

CITY OF CHARLEVOIX
DOWNTOWN DEVELOPMENT AUTHORITY (DDA) MINUTES
Wednesday, September 5, 2012 — 5:30 p.m.
210 State Street, City Hall, Council Chambers, Charlevoix, MI

I. Call to Order

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

II. Roll Call of Members Present

Chair: Hugh Mason
DDA Director: Keith Carey
City Clerk: Carol A. Ochs, City Clerk
Members Present: Dan Barron, Todd Wyett, Kirby Dipert, Fred DiMartino
Members Absent: Jeannine Wallace, Gina Whitney, John Yaroch, Mayor Norman L. Carlson, Jr.

III. Approval of Agenda

Chair Mason asked to add a brief discussion of the fireplace to the end of the agenda. There were no objections.

IV. Inquiry Into Potential Conflicts of Interest

None.

V. Approval of Minutes

Member Barron pointed out an error on p. 1 of the minutes. The Clerk will make the correction.
Motion by Member Barron, second by Member DiMartino, to approve the July 17, 2012 minutes as corrected.
Motion passed by unanimous voice vote.

VI. Public Input, Not Related to Other Agenda Items

Chair Mason called for public comment at 5:32 p.m. There were no comments. The Chair closed public comment at 5:32 p.m.

VII. Old Business

A. Downtown Tree Lighting

DDA Director Keith Carey reviewed the past experiences with the conversion, challenges, care, and maintenance of the downtown Christmas lights. Mr. Carey has been anticipating the earliest opportunity to replace the entire lighting display; he has been hesitant to take a piecemeal approach for replacement using the maintenance funds, and the board has generally agreed to wait for a complete replacement opportunity.

Mr. Carey has been talking to Tom Kladzyk, the lighting expert who had led them on a walking tour and discussed the trees at the previous meeting. Mr. Kladzyk estimates the replacement of lights on the 36 trees currently lit between the drawbridge and Antrim Street, in a better color hue, including removal of existing lights, to be approximately \$22,000. The DDA currently has \$4,500 budgeted for repairs and maintenance for the existing display. This could be applied toward total replacement, if the DDA should choose. Additionally, Mr. Carey explained there had been a miscommunication with the vendor for the purchase of an umbrella table approved by the DDA in May, and the order was never processed. The board could consider the option of rescinding the table purchase and applying those additional funds toward light replacement as well. Mr. Carey stated that this decision does have a time constraint to it. Mr. Carey informed the board that Linda Mason has volunteered to lead a private fundraising drive.

The board discussed the possibility of using lights from another supplier and Council possibly contributing toward the balance of funds needed. During a brief survey of the downtown area earlier today, Ms. Mason managed to get pledges for \$3,400 to be used toward light replacement. The board also discussed trimming the tree canopies. Mr. Carey is not optimistic the trees can be trimmed before a new installation. Mr. Carey and the board discussed how the lights would be installed. Mr. Kladzyk could do a sample tree if the board desires, but it may affect the schedule. Mr. Carey explained that the trees that need repair have not yet been fixed, pending on the board's decision regarding a new installation; he did not want to expend the funds before knowing their decision, but those funds could still be used for repairs if the board decides not to proceed with a new installation.

City Treasurer Rick Brandi reviewed the status of DDA funds, explaining that it was still rather early in the year to look at where they are at. He is not seeing any big differences in the budget. They are a couple of thousand dollars short on the revenue side; their expenditures may be a few thousand dollars under as well. However, the budget includes Personal Property Taxes, which are being considered for elimination. Mr. Brandi reviewed how that could impact the DDA capture and how property values could affect the bonds on East Park. Those bonds are not eligible for refinancing until the call in 2018. Mr. Brandi is concerned about spending anything beyond the budgeted amounts this year.

Chair Mason stated that that if the board moves the money for the table and uses it for the lights, they may not have the money to spend on the table next year.

Member Barron discussed the option of complete removal of existing lights and an alternate downtown fixed location installation. Those lights would be removed annually and stored for future use. Mr. Carey had not fully explored that option, but provided it as a possible alternative.

Member Dipert asked if \$15,000 could get the job done if doing a smaller number of trees (18 or 20). The removal costs and other base costs would still be the same.

Member Wyett proposed doing nothing and getting in a better fiscal position for next year. He thinks they do not have enough information to make the decision for this year.

The board discussed various financing options regarding funding in relation to this and the next budget year. All board members were reluctant to spend next year's funds. Board members expressed concerns that they were making a decision in a vacuum where there were just too many unknowns at this point. The board discussed the importance of trimming trees and the need to add money to the total for that. Member Barron and Mr. Carey stated that trimming would be a general City expense, with Mr. Carey stressing that he would need to work with and defer to Department of Public Works Director Pat Elliott in that matter, but possibly involving Mr. Kladzyk in the conversation to make the trees more amenable to light installation. Member Dipert stated that he thinks the lights need to be replaced this year. The board continued to discuss various financing scenarios. Mr. Carey reminded the Board that the replacement will still need to go out for an RFP and be bid.

Mr. Brandi stated that if the board used their budgeted number of \$4,500 plus the \$5,000 from the table, in addition to outside funds, he thought Council would consider their request. Member Wyett expressed concerns that Council may be unwilling to commit any funds until decisions on the fireplace were final, as they may have to commit funds to the final outcome of that project, and the Council may even ask the DDA to make a donation toward that.

Linda Mason reviewed the status of her fundraising efforts. She spoke in favor of replacing the lights. She thinks that no one will stop to shop in Charlevoix if the town does not look attractive and healthy. Ms. Mason reminded the board that when money was originally needed for trees, private funding came through. She thinks they can come up with the money for lights and tree trimming just from private donations. Our City does not match up with the surrounding communities. She is committed to raising the money for the trees. She said her fundraising efforts so far have been easy because everyone she spoke with supports the project.

Member Dipert pointed out with the \$4,500 and the \$5,000 from the table, along with Ms. Mason's efforts, they had enough money already to light half the trees. Member Wyett told Ms. Mason that if she could raise another \$3,400, he would match anything she raised up to that amount. Member Barron asked Mr. Brandi if they would be better off having the donation money in hand if requesting Council to help with funds. Mr. Brandi agreed that, if they planned to request money from Council, they should have the private donation funds in hand and not just count on pledges. Mr. Brandi reviewed the donation funds could be tracked through the City system.

Member Wyett stated that the tree lights are not enough. The fundraising needs to continue so more can be done next year.

Hans Weimer stated he was unhappy with the tree lights as they exist now. The lights are not noticeable. He thinks the City should either get rid of the lights or have enough lights for people to see and think "beautiful." He proposed checking with other communities to see how they fund their lights. The City used to have more lights. Perhaps the Chamber could be involved. If it can't be done right, the City shouldn't do it at all.

The board generally agreed not to free up the table funds and redirect that money to the lights at this time. They generally agreed for Mr. Carey to hold the table order for 30 days, in case they change their mind and need those funds to make up the difference.

Jodi Bingham asked if the trees in front of her business would be repaired this year. The board confirmed either the lights would be replaced or repaired. Mr. Carey asked for direction regarding whether he should pursue repairs or hold off on using those funds. The DDA's next meeting is September 24, which would be the last week to get on the lighting installation schedule. Council would need to be approached at their September 17 meeting.

Motion by Member Wyett, second by Member Barron, to request staff to establish an account for donations and postpone a final decision on the Christmas lights until the September 24 regular DDA meeting. Motion passed by unanimous voice vote.

Linda Mason again reminded the board that the funds for downtown trees had been privately raised. The City is in competition with all the other cities that have decorated trees.

The board generally agreed that if they had the money in hand, Mr. Carey would approach City Council at their September 17 meeting. The board also agreed Mr. Carey would work with staff to see what could be done about trimming the trees.

Mr. Carey stated that there was an opportunity to apply for a placemaking microgrant from Northwestern Michigan Council of Governments that the tree lighting project could be a good fit for, but this particular grant will be highly competitive. There is no application fee. The board was generally in agreement Mr. Carey should go ahead and apply for the grant.

VIII. Miscellaneous Business

Chair Mason stated that, in spite of what had been said at the September 4 Council meeting, the DDA had never discussed the fireplace item at a meeting and that the members had not made a recommendation. The members did make personal comments regarding the planting of additional trees, saying not to block the view.

IX. Future Agenda Items

None.

X. Adjournment

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

Motion passed by unanimous voice vote. Meeting adjourned at 6:59 p.m.

Carol A. Ochs

City Clerk

Hugh Mason

Chair