



AGENDA
CHARLEVOIX DOWNTOWN DEVELOPMENT AUTHORITY AND MAIN STREET SPECIAL MEETING
Friday, February 28, 2020- 8:00 AM
City Hall - Council Chambers

- 1. Call to Order**
- 2. Pledge of Allegiance**
- 3. Roll Call**
- 4. Inquiry Regarding Conflicts of Interest**
- 5. Consent Agenda**

All items listed under Consent Agenda are considered routine and will be enacted by one motion. There will be no separate discussion of these items. If discussion of an item is required, it will be removed from the Consent Agenda and considered separately.

- 6. Reports**
- 7. Old Business**
 - A. Lease Negotiations for 109/111 Bridge Park Drive
Lindsey Dotson, Executive Director
- 8. New Business**
- 9. Public Comment**
- 10. Request for Future Agenda Items**
- 11. Board Comments**
- 12. Adjourn**

The City of Charlevoix will provide necessary reasonable auxiliary aids and services, such as signers for the hearing impaired and audio tapes of printed materials being considered at the meeting, to individuals with disabilities at the meeting upon one week's notice to the City of Charlevoix. Individuals with disabilities requiring auxiliary aids or services should contact the City of Charlevoix Clerk's Office in writing or calling the following: City Clerk, 210 State Street, Charlevoix, MI 49720 (231) 547-3250.

CHARLEVOIX MAIN STREET MISSION

The mission of the Charlevoix Main Street program is to strengthen the year-round economic vitality of our vibrant historic business district through community efforts, events, and public/private

partnerships while fostering a sense of community pride and ownership.

DDA/Main Street Board
210 STATE STREET CHARLEVOIX , MICHIGAN 1 49720
Charlevoix Main Street DDA
(231) 547-3257 lindseyd@cityofcharlevoix.org

Old Business

TITLE: Lease Negotiations for 109/111 Bridge Park Drive

DATE: February 28, 2020

PRESENTED BY: Lindsey Dotson, Executive Director

BACKGROUND:

During our regular meeting on Monday, February 24th, a presentation was heard from Long Road Distillers for the 109/111 Bridge Park Drive space. The Board voted to approve the concept and begin lease negotiations.

Staff is working on modifying/drafting lease based on the last lease that was held in the space. Once complete and reviewed by the Executive Committee, it will be given to the City Attorney for review.

To be discussed:

- Rent rate agreeable to both parties
 - Long Road cannot exceed \$1,700 per month (\$7.31 per sq ft)
 - Recent conversations with commercial appraisers put downtown rents NOT on Bridge Street at approx. \$9 per square foot
 - Square footage of the space is 2,791
 - If we went to \$7 per sq. ft the annual lease payment would be \$19,537 or \$1,628 per month
 - We had been collecting \$1,746 from Round Lake Group/LC Brewers and that was our last counter offer
- Renewal terms
 - Initial request was Initial term of 3 years, with five 3-year options to renew, and lease rate keyed to CPI increase
 - 3 year lease with one 3 year
 - City Charter lease length limitations do not apply to this property
- Clause re: coronavirus
- Rent to begin once MLCC license in hand - but consider a possible cut-off date - June or July?
- Door replacement - estimate came in at \$5,472. Mike's Glass is currently working on an estimate and should have it to us by Friday afternoon.

RECOMMENDATION:

Motion to draft a lease including \$_____ rent rate, _____ terms, and send to City Attorney to review.

ATTACHMENTS:

- ☐ Long Road Distillers Presentation
- ☐ Proposal Letter

▢ Charlevoix Glass Estimate

LONG ROAD DISTILLERS

CHARLEVOIX TASTING ROOM

109 // III BRIDGE PARK DRIVE
CHARLEVOIX, MI 49720

*Presentation to the Main Street / DDA Board of Directors
Monday, February 24, 2020*

*Kyle VanStrien & Jon O'Connor
Co-Founders, Co-Owners*



Mission & Vision



“To create world-class spirits from Michigan-grown ingredients without taking shortcuts along the way”

- We take the long road by sourcing the best base ingredients Michigan has to offer from farmers we know by name, and then turn them into spirits truly worthy of people’s admiration.



Company Background



- Incorporated February 14, 2014
- Opened Grand Rapids distillery, cocktail bar and restaurant in May 2015
- Opened Boyne City Tasting Room in November 2018
- Opened Grand Haven Tasting Room in July 2019
- *Desired open of Charlevoix Tasting Room in May 2020*



Portfolio Overview

an award-winning portfolio of Michigan-made spirits...



**Long Road
Original Vodka**

80 proof
\$19.99



**Long Road
Original Aquavit**

90 proof
\$29.99



**Long Road
Dry Gin**

90 proof
\$29.99



**Long Road
MICHIGIN**

90 proof
\$32.99



**Long Road
Straight Bourbon**

93 proof
\$44.99



**Long Road
Amaro Pazzo**

57 proof
\$34.99



**Long Road
Raspberry Liqueur**

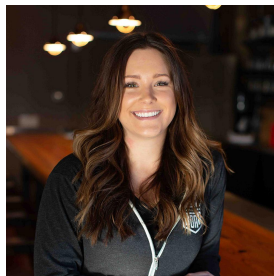
55.6 proof
\$34.99



Meet the Team

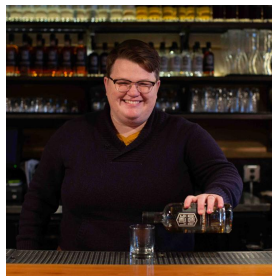


- Our management team who will play a role in the success of Long Road Distillers - Charlevoix



Jenna Smeltzer
Northern MI Manager

jenna@longroaddistillers.com
231-651-9937



Jenney Grant
Operations Manager

jenney@longroaddistillers.com
616-820-5427



Jon O'Connor
Co-Owner, Co-Founder

jon@longroaddistillers.com
616-450-5649



Kyle VanStrien
Co-Owner, Co-Founder

kyle@longroaddistillers.com
269-377-5489

- We anticipate an additional 10-25 employees, depending on the season.

Charlevoix Tasting Room Concept



- Curated menu of craft cocktails, featuring Michigan-made spirits and seasonal, locally grown ingredients
- Limited selection of high-quality, quick-service food - snacks, salads, sandwiches - to complement beverage offerings
- Retail of bottles-to-go, distillery apparel and merchandise, and non-alcoholic products



Facility Improvements



- Update “game room” to be utilized as retail space and tasting room
- Reorganization of “back-of-house” to better suit LRD needs, including product storage, barrel display, prep kitchen, etc.
- Repair of bar; plumbing, etc.
- *Replacement of southernmost entry door to glass/anodized commercial storefront door*



Development Timeline



- February 24, 2020 - Charlevoix Main Street / DDA Consideration
- March 1, 2020 - lease executed for 109 / 111 Bridge Park Dr
- March 1, 2020 - licensing applications submitted to MLCC and MDARD
- March 7 - April 15, 2020 - facility updates and improvements
- March 9, 2020 - Charlevoix City Council consideration
- April 13 - 30, 2020 - staff hiring, onboarding, training
- April 28, 2020 - MLCC approval
- April 29, 2020 - MDARD approval
- April 29, 2020 - Occupancy granted
- May 1, 2020 - Soft Opening
- May 2, 2020 - Grand Opening



Proposed Terms of Agreement



- Lease rate of \$1,400 per month (*payments to commence 15th of month following final MLCC approval*)
- Initial term of 3 years, with five 3-year options to renew, and lease rate keyed to CPI increase
- Tax rate for space not to exceed \$6,000 per year for real property during initial term
- Lease agreement to be signed and executed effective March 1, 2020
- *Considerations for: unforeseen real property modifications made apparent at time of possession; bathroom facility upkeep and maintenance; sidewalk maintenance*



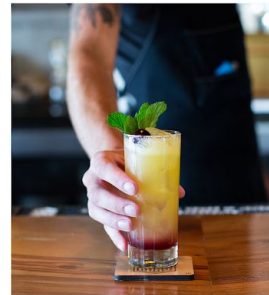
LONG ROAD DISTILLERS

CHARLEVOIX TASTING ROOM

109 // III BRIDGE PARK DRIVE
CHARLEVOIX, MI 49720

*Presentation to the Main Street / DDA Board of Directors
Monday, February 24, 2020*

*Kyle VanStrien & Jon O'Connor
Co-Founders, Co-Owners*



Long Road Distillers Proposal for Charlevoix, MI (109/111 Bridge Park Drive)

Long Road Distillers LLC
537 Leonard St NW,
Grand Rapids, MI 49504

February 10, 2020

Charlevoix DDA / Main Street
Attn: Board of Directors
210 State Street
Charlevoix, MI 49720

To the Members of the DDA / Main Street Board:

On behalf of the entire Long Road Distillers Team, we are pleased to submit to you our formal proposal to occupy the space at 109 and 111 Bridge Park Drive in Downtown Charlevoix for the purposes of establishing a Distillery Tasting Room, Retail Shop and Cocktail Bar. Northern Michigan, and Charlevoix in particular, hold a special place in the heart of our business and we eagerly anticipate the opportunity to join your community.

Founded in 2015, Long Road Distillers is an award-winning craft distillery producing a full line-up of Michigan-made spirits. As our name implies, we're committed to taking the long road in all aspects of our business, and utilize Michigan-grown ingredients in our spirits whenever possible, without taking shortcuts. For the past four years, our team has traveled via ferry to Beaver Island to hand-pick 100% of the juniper used in the making of our all-Michigan-ingredient gin, MICHIGIN. The prospect of becoming neighbors with the Beaver Island Boat Company makes this the perfect fit for us in town.

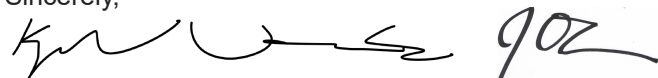
Here are our proposed terms of agreement between Long Road Distillers and the Charlevoix DDA/Main Street Program for the space known as 109/111 Bridge Park Drive:

- Lease agreement to be signed and executed effective March 1, 2020.
- Lease rate of \$1,400.00 per month, with monthly lease payments to begin upon final approval of licensing by the Michigan Liquor Control Commission.
- Initial term of three years, with five three-year options to renew, with lease-rate keyed to CPI increase.
- Tax rate for space not to exceed \$6,000 per year for real property for initial term.

In addition, we request your consideration of replacing the existing metal door at the southernmost entrance of the space with a traditional glass entry door with sidelights, comparable to the entry doors for the shared lobby between the Beaver Island Boat Company and the space in question. We believe this will make a significant difference in the viability of the space, creating a much more welcoming entrance for guests and the general public.

Please let us know if you have any questions regarding this proposal. We look forward to partnering with you on this project, and eagerly anticipate joining you in Downtown Charlevoix!

Sincerely,



Kyle VanStrien & Jon O'Connor
Long Road Distillers

To: CITY OF CHX ATTN. LINDSEY	An Estimate from CHARLEVOIX GLASS 06837 US 31 South CHARLEVOIX MI, 49720 (231) 547-3450 Fax (231) 547-1101 www.charlevoix-glass.com
Email/Fax: LINDSEYD@CHARLEVOIXMI.GOV	
Date: 2/25/2020	
Regarding: BREWERY DOOR	
Comments: 0 Pages to follow	

1- CUSTOM SIZE BRONZE ALUMINUM RAMCO COMMERCIAL DOOR WITH SIDELITES ON EACH SIDE. STANDARD 36" DOOR, 10" ADA KICK PANEL, HEAVY DUTY LCN CLOSER WITH DROP PLATE, STANDARD 1" OFFSET WIRE PULL/PUSH, STANDARD MS LOCK WITH EXTERIOR CYLINDER& THUMB TURN ON INTERIOR, OFFSET PIVOTS, AND OTHER STANDARD HARDWARE. INSTALLED: \$ 5,472.50 WITHOUT TAX

INSTALLED: \$ 5,633.45 WITH SALES TAX

******THIS IS AN ESTIMATE ONLY DO TO CONCRETE OPENING.**

TERMS: Estimate valid 30 days. 50% deposit required upon ordering and remaining after completion. If credit card is used a 2.5% service charge will be applied. Estimate accepted by:

Name

Date

THANK YOU!