

**CITY OF CHARLEVOIX**  
**DOWNTOWN DEVELOPMENT AUTHORITY/MAIN STREET BOARD MINUTES**  
**Monday, December 28, 2015 at 5:30 p. m.**  
210 State Street, City Hall, Second Floor Council Chambers, Charlevoix, Michigan

**A. Call to Order/Invocation or Pledge of Allegiance**

**B. Roll Call of Members Present**

Chair: Dan Barron

Members Present: Gabe Campbell, Fred DiMartino, Kirby Dipert, Dianne DuPont, John Kurtz, Rick Wertz, John Yaroch

Members Absent: Tamie Gillespie

City Staff: Annie Doyle, DDA/Main Street Director; Mark Heydlauff, City Manager

**C. Inquiry into Potential Conflicts of Interest**

John Kurtz noted that he would have a conflict of interest with the Lake Charlevoix Brewing Company item.

**D. Consent Agenda**

Chair Barron stated that he received a request from the Lake Charlevoix Brewing Company (LCBC) to provide an informational presentation regarding the property. He stated that the presentation could be added to the agenda that evening as no dispositive action or vote would be taken on the matter.

Motion by Mayor Campbell, second by Member DuPont that the Board not make any decision on the matter, but that the Board amend the agenda to hear the presentation that evening. Member Yaroch stated that the Board could refer this matter to the Facilities Committee after the presentation. Mayor Campbell stated that he had problems with the request and he also felt that it should be put out for bid. Chair Barron stated that the motion was related to the process and procedure to go forward on this matter. Motion carried by unanimous voice vote with the exception of Member Kurtz who abstained from voting on the matter. Chair Barron stated that the presentation would be added as an item of New Business.

1. Approval of DDA/Main Street Board Minutes – November 23, 2015.

Motion by Member Dupont, second by Member DiMartino to approve the minutes of November 23, 2015 as presented. Motion carried by unanimous voice vote.

2. Review of Main Street Committee Meeting Minutes.

Chair Barron stated that Committee meeting minutes were provided to the Board for their information. Director Doyle stated that the Design Committee minutes were received earlier that day and copies were distributed to the Board. There were no questions/comments from the Board.

3. Approval of 2016 DDA/Main Street Board Meeting Calendar.

Director Doyle reviewed details regarding the upcoming training/conference dates. She stated that the Board was required to approve the regularly scheduled DDA/Main Street Board meeting schedule for 2016.

Motion by Member Wertz, second by Member Yaroch to approve the proposed 2016 calendar for regularly scheduled DDA/Main Street Board meetings. Motion carried by unanimous voice vote.

4. Review of 2016 Main Street Committee Meeting Calendar.

No action taken.

**E. Director's Report**

Director Doyle reviewed the items contained within the Executive Director's Report, and responded to questions.

Director Doyle stated that City Council approved the Executive Director job description. She indicated Staff that presented the Market Study prepared by The Cheasepeake Group to the Planning Commission at their last meeting, and at the January 11<sup>th</sup> Planning Commission meeting they will facilitate the special land use permit application for Charlevoix Hospital and Charlevoix Courier to lease 411 Bridge Street.

Director Doyle reported that Keweenaw Excursions moved out of their office space in the Bridge Park building and relocated their boat to New Orleans had taken the boat to be sold in New Orleans.

Director Doyle thanked Carissa Mullaney of the Promotions Committee for her assistance with the new website – [www.CharlevoixMainStreet.org](http://www.CharlevoixMainStreet.org). She said that the constant contact database was up and running and downtown businesses are participating in an event survey.

Maureen Owens, Food Truck Committee member, stated they held their initial meeting, but several key restaurant owner committee members were unable to attend and the meeting. She stated that she believed that it was a good meeting start.

Chair Barron stated that the commemorative Bridge Drop ornaments were hand painted by Linda Boss as a fundraiser for the event. Each year there will be a new Charlevoix scene and the ornament includes a Certificate of Authenticity.

Director Doyle stated that the Shop Local campaign was very successful and the drawing would be held on January 4<sup>th</sup>. Member Dupont commented that people were turning in receipts from Olsen's as part of the drawing that were for groceries and not gift buying from the local vendors. She also commented that Circle of the Arts was not included in the campaign as they have a gift shop. Director Doyle believed that it was good to include Olsen's for a balance of retailers in the program and the Circle of the Arts will be included next year.

## F. Old Business

### 1. Design Committee Update.

Bob Jess, Ice Rink Project Chair, stated that downtown ice rink discussions began in mid-May. He stated that they had an 86% response rate to the survey. People were very supportive of the idea and felt that the rink should be free. The Committee suggested the band shell or the grassy area in the middle of East Park as possible locations for the rink. He stated that the rink would not be used for hockey. Mr. Jess described the three system options for the ice rink that were reviewed by the Committee and referenced hours of operation, rink systems and admission rates at other outdoor skating rinks in Michigan. He discussed the details of a chiller system (approximately \$200,000 for three years) versus a NiceRink® system (approximately \$50,000 for three years). The proposed rink size would have a capacity for about 32 people based on 100 sq. ft. per person.

Member Wertz gave a presentation regarding the ice rink and stated there were two proposed chiller locations, a 40' x 50' rink under the band shell or a 30' x 80' rink on the grassy area of the park. He believed the band shell was the best location for the ice rink with available 3-phase electricity, lighting, sound system, and the ability to hide the chiller behind the band shell. The 40' x 50' rink system under the band shell was roughly \$98,000 for the first year, plus \$2,000 storage and \$6,000 staffing for a total of \$106,000. Member Wertz stated that over the course of three years the cost would be \$152,125. He stated the cost for the 30' x 80' rink on the north end of the park would be \$127,000 for the first year and \$29,000 a year to maintain for a total of \$185,000 for three years.

Chair Barron opened the meeting to public comments regarding the proposals and Mr. Jess and Member Wertz responded to questions from members of the audience.

Mayor Campbell indicated that he liked the chiller proposal. Director Doyle stated that either option would be a large fundraising endeavor. Discussion followed among the Board members regarding both proposals. Member DiMartino believed that money should be spent now to conduct a more sophisticated, reliable survey to really find out whether or not people want this project. He was in favor of the chiller system if funding was available, but if the DDA cannot rely on usage he wondered whether they should go ahead with the program. Member Dipert stated that the ice rink would need to be privately funded and maintained. Member Yaroch stated that the completed survey showed that people believed the rink would be a nice attribute for the community. Discussion followed regarding how much use the rink would receive.

Chair Barron summarized that two members favored the chiller system and six members favored the NiceRink® system. The Board would like to ascertain the possible usage of the proposed ice rink and potential funding sources. Discussion continued regarding resources to determine potential usage of the proposed rink including requesting information from Mt. McSauba and Walloon Lake, and the parents of area elementary/middle school students. Member Yaroch suggested that the rink could also facilitate music downtown during the winter months.

**G. New Business**

1. Promotions Committee Work Plan – Music and Movies in the Park.

Director Doyle stated that the Music and Movies in the Park is an event the DDA has hosted for several years. Chair Barron said that the program was pre-existing to Main Street and funded mainly by private donations for several years.

Maureen Owens, Promotions Committee member, stated that one of the things the Committee wanted to understand was that in years past the DDA assisted in the funding of this project and she questioned whether those funds were still available. Chair Barron responded that these were activities funded by the DDA but they actively sought sponsorships and fundraising. He stated that the Board remained supportive and fundraising effort should raise as much money as possible to sponsor and promote the events.

Motion by Member Kurtz to consolidate the fundraising efforts under the Promotions Committee and to accept the work plan for the Music and Movies in the Park Program. Director Doyle stated that last year the DDA spent \$8,000 on Music and Movies in the Park Program. Chair Barron stated that they needed more information about what funds were raised in the past. Chair Barron summarized that the motion included revising the work plan for a total of \$14,000 with the Committee raising a minimum of \$8,000 and the DDA contributing the remaining \$6,000 if necessary. Motion seconded by Member Dipert. Motion carried by unanimous voice vote.

2. 2016-17 Budget Review Proposal.

Chair Barron stated that the Board was interested in deferring the discussion on this item to a special meeting. Members concurred to schedule a special meeting on Tuesday, January 5<sup>th</sup> at 5:30 p.m. in City Council Chambers. Chair Barron stated that it would be helpful to have the City Treasurer present at the meeting. Director Doyle stated that she would provide a more detailed narrative on the restructuring of the accounts.

3. Organization Committee Fundraising Plan 2016-17.

Director Doyle stated that this item was tied into the 2016-17 Budget. The Board concurred to have this item as the second agenda item on the January 5<sup>th</sup> Special Meeting agenda.

4. Presentation by the Lake Charlevoix Brewing Company (LCBC) Regarding Expansion of Brewery and Brew Pub Operations with the Lease of 109 Bridge Park Drive.

Rich Bergmann, Round Lake Group, LLC, presented background on the renovation of the 111 Bridge Park Drive space for brew pub operations and he introduced Evan Keller, Head Brewer, who is a 2006 Charlevoix High School graduate. Mr. Bergmann noted that the current operation employs 20 young people from Charlevoix and LCBC produced 350 barrels of beer in 33 flavors serving over 35,000 guests in six months.

Mr. Bergmann stated that they have a strategic growth initiative underway and phase one was the launch of LCBC on June 1, 2015. Phase two is a Brewers License & Self-Distribution which includes applying to the Michigan Liquor Control Commission (MLCC) for a Brewers License requiring a separate address from the brew pub. He requested to lease the space vacated by Keweenaw Excursions so that LCBC could “self-distribute”. Mr. Bergmann indicated that several Petoskey and Boyne City restaurants have expressed interest in serving LCBC beer. He said that the third phase of their plan included regional distribution from an offsite location 3-5 years from now. The brew pub and brewery operations would remain in the current location for seasonal favorites while expanding offsite to produce and distribute 2-3 of their beers on a regional basis.

Mr. Bergmann stated that they needed to file for a Brewers License in January in order to be operational by June 2016. He indicated the brew pub has high ratings on the “Untappd” online and mobile application which generates visitors from other areas. He stated that the Tap Room revenue was up almost 50% from the previous year. He requested support and review of the lease to include the proposed additional 600 sq.ft. space, and that the topic be added to the Board’s January 25<sup>th</sup> meeting for approval.

Mayor Campbell felt that there was a problem with noise and traffic flow and he would like to see the space bid out. He stated that he received complaints from people on Hurlbut and Dixon Avenues regarding the noise. Mr. Bergmann stated that there was a City ordinance in place to deal with noise issues. Member Yaroch stated that he

would like the Facilities Committee to review the proposed lease and look at the utilities involved because the heat is included in the lease rate. Director Doyle recommended that the available space be advertised but not use a formal bid process.

Discussion followed regarding the proposal, facilitating the growth of an existing business, parking/traffic concerns related to the Beaver Island Boat Company (BIBCO) and the brew pub operations, and standards/criteria to review applications for the space.

John Kurtz, speaking as a representative for BIBCO, stated that BIBCO was not interested in the space. He indicated that the brew pub was a very good neighbor. Mr. Kurtz stated there were some adjustment problems at first. BIBCO's main concern was not just about the brew pub, but that the DDA needs to be concerned about the parking situation and the traffic flow when the boats are running. He requested dialog between the DDA, new tenant, City and BIBCO regarding traffic and how they were going to handle parking.

Mr. Keller believed that when the brew pub obtains the self-distribution component it will enhance Charlevoix's economy. He stated LCBC is on the radar for breweries, but the self-distribution would increase their exposure and would allow people to know Charlevoix has a brewery.

Director Doyle recommended that the Board agree on a price per square foot regardless of who was interested in the space, and create a set of standards to select the appropriate lessee for the space. Chair Barron stated that the Facilities Committee would be the correct place to work out those details. Member Yaroach stated that he was not sure that a bid was needed in this case. When LCBC came to the DDA for the original space there was no waiting list for people interested in the space therefore, there was no bid process. Chair Barron stated that there were other businesses that have expressed interest in the space.

After discussion, the members of the Facilities Committee concurred to hold a meeting on Monday, January 4<sup>th</sup> at 9:00 a.m. in the first floor conference room at City Hall to determine a set of criteria for advertising the available space.

Member Dipert left the meeting at this time.

**H. Public Comment**

None.

**I. Miscellaneous Business of the Board**

None.

**J. Future Agenda Items**

Member Wertz stated that the new job description was approved for Director Doyle's position and that the Board should discuss an evaluation procedure. The Board concurred with adding this item to the January 25<sup>th</sup> meeting agenda.

**K. Adjournment**

Motion by Member Wertz, second by Member DiMartino to adjourn. Motion carried by unanimous voice vote. Meeting adjourned at 8:12 p.m.

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Joyce Golding/fqgm

City Clerk

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Dan Barron

Chair