She also proposed using local artists, which was not done by the Sauvé Foundation. She recommended that they use the Charlevoix Circle of Arts to review the submitted artwork and make recommendations to the DDA for the pieces to be displayed in the same locations as previous Sauvé Foundation pieces. Member Wallace brought pictures of bronze statues of life-size figures that were somewhat in the Norman Rockwell style that may be more in tune to the atmosphere of Charlevoix.

Motion by Member Barron, second by Mayor Carlson, authorizing the CED Director to apply for the grants to fund the Art in Public Spaces program and to implement it as discussed. Motion passed by unanimous vote.

4. Personal Property Tax (PPT) Reform

City Treasurer Rick Brandi gave an overview of how Personal Property Tax (PPT) Reform will affect the DDA in coming years. Legislation has already passed, and staff is waiting until August 2014 for the results of a public vote on the Use Tax. If the voters approve the Use Tax, it will provide a reimbursement mechanism for some of the municipalities in Michigan to get reimbursed for the loss of PPT revenue. Treasurer Brandi stated that the DDA has about \$40,000 at stake in personal property taxes; 75% of the parcels that have personal property are in the downtown district. Valuations on December 31st of this year for the 2014 tax year for any taxpayer whose valuation is under \$40,000 will be removed from the personal property tax roll, resulting in lost revenue for the City. Exemptions only go into effect if the reimbursement program is approved by the voters. The reimbursement from the State, if passed in August, only allows municipalities to be reimbursed if there is a more than 2% loss to the basic services of the community (police, fire, EMS). The City would not be eligible for any reimbursement; the General Fund will lose \$88,000 in revenue, and the DDA is estimated to lose between \$40,000 to \$100,000, depending on the formula. Treasurer Brandi explained the specifics of the formula. If the loss of revenue does occur and the DDA can't make its contribution to the Marina Fund for the debt service payment for the marina and East Park, then the General Fund will have to cover that expense. Treasurer Brandi responded to questions from DDA members about PPT Reform and its implications to Charlevoix and the DDA.

Director Pearson reported that she had spoken to ~~a State representative Senator Brandenburg of the 11th District~~, who said that ~~Senator Brandenburg of the 11th District he~~ will be introducing a bill this fall that to allow DDAs to rewrite their tax capture formula, taking into account the elimination of the PPT. She proposed that the DDA should be contacting local legislators and writing letters of support for the bill that is going to be introduced soon by Senator Brandenburg. She asked for direction from the DDA regarding contacting legislators on behalf of the DDA about this bill and to voice the DDA's concerns about the revenue reduction. ~~The~~ the City Attorney would review anything before it went out and this subject will be discussed with City Council. It was the general consensus of the DDA members to allow the CED Director to proceed with efforts to support the proposed bill as discussed.

H. Audience – Non-Agenda Input

None.

I. Executive Director's Report

Director Pearson reviewed the items contained within the Executive Director's Report and Community Partner/City Updates, and responded to DDA members' questions.

J. Miscellaneous Business of the Board

None.

K. Future Agenda Items

None.

L. Adjournment

Chair Mason stated that, if there were no objections, the meeting would adjourn. There were no objections.
Meeting adjourned at 7:01 p. m.

Stephanie Brown/fgm Deputy City Clerk

Hugh Mason Chair