

**CITY OF CHARLEVOIX**  
**DOWNTOWN DEVELOPMENT AUTHORITY (DDA) MINUTES**  
**Monday, April 28, 2014 — 5:30 p. m.**  
210 State Street, City Hall, Second Floor Council Chambers, 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, John Yaroch, Hugh Mason

Members Absent: Fred DiMartino, Jeannine Wallace, Todd Wyett

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

**D. Inquiry Regarding Possible Conflicts of Interest**

Member Kurtz stated that he had a conflict of interest with the Redevelopment Liquor License Application for the Charlevoix Cinema III and he would recuse himself for that item.

**E. Approval of Minutes**

Motion by Member Carlson, second by Member Kurtz, to approve the March 24, 2014 minutes as presented.

Motion passed by unanimous voice vote.

Director Pearson introduced the City's newest employee, Chris Leese, who is the new Farmer's Market Assistant Manager. Ms. Leese started on April 14, 2014.

**F. Old Business**

1. Main Street Steering Committee

Director Pearson stated that a 14-member Committee had been formed at an organizational meeting held a couple of weeks ago, and that she'd like a DDA Board member to be the 15<sup>th</sup> member on the Main Street Committee. No one was able to commit to being on the Main Street Steering Committee at this time, due to other commitments. Director Pearson stated that the first meeting of the Committee is scheduled for May 12<sup>th</sup>, 2014, and that she will report back to the DDA on the Committee's activities. Director Pearson requested a small budget (\$2,000) for the group to help them with their mission and communications campaign.

Motion by Member Carlson, second by Member Yaroch to appropriate \$2,000 to the Main Street Steering Committee.

Motion passed by unanimous vote.

**G. New Business**

1. Stage 1 Final Report – Downtown Wi-Fi Study

Director Pearson introduced John Childs of Childs Consulting Services, who presented his findings for Stage 1 of the Downtown Wi-Fi Study and summarized that the project is technically and financially feasible. Mr. Childs reviewed the three stages of the project and stated that the primary boundaries for the project are the DDA boundaries, with the focus on Bridge Street, East Park and the Marina. Three systems were identified that could provide the capabilities needed, with Wi-Fi being the best option due to cost (estimated at \$51,285 for installation) and ease of installation. Mr. Childs estimated total annual operating expense at \$3,600 and revenue at \$3,600 to \$18,000. Revenue would come from advertising sales and be contracted to a third party.

Mr. Childs responded to inquiries from the Board members.

Director Pearson stated that the question before the Board was whether or not the DDA wanted to move forward with Stage 2 of the project at an amount not to exceed \$5,700 total, \$1,900 per sharing entity. Stage 2 involves creating, submitting and advertising an RFP, hiring a contractor(s), obtaining rights to install devices, holding a pre-bid meeting with all potential contractors, and developing and preparing a vendor contract. She stated that since this is a joint project with the Chamber and the City, all three entities would need to approve moving forward

with Stage 2. Director Pearson stated that funding for all three stages was included in the DDA's 2014-2015 budget; and she would be seeking grant funding to assist with the actual installation costs.

City Manager Rob Straebel asked Mr. Childs to review the direct benefits to the downtown DDA district, what makes this project unique in comparison to other communities, and how the project would bring more people into our community. Mr. Childs explained that free internet is a big draw not only to people who are already coming downtown, but also to local residents and visitors. While everyone says they are increasing the number of people on their Wi-Fi system, Mr. Childs explained that no one had studies to prove it; however, there is some incidental data that suggests that people do more shopping and stay longer in a downtown area when Wi-Fi is available. Other communities have acknowledged free internet is an enhancement, as everyone is much more mobile with smart phones and tablets.

Motion by Member Yaroch, second by Member Mason, to approve funding Stage Two of the Wi-Fi Study at an amount not to exceed \$1,900.

Motion passed by unanimous vote.

2. Charlevoix Craft Beer Festival

Director Pearson reported that the proprietors of the Bridge Street Tap Room would like to co-host a Charlevoix Craft Beer Festival in Bridge Park on June 6<sup>th</sup>-7<sup>th</sup>. The Tap Room would organize the event, with coordination and logistical support from the DDA in the form of help in recruiting volunteers, promoting the event, and filing permits with the City and the Liquor Control Commission (\$200 maximum cost). All proceeds from the event would be given back to the DDA to help fund the Summer Concert Series. On April 21, City Council unanimously voted to support the event and authorize the City Manager to waive a provision in the City Code, which would allow alcohol in Bridge Park.

Chair Barron asked if the DDA could pull the liquor license from the LLC as a function of a municipal entity, or if the permit needed to be pulled by a non-profit organization. Director Pearson stated that she would look into the matter.

Phil Parr of the Bridge Street Tap Room described other Craft Beer Festivals he has attended, and stated that the proposed event would be for individuals 21 years and older. The proposal plans a reception event on Friday night and a tasting event from 2:00 to 6:00 p.m on Saturday with food trucks both days. Member Yaroch asked why the event wasn't being coordinated with the Convention & Visitors Bureau, which would have a stronger marketing component than the DDA. Mr. Parr responded that they had chosen the DDA because his group has worked with Director Pearson before; she is very organized and gets things done. He also stated that they wanted to help grow the shoulder season.

Motion by Member Yaroch, second by Member Carlson, to approve co-sponsoring the Charlevoix Craft Beer Festival and to allow the CEDD to apply for the temporary liquor license, if possible, with the Michigan Liquor Control Commission.

Chair Barron recommended changing the motion to authorize the CED Director to help line up another non-profit corporation, in the event that the DDA is not eligible to apply for the liquor license. Members Yaroch and Carlson agreed.

Motion by Member Yaroch, second by Member Carlson, to approve co-sponsoring the Charlevoix Craft Beer Festival and to authorize the CEDD to apply for the temporary liquor license with the Michigan Liquor Control Commission or, in the event that the DDA is not eligible to apply for the liquor license, to authorize the CEDD to help line up another non-profit corporation to apply for the temporary liquor license.

Motion passed by unanimous vote.

3. Redevelopment Liquor License Application – Charlevoix Cinema III

Member Kurtz recused himself from this item.

Director Pearson reported that the City Clerk's Office has received a Redevelopment Liquor License application from Charlevoix Cinema III, owned by Luther and Mary Kurtz. She stated that they would like to be able to serve alcohol at their establishment during sporting events, special events, and evening showings. Charlevoix

Cinema III does fall under the “entertainment” category of the application, which allows non-restaurant establishments to be eligible under State law. Both the City Clerk and Director Pearson have reviewed the application and found that Charlevoix Cinema III meets all of the criteria to apply and the application is complete, pending a background check on Luther Kurtz. If the DDA Board makes a recommendation to accept the application, this would become an agenda item on either the May 5<sup>th</sup> or May 19<sup>th</sup> City Council meeting. The DDA has currently used two of the four applications available to the district, one for Scovies and one for the Bridge Street Tap Room.

David Campbell, representing Luther Kurtz, noted that Mr. Kurtz had reviewed his plans with the DDA at a previous meeting. Mr. Campbell believes that the Cinema meets all four requirements. Discussion followed regarding the potential for the Cinema and the downtown area.

Motion by Member Mason, second by Member Dipert, to recommend Charlevoix Cinema III's Redevelopment Liquor License Application to City Council for approval.

Motion passed by unanimous voice vote, with Member Kurtz abstaining.

4. DDA By-Laws Update

Director Pearson explained some minor recommended administrative changes to the DDA's By-Laws, including revised language as follows:

- Article II, Section 2 – Number, Tenure and Qualifications: ...“The members shall be appointed for a term of four (4) years and may not serve more than two (2) back-to-back terms. At least five (5) of the members shall be persons having an interest in property located in the downtown district...”
- Article IV, Section 8 – Order of Business: change the order of business so that the Executive Director's Report is between (e) approval of minutes and (f) old business.
- Article VI, Section 3 – Contributions or Gifts: “The Board may accept, on behalf of the Authority, any contribution, gift, bequest, or device for general or special purposes that meets the criteria set forth in the City of Charlevoix Donation Acceptance Policy.”

Director Pearson stated that the term limit change was suggested by Todd Wyett. Mayor Carlson advised the Board that he is against the proposal to limit the terms of the DDA members, as it is very difficult to find qualified, dedicated individuals to serve on this Board. Director Pearson reported that she is very happy with the present Board and has a great working relationship with all the members. Member Dipert stated that he had served two terms, and had agreed to a third term, but he believes that there will come a time when the Board needs new members with different ideas. Member Yaroch stated that continuity and “new blood” both have merit. He recommend three terms rather than two terms, if term limits move forward.

Motion by Member Carlson, second by Member Yaroch, to approve the change to Article IV, Section 8, of the DDA's By-Laws.

Motion passed by unanimous voice vote.

Motion by Member Carlson, second by Member Yaroch, to approve the change to Article VI, Section 3 of the DDA's By-Laws.

Motion passed by unanimous voice vote.

The Board Members generally agreed not to make changes to Article II, Section 2, at this time.

After a short-break, the meeting reconvened.

5. Market Study RFP

Director Pearson reviewed an offer by Mr. Doug DeVos to fund studies that the City deemed appropriate. One such study is a market study of the downtown area. Director Pearson has worked with City Manager Straebel and Planner Spencer to prepare an RFP that will go to City Council for their consideration on May 5<sup>th</sup>. The study will be funded entirely by Mr. DeVos.

Motion by Member Carlson, second by Member Mason to recommend that City Council accept the Market Study RFP.

Motion passed by unanimous voice vote.

6. Our Dancing Lights

Member Yaroch presented a short video clip of a "Dancing Lights" residence in Rochester and stated that he believes this would be a major draw for people in the off season from Thanksgiving through New Year's. The Board expressed an interest in learning more about the display and Member Yaroch stated he will research estimated costs and bring details to the next DDA meeting for discussion.

**H. Audience – Non-Agenda Input**

None.

**I. Community Economic Development Director's Report**

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

Director Pearson reported that the DDA was awarded a \$1,650 grant from the Fair Food Network to administer the Double Up Food Bucks (DUFB) Program at the Charlevoix Farmers Market.

Director Pearson stated that the City recently submitted an application for the 2014 *Michigan Regional Prosperity Initiative Community Growth Grants Program*, seeking funds for an engineering study to look at dockage for large cruise ships. Round Lake and Ferry Beach are the two areas being considered, and Mayor Carlson reported that neither area may be feasible due to the amount of deep water needed.

**J. Miscellaneous Business of the Board**

None.

**K. Future Agenda Items**

None.

**L. Adjournment**

Motion by Member Carlson, second by Member Dipert to adjourn.

Motion passed by unanimous voice vote.

Meeting adjourned at 7:12 p.m.

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Joyce Golding/fgm

City Clerk

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Dan Barron

Chair