

CITY OF CHARLEVOIX
DOWNTOWN DEVELOPMENT AUTHORITY (DDA) MINUTES
Monday, November 24, 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 Gabe Campbell, Fred DiMartino, Kirby Dipert, Hugh Mason, John Yaroch
Members Absent: Jeannine Wallace, Todd Wyett
City Staff: Bethany Pearson, Community Economic Development Director

D. Inquiry Regarding Possible Conflicts of Interest

None

E. Approval of Minutes

1. October 27, 2014 Minutes.

Chair Barron asked that the 4th paragraph on the first page be revised to state: "Mrs. Radke distributed copies of the Charlevoix Community Foundation's Annual Report to the DDA members, and presented a \$500 donation toward the public mural."

Motion by Member Dipert, second by Member Mason to approve the October 27, 2014 minutes as corrected. Motion passed by unanimous voice vote with the exception of Chair Barron who abstained from the vote as he was not present at the October meeting.

F. Community Economic Development Director's Report

Director Pearson reviewed the Executive Director's Report and Community Partner/City Updates.

Director Pearson stated that plans are moving forward for the Charlevoix Bridge Drop and there are numerous requests for hotel rooms. She received the raffle tickets whose sales will help fund the fireworks.

Director Pearson stated she has tentatively scheduled the first meeting of the Holiday Tree Lighting Subcommittee for Wednesday, December 17th at 4:00 p.m. The Subcommittee is made up of Kirby Dipert, Jodi Bingham, Bethany Pearson, Don Swem, and a member of City Council.

Director Pearson announced that DDA Board member Luther Kurtz has resigned from the DDA Board. Mr. Kurtz won the 1st Ward City Council seat at the general election and is not permitted to retain his DDA Board membership.

Director Pearson advised that the Farmers Market merchants have decided to cancel the rest of their regularly scheduled market days and to hold special holiday markets on November 25th and December 23rd.

She asked that the Board discuss New Business items before Old Business and the Board agreed.

H. New Business

1. Consideration of a Lease Agreement with the Round Lake Group LLC

Director Pearson reported that the Round Lake Group LLC, proprietors of the Bridge Street Tap Room, is interested in renting the storage unit located at 103 Bridge Park Drive for the purpose of opening a new brew pub: Lake Charlevoix Brewing Company. The space is currently vacant and has been used by the City and DDA for storage.

Phil Parr, Round Lake Group LLC, presented the proposal for the Lake Charlevoix Brewing Company. The proposed space is approximately 2,100 square feet. When completed, the pub will have the ability to brew up to 1,000 barrels/year, serve 50 customers inside and 20-30 patrons in an outdoor dining area.

Mr. Parr explained that one of the challenges with the project is to make sure there is proper egress into the building requiring a hallway to be built from the back door that adjoins the space to Unit C to the interior lobby area.

Round Lake Group LLC will apply for a Class C brew pub redevelopment liquor license. Mr. Parr indicated that the State requires \$75,000 worth of equipment and building renovations in order to qualify for a redevelopment license. The plans currently call for approximately \$15,000 in construction, \$7,000 in engineering, and \$130,000 for furnishings and brewing equipment.

Chair Barron opened the meeting to the public and there were no public comments.

Director Pearson stated Keweenaw Excursions was very supportive of the proposed use of the space. Keweenaw Excursions has expressed that they did not want to move their operations to a kiosk and they are interested in continuing their lease agreement with the DDA. Board members voiced their support of the brew pub project. Director Pearson stated that the proposal has been thoroughly vetted by City staff, and one issue that will need to be addressed is how to account for utility costs for the different tenants in the building.

Member Yaroch suggested having a subcommittee work on the terms of the lease agreement and the specifics of the utility costs. Director Pearson stated that she would like to have the terms of the basic agreement decided by the next DDA meeting due to budgetary timeframes. Member Dipert stated that the average Bridge Street lease for space was \$12 per square foot which includes taxes, but not utilities.

Director Pearson stated that the proposal would be on the agenda at the December 1st City Council meeting. If Council is in favor of the proposal the lease agreement needs to be finalized as soon as possible to include with the redevelopment liquor license application.

Motion by Member Mason, second by Member Yaroch to enter into negotiations with Round Lake Group LLC regarding a prospective lease agreement for DDA review and approval. Motion passed by unanimous voice vote.

2. Consideration to Continue Serving on the Board of Directors

Director Pearson stated that a requirement of the Select level Main Street Program is changing the DDA Board from an advisory board to a working board of directors. DDA Board members will be required to attend monthly board meetings as well as serve on one of four committees (Design, Promotion, Economic Restructuring or Organization). DDA Board members will not chair the committees, but be active members.

Director Pearson advised that a brief letter of interest from each Board member is needed by Monday, December 1, 2014 to include in the application packet. She stated that if a member felt that they could not continue to serve on the Board in this capacity the member would resign.

How individuals will be appointed to the Main Street Committees will be developed and approved by the DDA Board. Director Pearson stated that she has received 70 Main Street Volunteer Pledge forms from individuals interested in serving on committees.

There were no comments from the public on this topic.

G. Old Business

1. Keweenaw Excursions Contract Renewal

Director Pearson stated that Keweenaw Excursions was very excited about working with the Bridge Street Tap Room as they feel that they may see an increase in business. They requested the DDA Board to reconsider the terms of their contract. Director Pearson recommended that the rental rate increase by \$25/month each year (in lieu of \$100), and the term not exceed three years.

The Board concurred to table the contract renewal discussion until the Lake Charlevoix Brewing Company details were finalized.

I. Audience – Non-Agenda Input

None.

J. Miscellaneous Business of the Board

Director Pearson stated that a meeting in early December is required to approve the DDA budget. The Board agreed to schedule a special meeting for Monday, December 8th, at 5:30 p.m.

K. Future Agenda Items

None.

L. Adjournment

Motion by Member Yaroeh, second by Member Campbell to adjourn. Motion passed by unanimous voice vote. Meeting adjourned at 7:15 p.m.

Joyce Golding/fgm

City Clerk

Dan Barron

Chair