

City of Charlevoix  
**DOWNTOWN DEVELOPMENT AUTHORITY BOARD**

**Monday, October 26, 2009 - 5:30 p.m.**

210 State Street, City Hall, City Council Chambers, Charlevoix, Michigan

**Minutes**

**A) CALL TO ORDER**

The meeting was called to order at 5:32 p.m.

DDA Members Present: Dan Barron, Mayor Norman Carlson Jr., Fred DiMartino, Kirby Dipert, Hugh Mason, Jeannine Wallace, Gina Whitney (arrived at 5:34 p.m.) and John Yarocho

DDA Members Absent: John Taylor (excused)

Staff: DDA Executive Director Keith Carey

**B) APPROVAL OF AGENDA**

The Board approved the agenda as presented.

**C) INQUIRY INTO POTENTIAL CONFLICTS OF INTEREST**

Member Barron advised the Board that he represents Keweenaw Excursions and wished to be excused from any consideration of the matter.

Member Whitney arrived at 5:34 p.m.

**D) APPROVAL OF MINUTES**

1. September 28, 2009 DDA Meeting Minutes

The Board reviewed the minutes. Motion by Member Wallace and seconded by Member Barron to approve the September 28, 2009 minutes as submitted. Motion was adopted by a unanimous voice vote.

**E) PUBLIC INPUT, NOT RELATED TO OTHER AGENDA ITEMS**

Hans Wiemer congratulated the Board on the American Planning Association's Great Places in America award for East Park. He asks that the DDA support another beautification project, the placement of displays in the empty downtown store fronts. Instead of a dark uninviting store window, the empty store fronts could be lit and passerbys could view inviting window displays.

The Board discussed the suggestion. Member Barron voiced support of the idea and suggested that the schools be contacted to decorate and place items in the store fronts. The Mayor wondered if the Historic Society would be willing to participate and display some of their artifacts in the empty store fronts. The Board voiced support of the concept.

**F) OLD BUSINESS**

Member Barron stepped down from the dais.

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### 1. Keweenaw Excursions lease of former USCG space in Bridge Park Building

Director Carey reviewed the proposed office lease with the Board. The lease will be for the 2010 season. The City Council has entered into an agreement with Keweenaw Excursions for dockage. The Keweenaw is a unique business that can bring visitors into the downtown area from neighboring resorts. The lease is similar to the Beaver Island Boat Company's lease with the City.

Dan Barron advised the Board that the proposed dock lease runs from May 18<sup>th</sup> to October 18<sup>th</sup>, 2010.

Director Carey advised the Board that Mr. Funkey has reviewed the lease document. The Board generally agreed that if Mr. Funkey wishes to change the dates of the lease, Director Carey is authorized to make the change.

Motion made by Mayor Carlson and seconded by Member DiMartino to enter into a lease agreement with Keweenaw Excursions for office space in the Bridge Park building. The dates of the lease are flexible and may coincide with the City's dock agreement. Motion was adopted by unanimous voice vote.

Member Barron returned to the dais.

### 2. 108 Park Avenue Property

Chairman Mason reported on the Historic District Study Committee meeting and their recommendations for 108 Park Avenue. The Committee expressed a desire to preserve the building. They are not supportive of removing the building and creating additional parking.

Director Carey advised the Board that the Historic District Study Committee suggested gifting the property to a developer or non-profit entity, who will restore the property or if the building cannot be renovated, then build a new structure that would reflect the building's period architecture. Regretfully, the City Attorney has informed Staff that State law prohibits municipalities from giving property away for less than fair market value. Staff has received an estimate to demolish the building and the estimated cost is \$10,000.

Chairman Mason stated that if the Board entered into an agreement that the building would be used for a specific purpose and that repairs would be made; this may suffice and the building could be given to an individual. Director Carey gave the Board a possible example; if the Charlevoix Historic Society wished to annex the building and make it into a museum, the Board could sell the building for a reduced price. The transaction could be justified if there was a contract that gave City residents reduced admission to the museum.

The Board discussed the concept of selling the front part of the lot.

The Mayor does not feel the building can be renovated. The City paid hundreds of thousands of dollars to renovate the Cemetery Chapel. The shell of the building looks good, but the inside is in poor condition. The building was preserved, but it is not usable.

Member Wallace feels that the Cemetery building was saved to allow it to be used in the future as a Sexton's office or for a Cemetery information kiosk. Regretfully, there are no funds available for the interior work to be done. The interior of the Chapel can be restored in the future.

Chairman Mason reported that the Charlevoix Historic Society contacted him about using part of the building as an office. He gave them some information, but the Society has not contacted him again.

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Member Dipert asked if the Board would consider taking a dual approach on the property for the next 60 days. The Board could look at razing the building and using the entire parcel for parking and also continue to seek an individual/non-profit to restore the building so it is aesthetically pleasing and usable with a drop dead date that the decision would be made. He does not support the DDA placing any more money into the building.

Member Yaroch asked the Board to look at what would be in the best interest of the downtown business community. This section of downtown needs employee parking. The removal of the building and the additional landscaping will improve the area. Using downtown properties for office space is a poor use of the property. The DDA has a study that supports adding parking to this section of downtown. The property could be an asset and not an eyesore to the area.

Mayor Carlson agreed. The DDA should not compete with business/office space owners. If employee parking was created in the area, it would open up the parking areas on the street to shoppers.

Member DiMartino voiced support to construct the parking lot at the same time as the City's Park Avenue infrastructure project.

Director Carey advised the Board that funds from the City's Downtown Parking Fund could be used to help pay for the demolition and parking lot construction.

Member Whitney asked Staff for an estimate on how much it would cost to renovate the building. Mayor Carlson estimated that it would cost between \$80,000-90,000 to redo the electric, water, sewer, foundation, chimney and damaged walls. Member Whitney agreed that the necessary costs were too much. It would be more efficient to construct a new building.

Member Barron agreed that the concept of renovating the building and using it for office space is not very feasible.

Member Yaroch asked the Board to look at the recent renovations of The Rose Cottage. The building has been completely remodeled and has six separate retail/office spaces. It also has adjacent parking. To date, portions of the building are empty.

Member Wallace concurred; the DDA has been seeking to create additional parking between Park Avenue and Clinton Street for over 20 years. The building is an eyesore. If the building is to be saved, it needs to be brought up to Code, which will be very costly. If a parking lot were to be constructed with greenery, she would support the parking lot.

Member Barron stated that the parcel was purchased so that the rear of the lot could be used for parking. Originally, the building was to be preserved, but the lessee failed to step to the table and restore it. There is no one interested in paying to preserve the building. The DDA needs to look at things realistically. The DDA has a parking screen that has been designed by Vic Nelheibel, which would enhance the area.

Member Whitney voiced support for the parking lot. The area has three restaurants, clothing stores and a hair salon, which all need parking. There is very little parking in the area.

Member Barron agreed that the uses in the area have intensified. There is a need for parking in this area.

Executive Director Carey informed the Board that correspondence from Rachel Wright of the Alcove Café has been received asking the Board to preserve the building. He also reminded the Board that the DDA held a public hearing before purchasing the property and developing the entire lot for parking was

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discussed at the hearing.

Mayor Carlson voiced support of the DDA offering the house for sale. The buyer could relocate the house to another site and restore it.

The Board discussed the concept of using the DeWitt Lot for permit parking.

Hans Wiemer voiced concerns that having permit parking areas takes away parking that is needed for the downtown shoppers and visitors. Shoppers bring money into the downtown community. Employees can walk a block or two.

Member Whitney voiced support of creating an employee parking area.

Erin Bemis of the Charlevoix Area Chamber of Commerce voiced support for employee parking. If parking is available, the employees will patronize the downtown businesses.

The Board agreed that the development of 45 parking spaces would be an asset to this area. The parking would be used by the businesses and adjacent churches.

Motion made by Member Yaroch and seconded by Member Whitney to recommend to the City Council that the 108 Park Avenue building be removed or demolished and that we proceed with plans to develop a landscaped parking lot and use funds from the Downtown Parking Fund for the project. The motion was unanimously approved.

Executive Director Carey advised the Board that Street Superintendent Elliott has expressed a desire to work with the DDA to develop the parking lot. He will be meeting with the City Council to advise them of the DDA's desire to remove the house and add additional parking to the parcel. Staff would like to use clean technology (i.e. pavers, rain garden) instead of asphalt to construct the lot.

**G) NEW BUSINESS**

1. \$30,000 Annual Charlevoix Public Library Contribution

The Board reviewed their 2004 motion that the DDA would contribute \$30,000 to the Charlevoix Public Library for twenty years. City Treasurer Brandi is seeking a motion from the Board to authorize the payment of \$30,000 to the Library in the 2009-10 budget.

Motion made by Member Wallace and supported by Member Barron that a \$30,000 payment be made to the Charlevoix Public Library. Motion was adopted by a unanimous voice vote.

**H) EXECUTIVE DIRECTOR'S REPORT**

Executive Director Carey gave a short report on Flurry Fest. He is seeking business and private contributions to assist in minimizing the DDA's event costs. The tent will be erected in East Park, instead of Bridge Street. The event will entice patrons into downtown for the day.

**I) MISCELLANEOUS BUSINESS**

The Board asked for an update on the downtown tree lights. The lights are currently off to allow repairs. The lights will be operational before Halloween and will be lit downtown from Antrim to the drawbridge.

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The installer has a lot of community pride and is working to ensure that costs are kept to a minimum.

**J) FUTURE AGENDA ITEMS** None.

**K) ADJOURNMENT**

Motion made by Member Wallace and seconded by Member Yaroch to adjourn. Motion was adopted unanimously.

Meeting adjourned at 6:53 p.m.

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Hugh Mason, Chairman

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Linda Jo Weller, Recording Secretary

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Carol A. Ochs, City Clerk