

City of Charlevoix
DOWNTOWN DEVELOPMENT AUTHORITY BOARD

Monday, March 28, 2011 – 5:30 p.m.
210 State Street, City Hall, Council Chambers, Charlevoix, Michigan

MINUTES

A) CALL TO ORDER

The meeting was called to order by Chairman Mason at 5:37 p.m.

Members Present: Dan Barron, Norman Carlson Jr., Fred DiMartino, Kirby Dipert, Hugh Mason, Jeannine Wallace and John Yaroach
Members Absent: John Taylor (excused) and Gina Whitney (excused)
Staff Present: DDA Executive Director Keith Carey

B) APPROVAL OF AGENDA

The Board reviewed the agenda.

Motion made by Member Dipert and seconded by Member Wallace to approve the agenda as presented. The motion was adopted by unanimous voice vote.

C) INQUIRY INTO POTENTIAL CONFLICTS OF INTEREST

None.

D) APPROVAL OF MINUTES

1. February 28, 2011 DDA Meeting Minutes

The Board reviewed the February 28, 2011 meeting minutes.

Motion made by Member Barron and seconded by Member DiMartino to approve the minutes of February 28, 2011 as submitted. Motion was adopted by a unanimous voice vote.

E) PUBLIC INPUT, NOT RELATED TO OTHER AGENDA ITEMS

None.

F) OLD BUSINESS

1. First Floor Retail Ordinance Review

City Planner Mike Spencer provided the Board an update on the proposed zoning amendment pertaining to uses of first floor building with entrances on Bridge Street. Since Mr. Spencer last met with the DDA, several proposed language changes have been made and the Planning Commission held a public hearing on the amendments. During the hearing several members of the real estate sales community voiced their support of the proposed changes and also requested allowed uses be further amended to include professional offices. The Planning Commission generally is not supportive of allowing professional offices with entrances on Bridge Street. The proposed ordinance has been amended to include internet cafes, travel agencies and tour guide offices. The proposal also has been modified to include marine retail uses and beauty salons with secondary uses. The amendment can be modified to

remove what is not appropriate. It is staff's desire to have the new ordinance in place to help fill the vacant storefronts.

Mr. Spencer has met with the Retail Committee and presented a letter with their recommendations. The Retail Committee wants to keep the current ordinance language but delete the word "strictly" and replace it with "primarily". The committee also wishes to add restaurants to the list of allowed uses. Mr. Spencer reiterated that the proposed amendments are not being considered because of a particular business wishing to locate on Bridge Street. The proposed amendment also includes language that will permit the Planning Commission to determine if a proposed use is comparable to the other uses allowed in the Central Business District with their front entrances on Bridge Street.

The DDA Board has asked to consider several options:

- Do nothing and leave the current ordinance as is.
- Clarify the current ordinance – if uses such as internet cafes, travel agencies, tour guide offices, marine retail and beauty salons with entrances on Bridge Street are not desired, then amend the proposed verbiage to remove these items. The existing zoning ordinance includes a provision that allows an applicant to appeal the ordinance and permit appropriate discussion and review of the proposed use.
- Approve the proposed language.

Mayor Carlson asked if the Planning Commission or Council would have the final say on the use. Mr. Spencer stated that it could be either way. If desired, the Planning Commission could make a recommendation and then Council would make the final decision.

Member Dipert supports the Retail Committee proposal. The Retail Committee proposes the following language:

5.96. Other Development Regulations.

- (1) Uses developed in the CBD central business district, having their front entrance on Bridge Street shall be used primarily for retail and/or food and beverage service. This shall apply to first floor use only, and does not extend to second floor uses or to other uses sharing the same building.*

Member Yaroch voiced support for allowing vacation rental agencies and tour guide offices with entrances on Bridge Street. There are individuals who look at his employer's (Prudential Preferred Real Estate) listings and ask for information on vacation rentals. This type of service business ties in with the needs of a resort community like Charlevoix. He supports broadening the allowed Bridge Street entrance uses to include ticket sales. He would like to see the vacant store fronts filled.

Mayor Carlson does not support allowing professional offices to have entrances on Bridge Street.

Member Barron voiced concern that permitting professional offices with entrances on Bridge Street could consume the downtown area.

Mayor Carlson reminded the Board that HyettPalma's *Charlevoix Downtown Blueprint 2007* recommendations support businesses on the second floor and on the side streets and lauds Charlevoix for its current ordinance disallowing non-retail uses with entrances on Bridge Street. Member Wallace does not support service businesses with entrances on Bridge Street. She desires the four blocks of Bridge Street to remain retail.

Member Dipert supports the Retail Committee's proposal. First floor businesses with Bridge Street entrances would be allowed to be "primarily" retail and if a bike shop wished to rent bikes, it would be able to do so. There are also some service-related benefits that should be permitted as a secondary use.

Mr. Spencer asked Member Dipert if a salon would be an allowed use. Mr. Dipert did not support allowing salons to occupy first floor spaces with entrances on Bridge Street.

Member Barron supports the allowance of service establishments in the downtown.

Chairman Mason asked for public comments.

Mark Snyder of Prudential Real Estate spoke to the Board. He represents the owners of the former Village Inn Pizza building (227 Bridge Street), one of the empty storefronts in downtown Charlevoix. Prospective tenants are seeking liquor licenses to go with a restaurant operation and financial assistance. At its last meeting, the DDA did not support the pursuit of redevelopment liquor licenses, which severely limits the chances of a new restaurant going into the building. The real estate market has changed and the city is evolving. Businesses are changing and the city is getting smaller. We still want to make limitations on what is allowed in the downtown area. Natural competition for viable businesses will determine who will be successful and remain in the downtown area. The placement of professional offices (doctor and/or attorney offices) will bring individuals downtown to see their physician or attorney and then they will shop in Downtown's stores or eat in Downtown's restaurants. Real estate offices bring people into downtown Charlevoix. It is part of the resort experience. Have we looked at the high downtown turnover rate? We should not be turning viable businesses away. Based on the current ordinance, an office can set up in the rear of a building and a retail area can be located in the front of the same store. He asked the Board to not over-govern the downtown businesses. We should allow a competitive marketplace and look to support the establishment of year-round businesses that enhance the overall community.

Alicia Mosher of Prudential Preferred Properties addressed the Board. She would like to look at other options and open the downtown area to many different types of businesses. She too would like to see a lot of retail shops but feels times have changed. Competition makes businesses sharper and if it is done in the right way, we will all benefit.

City Planner Mike Spencer asked the Board to give the Planning Commission a direction by selecting from the following options:

- The Retail Committee's recommendation to change the language to remove the "strictly retail" phrase and change it to "primary retail" and clarification to permit restaurants with entrances on Bridge Street.
- Accept the draft language as is.
- Modify the draft ordinance language to eliminate some of the permitted uses.

The City Planner asked the Board to review the draft ordinance and the Retail Committee's letter.

Proposed Language:

Section 5.96: Use regulations in the Central Business District for buildings having their front entrance on Bridge Street. This section does not apply to second floor uses.

- (1) Purpose: To create a vibrant retail, and service oriented downtown that promotes and enhances the City's economy by defining specific uses intended to increase consumer traffic.

- (2) Permitted Uses:
 - (a) Food service and beverage uses including grocery stores, restaurants, cafés, coffee shops, bars, taverns, wine bars, breweries, bakeries, delicatessens, bistros and specialty shops.
 - (b) Retail stores selling a wide variety of consumer products having a gross area of less than 5000 square feet. (Excluding appliance stores)
 - (c) Art galleries, frame shops, photography and art studios.
 - (d) Beauty Salons and barber shops as the primary use. Secondary uses may include tanning beds, pedicure or manicure services in the same location.
 - (e) Marine related uses including the sale or rental of boats, marine products, fishing supplies, fishing charter services, tours, cruises, and sailing instruction or tours.
 - (f) Businesses engaged in the sale or rental of movies, bikes, golf carts, mopeds, scooters, or segways.
 - (g) Travel agencies and/or tour guide offices.
 - (h) Internet cafés.
- (3) The Planning Commission, upon request, may determine if a proposed use not listed above is similar to or comparable to the permitted uses in 5.96(2). If the Planning Commission determines a proposed use is not similar or comparable to the permitted uses, the applicant may apply for a special use permit. The Planning Commission may issue a special use permit provided that the proposed use is found to generate commercial activity in accordance with the purpose of this section and it meets the requirements for special uses in Article IX. Special Use Permits.

The Board members voiced their opinion on the proposed ordinance.

Member Yaroch voiced support of the proposed ordinance and asked that additional language be added to allow other types of rental businesses as the Planning Commission deems appropriate.

Member Dipert supports the Retail Committee's recommendation. He also supports the inclusion of items (a) food service and beverage uses including grocery stores, restaurants, cafés, coffee shops, bars, taverns, wine bars, breweries, bakeries, delicatessens, bistros and specialty shops; (b) retail stores selling a wide variety of consumer products having a gross area of less than 5000 square feet. (Excluding appliance stores) and (c) art galleries, frame shops, photography and art studios and paragraph (3) be included allowing the Planning Commission to determine if a use was similar.

Member Barron agreed with the proposed ordinance as drafted.

Chairman Mason voiced support of the Retail Committee's proposal.

Mayor Carlson supports the proposed amendment. He strongly supports permitted uses a-c and does not oppose items d-h. Mayor Carlson voiced support of keeping paragraph (3) for the Planning Commission and City Council to hold a public hearing and determine whether the proposed use was similar to or comparable to the allowed uses listed in the ordinance.

Member Wallace agreed with the Retail Committee's proposal and supports a) food service and beverage uses including grocery stores, restaurants, cafés, coffee shops, bars, taverns, wine bars, breweries, bakeries, delicatessens, bistros and specialty shops. (b) retail stores selling a wide variety of consumer products having a gross area of less than 5000 square feet. (Excluding appliance stores) and (c) art galleries, frame shops, photography and art studios being placed on Bridge Street.

Member DiMartino voiced support of the proposed amendment. He feels that the market will work it out.

G) NEW BUSINESS

None.

I) MISCELLANEOUS BUSINESS

Chairman Mason advised the Board that John Taylor has submitted his letter of resignation from the Board. Mayor Carlson expressed thanks to Mr. Taylor for his years of service on the Board.

J) FUTURE AGENDA ITEMS

K) ADJOURNMENT

Motion made by Mayor Carlson and seconded by Member Wallace to adjourn. Motion adopted by unanimous voice vote.

Meeting adjourned at 6:45 p.m.

Hugh Mason, Chairman

Linda Jo A. Weller, Recording Secretary

Carol A. Ochs, City Clerk