

**CITY OF CHARLEVOIX**  
**DOWNTOWN DEVELOPMENT AUTHORITY/MAIN STREET MEETING**  
Monday, July 27, 2020 at 5:30 p.m.  
Council Chambers, City Hall

**1. Call to Order**

**2. Pledge of Allegiance**

**3. Roll Call**

Chair: Maureen Owens  
Members Present: Sam Bingham, Sean Bradley, Richard Christner, Kirby Dipert, Luther Kurtz, Paul Silva, Amanda Wilkin  
Non-Voting Member: Liam Dreyer  
City Staff: Lindsey Dotson, Executive Director

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

**5. Consent Agenda**

- A. Monthly Report
- B. Committee Minutes
- C. AmeriCorps VISTA Memorandum of Understanding
- D. Match on Main Grant Agreement with MEDC
- E. Minutes

Motion by Member Bradley, second by Member Christner to approve the Consent Agenda items as presented. Motion passed by unanimous voice vote.

**6. Old Business**

**A. Long Road Distillers Lease Discussion**

Member Christner recalled that at the last meeting he talked about the fact that they were looking at not wanting to pay rent for 2020 with an agreement to come to town and sign an extended lease for 2021 as a two-year lease with options to renew at a base rent of \$500 per month and 3% of gross sales.

Member Christner stated that due to the concern of how seasonality would affect the proposed monthly cap and the proposed percentage of gross revenue being low, he suggested something closer to industry standard at 6% with an annual cap of \$35,000 for the initial two year term as long as they stayed open year-round. He has not heard back from Mr. O'Connor at this point. He stated that he needed to know if the Board was interested in the model he proposed or did they want to go back to the \$1,700 per month model. He stated that if he hasn't heard back from the company by the next meeting that they post the property and continue to see what their legal remedies would be in the event that they would owe the DDA rent into the future.

Member Christner responded to questions from the Board about the available options, and that Long Road Distillers would not owe the DDA any rent while Michigan had a State of Emergency in effect which was set to expire on August 11, 2020. Discussion followed regarding whether to post the property for another possible tenant. Chair Owens stated that she had also forwarded information to the Board related to Long Road Distillers Violation History from the *Michigan Department of Licensing and Regulatory Affairs*.

The item was opened for public comments:

- Darlene Kline felt it was ill-advised to wait on this possible tenant and not receiving any rent from this property. She suggested changing the location to an arts venue or give it to The Vault.

The item was closed to public comments.

Chair Owens stated that there were only two violations that they received from the *Michigan Department of Licensing and Regulatory Affairs*. Discussion followed regarding that the company had not applied for their liquor license from the City.

The consensus was for Member Christner to continue discussions with Long Road Distillers and give them a time limit to respond, while also adding the liquor license application to the City Council's meeting agenda.

**A. Budget Update/Status re: changes related to COVID-19**

Director Dotson reported that they were at about a \$24,480 shortfall in the budget compared to how they started the year thinking it would be closer to \$15,800. She stated that they were still awaiting information from the County on tax collections.

**7. New Business**

**A. Sponsorship/Funding Requests**

Director Dotson stated that they had received two requests for funding from the Venetian Festival and CharlevoixCam. Member Bradley questioned why CharlevoixCam was not choosing to put ads on their livestream. He stated that YouTube requires about

4,000 watch hours and they have about 88,000. It was noted that adding ads to the livestream could bring in an estimated annual revenue of \$16,000.

Discussion followed regarding CharlevoixCam who were asking for a one-time \$2,500 donation and to consider a yearly donation of \$500. The Board concurred not to fund the request for this year and to suggest to them to look at adding short ads to the livestream.

The Board discussed the funding request from the Venetian Festival and determined that with the budget deficit they were unable to fund the request. Member Dipert stated that the DDA had budgeted \$10,000 for sponsorships, but Director Dotson stated those funds were removed due to reduced income. Mayor Kurtz stated that the DDA should not take any sponsorship requests for the remainder of the budget year. Member Dipert stated that they should not advertise available funds but should consider requests as necessary with the understanding that the Board was facing a deficit and the Board concurred.

**B. Downtown Charlevoix COVID-19 Support Fund Grant Application**

Director Dotson stated that they had received applications from eight businesses, of which, seven were eligible for funding. The Economic Vitality Committee unanimously supported recommending that each eligible applicant receive \$3,000 to split the total amount raised (\$21,000) evenly among them.

Motion by Member Christner, second by Member Dipert to approve granting \$3,000 to each of the seven eligible grant applicants per the recommendation from the Economic Vitality Committee, which include Celeste Murdick's Fudge, BLOOM Floral Design, The Salad Fork, Round Lake Bookstore, Weathervane Terrace Inn, Hotdoggers, and That French Place. Motion passed by unanimous roll call vote.

**B. Holiday Lighting/Tree Lights Update**

Director Dotson stated that Holiday Lighting is the company that handles all of the maintenance and installation of tree lights and holiday tree lights in East Park. She stated that there were two items for the Board to discuss:

1. Buying new white lights to go into the fresh garland that Bill's Farm Market supplies. At \$18 a strand they would be the same color/type of commercial grade lights that they have in the trees.
2. Ongoing maintenance of the holiday lights in the trees in East Park.

Director Dotson stated that the total cost would be \$1,008, the budget included \$2,083 for light maintenance this year and as of right now no additional maintenance needs have been identified.

Director Dotson stated that the second item proposes a phased tree light replacement plan that would start next fiscal year and last for the following two years which would equate to spending approximately \$10,000 per year for the next three years plus additional maintenance needed on lights not being replaced to keep them in working order; then the fourth year they would replace the Christmas Tree lights in East Park since they were just installed in 2018.

Director Dotson proposed that they start a new pledge campaign entitled "Illuminate Downtown Charlevoix" and the Board concurred.

The item was opened to the public for comment and there were no public comments.

Motion by Member Wilkin, second by Member Christner to approve purchasing commercial grade lights from Holiday Lighting for the garland on the light poles at \$18 per strand. Motion passed by unanimous voice vote.

**8. Reports**

**A. The Vault Coworking Space Update**

Director Dotson stated that the lease for The Vault is up on November 1<sup>st</sup> and they would need to notify their landlord of their plan either to renew or vacate by September 1<sup>st</sup>. She also announced that Jayne Lynskey, AmeriCorps VISTA Member, had decided to renew her service term with AmeriCorps VISTA and will be serving for another year.

Member Silva questioned if there was any interest in not renewing this lease, but instead moving The Vault to the space the DDA had downtown that may be available. Chair Owens stated that the start-up expense/buildout cost for the other space may be substantial and the Board would need to look at a cost estimate to make the space workable for The Vault.

**B. Director's Report**

Chair Owens referenced the Streetscape and Walkability Study for Downtown Upgrade and noted that Council suggested the DDA pay 50% of the cost. She stated that she didn't know the actual cost yet.

**9. Public Comments**

Darlene Kline questioned if the previous tenant had paid everything that was owed would the DDA have a deficit. Director Dotson stated that the rent was paid.

**10. Request for Future Agenda Items**

Mayor Kurtz requested a list of things that would potentially help address the budget deficit for this year. Director Dotson stated that she could bring that list to the next meeting.

11. **Board Comments**

12. **Adjourn**

Motion by Mayor Kurtz, second by Member Christner to adjourn the meeting at 6:32 p.m. Motion passed by unanimous voice vote.

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Joyce Golding/fgm

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Maureen Owens

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Chair