

CITY OF CHARLEVOIX
DOWNTOWN DEVELOPMENT AUTHORITY (DDA) MINUTES
Monday, March 24, 2014 — 5:30 p. m.
210 State Street, City Hall, Second Floor Conference Room, Charlevoix, MI

A. Call to Order

The meeting was called to order at 5:30 p.m. by Chair Dan Barron.

B. Invocation or Pledge of Allegiance

C. Roll Call of Members Present

Chair: Dan Barron

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

Members Absent: Hugh Mason, John Yaroch, Todd Wyett

City Staff: Bethany Pearson, Community Economic Development Director (CEDD)

D. Inquiry Regarding Possible Conflicts of Interest

None.

E. Approval of Minutes

1. January 27, 2014 Minutes

Chair Barron stated that during the discussion of the Resolution in support of the marina expansion project, the Board had discussed including language that reflected that the proposed expansion of Dock A for the marina "is expected to have a significant economic impact" and he felt that language should be one of the Whereas clauses in the Resolution. He stated that the clause should read: "Whereas, the purpose of the DDA is to help promote economic viability in the downtown area and the proposed expansion of Dock A is expected to have a significant beneficial economic impact."

Motion by Member Wallace, second by Member DiMartino to approve the January 27, 2014 minutes as corrected.
Motion passed by unanimous voice vote.

2. January 31, 2014 Minutes

Motion by Member Carlson, second by Member DiMartino to approve the January 31, 2014 minutes as presented.
Motion passed by unanimous voice vote.

F. Old Business

None

G. New Business

1. Main Street Steering Committee

Director Pearson reported that the first of the Main Street Basic training sessions, which she attended two weeks ago, was a very worthwhile experience. At the training, it was highly recommended that the DDA setup a Main Street Steering Committee, which would be a working board responsible for attending trainings, developing and carrying out a community relations strategy, managing volunteers, and helping the CEDD to complete the application process and Select level presentation to the Michigan State Housing Development Authority. She asked for permission to proceed with setting up the Steering Committee under the DDA, noting that she has compiled a list of individuals who she believes would be good candidates for the Steering Committee. Director Pearson advised that getting into the Select level of the Main Street Program is very competitive; our community needs to put 100% effort into the pre-planning stages of the Program or chances of succeeding will rapidly decline. Director Pearson explained the various levels of the Main Street Program.

Member Wallace questioned how many people were recommended for a Steering Committee. Director Pearson responded that it would be what the DDA is comfortable with; however, she has put together a list of 20 potential individuals and recommends 12-15 members for the Committee.

After discussion regarding details of the responsibilities of the Steering Committee, the Board concurred with the Director's recommendation to create and populate a Main Street Steering Committee.

2. Staffing Update

Director Pearson advised that the Farmers' Market Assistant Manager position had been publicly posted for over three weeks and closed last week. There are six (6) applicants and she would like one person from the Board to sit on a selection committee. Director Pearson hopes to have someone in the position by April 14th. She briefly described the duties of the position. Member Wallace volunteered to a member of the Selection Committee and the Board concurred.

Director Pearson stated that she has been in contact with Jordan Smeltzer, a recent graduate of Northern Michigan University who would like to volunteer with the Charlevoix DDA this summer. His degree is in Public Relations – ESPR (Entertainment and Sports Promotion). She contacted his references and he received very good recommendations from his professor.

Motion by Member Carlson, second by Member DiMartino to accept Jordan Smeltzer as a volunteer for the DDA this summer.

Motion passed by unanimous voice vote.

3. National Main Street Conference

Director Pearson stated that the National Main Street Conference in Detroit is May 18-20, 2014. The Conference brings thousands of Main Street Professionals, developers, historians, and planners together from across the country and Director Pearson felt it was a great opportunity, especially with the conference being held in Michigan.

Motion by Member Wallace, second by Member Carlson to allow the CEDD to travel to the National Main Street Conference.

Motion passed by unanimous voice vote.

4. Charlevoix First! Spring Training

Director Pearson stated that the Charlevoix Chamber of Commerce, Convention & Visitors' Bureau, and the DDA would like to jointly host a customer service and marketing training seminar on the morning of June 12th. The team would like to hire Zingerman's Deli of Ann Arbor to present the customer service program "ZingTrain" and and Michelle Corteggiano of ATI Marketing in Traverse City to present the social media/marketing training. The total cost for these services is \$2,000 and attendees would be charged a minimal fee for attending the training. Any amount not covered by attendee registration will be equally split between the three organizations.

Motion by Member DiMartino, second by Member Wallace to approve possible expenditures for a joint spring training seminar (expenses, if any up to \$2,000, to be split between the three organizations).

Motion passed by unanimous voice vote.

5. Economic Forum Goals

Director Pearson reported that she, City Manager Straebel, Andy Hayes of the Northern Michigan Economic Alliance, and Amanda Wilkins of the Convention & Visitors Bureau have reviewed the document produced as a result of the Charlevoix Est Dynamique Economic Development Forum. It was decided that each organization should develop a one-page list of goals (strategic plan) summarizing projects for 2014-2015. These goals can be found in the DDA agenda packet.

Chair Barron suggested that "recruit travel writers to showcase quality of life" should include "recruit or encourage small group business", conferences, and professional associations. Discussion followed regarding the possibility of bringing more cruise ship business to the marina and the City.

Motion by Member Kurtz, second by Member Wallace to adopt the goals as the DDA's 2014-2015 strategic plan.

Motion passed by unanimous voice vote.

6. Our Dancing Lights – Presented by DDA Board Member John Yaroch.

Director Pearson reported that Member Yaroch had asked for this item to be placed on the agenda. Unfortunately he was unable to attend the meeting; therefore the item will be tabled to a future DDA meeting.

H. Audience – Non-Agenda Input

None.

I. Community Economic Development Director's Report

Director Pearson invited Joel Zielinski, City Treasurer, to address the Board regarding the meeting with Beaver Island Boat Company (BIBCO) about a tax discrepancy. Treasurer Zielinski stated that BIBCO leases the shed down by their dock under an agreement with the City. He referenced section 14 of the agreement which stated that "BIBCO will pay all property taxes related to its use and occupancy of the leased premises. The City will refund to BIBCO all paid real property taxes that are subject to the DDA capture." The premise here is that BIBCO will pay their taxes, but any amount that the City captures based on increases in taxable value will be refunded to BIBCO. Treasurer Zielinski reported that the last paragraph of the agreement cites an example of "92.3% of State Equalized Value"; however, the former City Treasurer took that to mean that the City would refund 92.3% of the taxes as the DDA capture. The DDA actually captures closer 74-75% of the taxable value of the DDA District. For 2013 and late, Treasurer Zielinski recommends that the City refunds what is actually captured and noted that the difference is approximately \$2,000 that the DDA will save; instead of refunding approximately \$10,500, the City would only be refunding about \$8,500.

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

Director Pearson reviewed the current financial status of the DDA. As of March 19th, the DDA had a budget revenue surplus of \$26,184.37 and the DDA was \$11,589.43 below budget on expenses for a cumulative net gain of \$37,773.80. During a routine review of revenues and expenses, Director Pearson and Treasurer Zielinski realized that there is no revenue for the line item "current property tax levy", which is the millage on the DDA district that was budgeted as \$37,800 in revenue. It appears that Charlevoix County failed to put the DDA millage on the tax bill. Treasurer Zielinski stated that he was still researching the issue and working with the County Treasurer to ascertain how it happened. Options are being explored with the County and the State as to how to address this situation, and will be reported back to the Board.

J. Miscellaneous Business of the Board

Member Kurtz asked to recuse himself as a Board member and address the Board as a member of the public. He stated that he & his wife are considering applying for a redevelopment liquor license for the movie theatre and he would like feedback from Board members. They are considering a private lounge upstairs or a bar in the lobby and allowing patrons to bring their drinks into the theatre during night time movies or sporting/special events. Director Pearson stated Charlevoix Cinema III meets all of the requirements established for a redevelopment liquor license, which does not have to be a dining establishment. Chair Barron believes that this is a creative concept. Discussion followed regarding the number of redevelopment liquor licenses allowed within the City.

K. Future Agenda Items

None.

L. Adjournment

Motion by Member Wallace, second by Member DiMartino to adjourn.

Motion passed by unanimous voice vote. Meeting adjourned at 6:54 p.m.

Stephanie Brown/fgm

Deputy City Clerk

Dan Barron

Chair