

**CITY OF CHARLEVOIX**  
**DOWNTOWN DEVELOPMENT AUTHORITY (DDA) MINUTES**  
**Monday, January 26, 2015 — 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, Tamie Gillespie, Hugh Mason, Jeannine Wallace

Members Absent: Kirby Dipert, John Yaroch, Todd Wyett

City Staff: Rob Straebel, City Manager; Stephanie Brown, Deputy City Clerk/Treasurer

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

None.

**E. Approval of Minutes**

1. December 8, 2014

Motion by Mayor Campbell, second by Member Mason to approve the December 8, 2014 minutes as presented.  
Motion passed by unanimous voice vote.

2. December 22, 2014

Motion by Mayor Campbell, second by Member Wallace to approve the December 22, 2014 minutes as presented. Motion passed by unanimous voice vote.

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

City Manager Straebel stated that the items in the Report were also listed under New Business and he recommended moving to New Business.

**G. New Business**

1. Election of Officers

Chair Barron stated that this being the Board's Annual Meeting, the DDA is required to elect a Chairman and Vice Chairman.

Motion by Mayor Campbell to appoint Member DiMartino as Vice Chair. Member DiMartino declined the appointment. The motion was not seconded therefore, did not come before the meeting.

Member Mason stated he was willing to be the Vice Chair if so desired by the Board.

Motion by Member DiMartino, second by Member Gillespie to select Dan Barron as Chair and Hugh Mason as Vice Chair for the next year. Motion passed by unanimous voice vote.

2. Outdoor Dining

City Manager Straebel stated that City Council approved the Outdoor Dining Ordinance and guidelines which included a \$50.00 annual application fee. Mayor Campbell commented that he did not like using public property for this purpose. Chair Barron stated that outdoor dining was one of the top priorities when the City went through the "Cool City" process.

3. Selection of New DDA Director

Mayor Campbell stated that he wanted to reduce the hours for the Director position to 24-30 hours a week until the City found out if it was approved for the Select Level of the Main Street Program. He indicated that he was uncertain whether the DDA would receive the 25% of salary/benefit expenses for a full-time Director from the City. Chair Barron stated that the scope of work the Director performed over the past year increased enormously in

terms of the amount of her activities and successes in the position. Chair Barron indicated that it was the will of the Board that the DDA continue to pursue the Main Street Program even if the City is not chosen for the Select Level. He described new programs that were undertaken under the former Director in addition to securing over \$71,000 in pledges and 700 volunteers for the Main Street Program. Chair Barron also listed the new businesses that have opened in town over the past 18 months along with other accomplishments of the former DDA Director, and emphasized that the DDA could not function successfully with a part-time Director.

Mayor Campbell stated that one DDA member had indicated when he was appointed that he could not attend the monthly meetings. Mayor Campbell feels that the member unable to attend meetings should be designated as a "special advisor" to the Board and that that another individual should be appointed to the Board who is able to attend meetings. ~~He also recommended that the Board pass a resolution that if a member missed more than three meetings in six months that the member would be removed from the Board and Chair Barron agreed. He also recommended that the Board pass a resolution that if a member missed more than three meetings in six months that the member would be removed from the Board. Chair Barron agreed that an attendance policy should be established.~~

Chair Barron stated that the DDA Board would double as the Main Street Board in addition to participating in the four Main Street citizen committees. He indicated that the DDA could not administer the Main Street Program without a full-time Director. Member Mason agreed. Member Wallace stated that the accomplishments over the past year show just how much can be done with a full-time Director.

Manager Straebel stated that the candidate selection committee was meeting on January 27 to narrow down the field of 15-16 applicants and interviews will be scheduled the week of February 2<sup>nd</sup>. He indicated that if the position was reduced to part-time, the pool of applicants would shrink significantly and he recommended further discussion with City Council.

Chair Barron opened the item to public comment.

Phil Parr, Main Street Steering Committee Chairman, stated that in order for Charlevoix to be accepted into the Main Street Program at the Select Level the DDA is required to have a full-time Director.

Planner Spencer questioned if anyone had reviewed the list of responsibilities for the Director position. He stated that he had worked with the last two DDA Directors and he explained why he felt it was a full-time position.

Mayor Campbell stated that he could not justify keeping the DDA Director as full-time when the City cannot create a full-time position for the City Clerk.

Jodi Bingham, downtown business owner, stated that she felt it was very scary that the Board is discussing changing the position to part-time and that it would be crippling for downtown if this change were to take place.

The item was closed to the public.

Manager Straebel stated that staff would proceed forward with scheduling interviews for the full-time position. He plans to ask City Council at their February 2<sup>nd</sup> meeting about the part-time vs. full-time position, and if it was determined that the Council did not support funding the full-time position, Staff would bring the matter back to the DDA Board for its decision on funding for the position.

Motion by Member Mason, second by Member Wallace to proceed to fill the full-time position.

Yeas: Barron, DiMartino, Gillespie, Mason, Wallace

Nays: Campbell

Absent: Dipert, Yaroch, Wyett

#### 4. Discussion of Library Funding

Chair Barron read a letter to the Board dated January 26, 2015 from Member Kirby Dipert in which Member Dipert proposed:

- Upon an executed lease with Lake Charlevoix Brewing Company, the DDA should amend its submitted budget to include a payment of \$15,000 to the Library and continue this payment as long as this revenue is present.
- As equalized values increase and/or capture increases, that there be a 50/50 split of those dollars as additional payment to the Library until the \$30,000 annual threshold is achieved.
- With one condition being the DDA's ability to successfully meet its bond obligations in the future.

Chair Barron stated that he feels Member Dipert's proposal was very sound and equitable. It was his understanding that the lease has been signed with the Lake Charlevoix Brewing Company. Chair Barron stated he was fully supportive of working toward reinstating the full annual contribution to the Library. He indicated that if Council decides not to fund the 25% salary/benefit expense for the Director, the DDA would be forced to use its revenues to cover this cost.

Chair Barron opened the item to public comment.

Nancy Porter, 1<sup>st</sup> Ward, stated that the DDA had a total of \$667,000 in cash and investments and she questioned whether some of that money could be used to pay down the DDA's debt to the Library. Manager Straebel indicated that this is an option for the DDA to consider, but advised that dipping into reserves each year was not a prudent idea. Mrs. Porter stated that if the DDA took \$12,400 from its reserves and added it to the \$17,600, the DDA could meet the full obligation for this year. Chair Barron did not support taking money from reserves for this expense given that the DDA's bond payments will be increasing and reserves will be needed in the future to make the debt payments. Rick Brandi, Library Board Treasurer, also cautioned the Board about making this commitment too soon, given the DDA's future bond payments.

The item was closed to the public.

Motion by Member Campbell, second by Member DiMartino to amend the DDA budget to reflect the \$17,600 revenue coming in from the lease agreement with the Lake Charlevoix Brewing Company and to earmark \$15,000 as the contribution to the Charlevoix Library for fiscal year 2015/16, conditioned upon the revenue being present. Motion passed by unanimous voice vote.

## H. Old Business

### 1. Tree Lighting Committee

Manager Straebel stated that he did not attend previous Tree Lighting Committee meetings, but he plans to attend the January 28th meeting. Discussion at the meeting will involve decorating the street poles with garlands, wreaths and lights instead of lighting the trees.

### 2. Charlevoix Brewing Company Lease

Manager Straebel indicated that the lease agreement with Charlevoix Brewing Company has been executed. One important item discussed was whether or not there would be a sewer connection for the beer effluent. Charlevoix Brewing Company will not be putting any materials from the beer process into the sewer system, but will be trucking the effluent out to be used for other purposes.

### 3. Consideration of Keweenaw Excursions Office Agreement

Manager Straebel stated that Staff and Keweenaw Excursions had reached a lease agreement for a yearly rent of \$2,750 for 2015, with the right of first refusal for the second and third years with the monthly rent increasing to \$575 for 2016 and \$600 for 2017. Chair Barron noted that there appeared to be some language missing in paragraph six – Continuity of Service. He proposed changing the second sentence to read: "This covenant shall only be in effect during such periods which the lease agreement between Keweenaw and the City for dockage at the City marina for the boating season is also in effect."

Motion by Member Wallace, second by Member Mason to approve execution of the Keweenaw Excursions office agreement as amended. Motion passed by unanimous voice vote.

**I. Audience – Non-Agenda Input**

Mrs. Porter asked for an explanation as to what comprised the \$27,000 Operating Supplies in the proposed budget. City Manager Straebel explained that the line item included: \$11,000 for electric, water and sewer utilities for Bridge Park buildings, \$13,000 for bathroom cleaning, \$1,000 for office supplies, and \$2,000 for band shell maintenance.

Mrs. Porter felt that it appeared the DDA was taking on the promotion of various festivals and she questioned if this was in competition with the Chamber of Commerce. Member Mason believed that the DDA was not in competition with the Chamber, and Chair Barron stated that the DDA was doing things that the Chamber could not. Mrs. Porter asked for public information regarding the Bridge Drop event including donors and expenses for the event. Chair Barron stated that when the Bridge Drop becomes a DDA event then the information would be public. At present, the event is run by the Charlevoix Convention and Visitors Bureau. Member Gillespie commented that the volunteer work that went into the event was overwhelming.

**J. Miscellaneous Business of the Board**

Chair Barron reported that at the Chamber of Commerce Awards Breakfast two individuals from the City will be acknowledged: one being former mayor Norm Carlson as Citizen of the Year and the other being Linda Weller, Executive Assistant to the City Manager, for excellent Customer Service.

Mayor Campbell reiterated that he feels that the member unable to attend meetings should be designated as a “special advisor” to the Board and that that another individual should be appointed to the Board. Chair Barron responded that it was not in the DDA by-laws to appoint an advisor. He suggested that the member should be thanked for his service to the Board and the Board could consult with the former member when needed. Mayor Campbell stated again that he felt that the Board should have a policy regarding the number of meeting absences a Board member is allowed. Chair Barron agreed.

Manager Straebel introduced the City's new Treasurer, Kelly McGinn, to the Board.

**K. Future Agenda Items**

None.

**L. Adjournment**

Motion by Mayor Campbell, second by Member Mason to adjourn. Motion passed by unanimous voice vote. Meeting adjourned at 6:59 p.m.

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Joyce Golding/fgm City Clerk

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Dan Barron Chair