

CITY OF CHARLEVOIX  
DOWNTOWN DEVELOPMENT AUTHORITY (DDA) MINUTES  
Monday, May 14, 2012 — 5:30 p.m.  
210 State Street, City Hall, Council Chambers, Charlevoix, MI

**I. Call to Order/Pledge of Allegiance**

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: Stephanie C. Brown, Deputy Clerk  
Members Present: Kirby Dipert, John Yaroch, Fred DiMartino, Dan Barron  
Members Absent: Todd Wyett, Gina Whitney, Jeannine Wallace, Mayor Norman L. Carlson, Jr.

**III. Approval of Agenda**

The Board approved the agenda as presented.

**IV. Inquiry Into Potential Conflicts of Interest**

None.

**V. Approval of Minutes**

Motion by Member Barron, second by Member DiMartino, to approve the March 19, 2012 minutes as presented.  
Motion passed by unanimous voice vote.

**VI. Old Business**

**A. Redevelopment Liquor Licenses**

DDA Director Keith Carey reviewed the history of the item for the Board. The primary reason this item is being re-presented to the Board is that property owner John Haggard and business owner Vi Keller Forreider have approached City Council to apply for a Redevelopment Liquor License. City Council noted that there was no recommendation from the DDA; therefore, the DDA is being asked to provide a recommendation to City Council on the establishment of a district.

Upon questioning, Director Carey reported that his colleagues in Michigan communities that have adopted this program in the last year believe that it has helped them create a positive, pro-business atmosphere in their downtown area. Petoskey, Boyne City, and Gaylord are area communities that have all adopted the program.

Director Carey reviewed the State of Michigan requirements for establishing a Redevelopment District: Establishing a district must be done by resolution and communities may include additional restrictions in an accompanying ordinance. As an example of local restrictions, Director Carey provided the requirements established for this type of license in the City of Petoskey, which include a local quota of no more than six licenses and no serving of alcohol after 11 p.m. When reviewing applications for redevelopment liquor licenses, the City of Petoskey has established the following additional guidelines: consideration of the recommendation by their Downtown Management Board, consideration to existing businesses, consideration to new businesses where capital investments greatly exceed the requirements of the Act, and consideration to new businesses that offer a new or unique choice to the mix of establishments within the district. Director Carey also reviewed for the Board that the local municipality will have the final say on individual licenses: Each time a redevelopment liquor license is approved, City Council must pass a resolution stating the specific business and the specific business address.

The Board reviewed the number of liquor licenses within the DDA and within the City limits.

Chair Mason opened the item to public comment at 5:58 p.m.

Terry Left, business owner of Villager Pub, reviewed the written comments of Mr. Arch Wright, Jr., who is opposed to the establishment of a district that would allow additional liquor licenses in Charlevoix.

John Winn noted that to compare Charlevoix to neighboring communities is an unequal comparison. Additionally, Mr. Winn has strong concerns about establishing a system that creates unsustainable levels of competition.

Members Yaroch and Barron discussed whether additional competition would benefit or hurt our community.

Ron Weislik, business owner of Helen's Townhouse noted that there is plenty of competition in Charlevoix with many fine restaurants, and he rarely leaves town for dinner. Mr. Weislik suggested that the downtown storefronts be available to any business, including real estate offices and the like. Many of these types of businesses would like to be in the downtown area.

Amanda Wilkin of the Convention and Visitors Bureau, noted that there are not many dining opportunities for the younger generation and that she frequently goes out of town for dinner. With many open storefronts in the downtown area, focus needs to go to businesses that will draw the younger generation into Charlevoix.

John Haggard, property owner and leasor to Scovie's Gourmet, believes that the DDA should recommend that City Council proceed with the establishment of the district. Property owners in the DDA have "paid their dues" [through an additional tax assessment]. Improvements in the downtown area benefit the entire City, not just ~~members~~ property owners in the DDA. Additionally, Mr. Haggard compares restricting additional competition from restaurants to restricting competition between attorneys, clothing companies, or accountants. Mr. Haggard believes that allowing additional restaurants in town brings additional people to town who may return when they see all that Charlevoix has to offer.

Member Dipert asked for the current cost of a traditional liquor license. Member Barron thought that a license would run between \$50,000 and \$70,000. Member Dipert also noted that one of the State requirements to obtain a redevelopment liquor license is to show an unsuccessful attempt to obtain an existing license.

Vi Keller Forreider-Forreider, business owner of Scovie's Gourmet, noted that there are only 550 moveable/transferable licenses in the State of Michigan. Whether she obtains a traditional license or a redevelopment license, she will pay the State of Michigan fee of \$20,000. Ms. Keller Forreider noted that the license will allow her to expand her business and to increase the number of year-round employees. Additionally, Ms. Keller Forreider has obtained several pages of signatures from patrons that would like to see the district created because they want more choice from local establishments; many of these patrons state that they frequently go out of town for dining. Ms. Keller Forreider believes we should make a greater effort to keep local dollars local. Finally, Ms. Keller Forreider encouraged the Board to "embrace" the concept of the district and not to recommend only one redevelopment license.

Ms. Keller Forreider noted that if her business is unsuccessful, she loses the investment to her license. Mr. Weislik noted that any business that closes its doors for 30 days or more loses its license and therefore its investment.

Member Barron stated that he strongly disagrees with the general comments that there are not enough quality restaurant establishments in Charlevoix. Member Barron also stated that he has no issues with granting a license to Scovie's Gourmet.

Member Yaroch noted that whenever there is a new business in a community, it draws people to the community for the new experience.

Motion by Member Yaroch, second by Member DiMartino, that the Charlevoix Downtown Development Authority endorses the establishment by the Charlevoix City Council of a redevelopment area that adheres to the current boundaries of the Charlevoix Downtown Development Authority district pursuant to Public Act 501 (MCL 436.1521A(1)B) of 2006.

Chair Mason called for voice vote, the results were unclear. Chair Mason called for a roll call vote.

Yeas: Yaroch, Mason, DiMartino  
Nays: Dipert, Barron  
Absent: Wyett, Whitney, Wallace, Carlson

Motion by Member Barron, second by Member Dipert, that relative to endorsement of the redevelopment area that the City Council should consider and implement strict restrictions as to the number of licenses that would be available, restrictions which require businesses to have been in operation within the City or nearby area for a minimum period of time and restrictions as to the number of patrons that would be permitted in a bar/lounge area, and also restrictions as to the hours of service of alcoholic beverages.

Chair Mason called for voice vote, the results were unclear. Chair Mason called for a roll call vote.

Yeas: Dipert, Barron, Mason  
Nays: Yaroch, DiMartino  
Absent: Wyett, Whitney, Wallace, Carlson

#### VII. New Business

None.

#### VIII. Audience – Non-Agenda Input

Mr. Winn noted that original plans for the roof of the Harbor Master building called for approximately ten tables. There are currently four tables. Mr. Winn asked if there would be funds available for additional tables during this budget year. A table, with umbrella, is approximately \$5,000.

Director Carey noted that there are funds in the budget for additional trash receptacles on Bridge Street. These funds could be reallocated to tables. Director Carey was directed to research the availability and cost of tables for this summer. Mr. Winn suggested that the majority of tables should be tavern height, with no more than two out of ten being handicap height.

#### IX. Executive Director's Report

There were no questions regarding the Executive Director's Report, which was included in the agenda packet.

**X. Miscellaneous Business of the Board**  
None.

**XI. Future Agenda Items**

Member Yaroch asked that an update on wi-fi availability be reviewed at the next meeting.

**XII. Adjournment**

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Stephanie C. Brown Deputy City Clerk

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Hugh Mason Chair

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Carol A. Ochs City Clerk