



Agenda
City of Charlevoix Downtown Development Authority Meeting
Monday, October 28, 2024 - 5:30 PM
Council Chambers, City Hall

- 1. Call to Order**
- 2. Pledge of Allegiance**
- 3. Roll Call**
- 4. Inquiry Regarding Conflicts of Interest**
- 5. Consent Agenda**
 - A. Executive Meeting Minutes 06/19/2024 & Regular Meeting Minutes 08/14/2024
- 6. Reports**
 - A. Director's Report
Mark Heydlauff, City Manager
- 7. Old Business**
 - A. Alley Improvement Grant- 211 Bridge Street
Mark Heydlauff, City Manager
- 8. New Business**
 - A. Downtown Bathrooms
Mark Heydlauff, City Manager
 - B. DDA Agreement with the Charlevoix Public Library
Mark Heydlauff, City Manager
 - C. Partnership Agreement with the Charlevoix Area Chamber of Commerce
Mark Heydlauff, City Manager
 - D. Concerts in the Park
Mark Heydlauff, City Manager
 - E. Marketing Opportunities and Requests
Mark Heydlauff, City Manager
- 9. Public Comment**
- 10. Request for Future Agenda Items**
- 11. Board Comments**
- 12. Adjourn**

Persons with disabilities who need an accommodation to fully participate in these meetings should contact the City Clerk's Office at 231-547-3250 or by email clerk@charlevoixmi.gov. A 24-hour notice may be needed for certain accommodations. An attempt will be made to grant all reasonable accommodations requests.

Charlevoix Downtown Development Authority

Consent Agenda

Title: Executive Meeting Minutes 06/19/2024 & Regular Meeting Minutes 08/14/2024

Date: October 28, 2024

Presented By:

Background:

Recommendation:

Motion to approve the minutes as presented.

Attachments:

1. DDA Executive Meeting Minutes 06/19/2024
2. DDA Regular Meeting Minutes 08/14/2024

City of Charlevoix
Downtown Development Authority Meeting Minutes
Wednesday, June 19, 2024 - 3:00 PM
Council Chambers, City Hall

1. Call to Order

Chair Owens called meeting to order at 3:00 p.m.

Chair: Maureen Owens
Members Present: Kirby Dipert, Mayor Lyle Gennett, Ron Way
Staff Present: Lindsey Dotson, DDA Executive Director

2. Roll Call

3. Inquiry Regarding Conflicts of Interest

4. New Business

- A. Lease for 107 Bridge Park Drive space
Lindsey Dotson, DDA Director
The Executive Committee approved the lease for 107 Bridge Park Drive.

5. Public Comment

6. Adjourn

Chair Owens adjourned the meeting at 3:03 p.m.

Maureen Owens Chair

City of Charlevoix
Downtown Development Authority Meeting Minutes
Wednesday, August 14, 2024 - 5:30 PM
Council Chambers, City Hall

1. Call to Order

The meeting was called to order by Chair Owens at 5:30 p.m. followed by the Pledge of Allegiance.

2. Pledge of Allegiance

3. Roll Call

Chair: Maureen Owens

Members Present: Kirby Dipert, Liam Dreyer, Mayor Lyle Gennett, Paul Silva, Ron Way

Members Absent: Sam Bingham, Anne Oosthuizen, Danielle Scheller

Staff Present: Mark L. Heydlauff, City Manager

4. Inquiry Regarding Conflicts of Interest

5. Consent Agenda

Motion by Member Dipert, seconded by Member Dreyer to approve the Consent Agenda as presented.

Motion carried by unanimous voice vote.

A. Meeting Minutes from April 22, 2024

Motion to approve the minutes as presented.

6. Reports

A. Director's Report

Mark Heydlauff, City Manager

City Manager Heydlauff presented information on the Director's report.

7. Old Business

8. New Business

A. Appointment of Interim Director

Mark Heydlauff, City Manager

Motion by Member Silva, seconded by Member Dreyer to appoint Mark Heydlauff as the Acting Director of the Charlevoix Downtown Development Authority.

Motion carried by unanimous voice vote.

B. Meeting Days and Times

Mark Heydlauff, City Manager

City Manager Heydlauff stated it has generally been assumed that the DDA should meet on the 4th Monday of the month, but that does not have to be the case moving forward. Mr.

Heydlauff stated that he would put out a poll to Board Members to explore what days and times work best for everyone.

C. Partnership Agreement with Charlevoix Area Chamber of Commerce

Maureen Owens

Chair Owens stated she and City Manager Heydlauff met with Sarah Van Horn, President of Charlevoix Chamber, and Amanda Wilkin, Executive Director of Visit Charlevoix to discuss possible collaboration of some of the duties of the DDA Director and the consideration of not having a full-time director. Chair Owens agreed with the idea of the City Manager/Director handling the business side of the DDA. The other side includes the programming and event-oriented responsibilities which could be handled by the Chamber and Visit Charlevoix. Chair Owens stated both the Chamber and Visit Charlevoix seemed agreeable to the idea. Chair Owens stated that there would need to be a discussion on whether the Chamber was able to act on some events more directly focused on the downtown businesses in addition to Chamber-sponsored events, and then there needed to be discussion of what kind of financial reimbursement would be needed to the City for the Director's time and to the Chamber for their support.

Discussion was held regarding a possible trial period, how such collaboration would affect the Chamber's membership, other communities with DDAs, and future grant opportunities. Mr. Heydlauff stated that when you have a full-time employee, the activities expand to fit the position, so if the DDA looked at how they prioritize what is really important, this arrangement could work well. City Manager stated the DDA was paying 90% of the all in cost of Lindsey Dotson's employment, with the City covering 10% for the historic preservation work. Mr. Heydlauff stated he could bring back proposals for the Board's consideration, and he stressed the importance of prioritizing their projects and events going forward.

Motion by Member Silva, seconded by Mayor Gennett that Mark Heydlauff as the Acting Director at the next meeting provide some proposed outlines of how the DDA Board can move forward with contracts with some of the other offices in the City.

Motion passed by unanimous voice vote.

D. Creation of Committees to Discuss and Review future TIF Projects at the Marina and Downtown Kirby Dipert

Member Dipert stated the Marina and East Park was dedicated in 2007 and the planning prior to that took at least 3–4 years. The current TIF is expiring in 2026, so the Board needs to begin preparing.

Discussion followed regarding the Marina's future and what an ad hoc committee could be looking at in preparation for the TIF. City Manager Heydlauff stated the City Council should be engaged for the direction the Council would want the DDA to focus on specifically related to the Marina. Mr. Heydlauff stated that a significant portion of the existing TIF has gone toward the creation and construction of the existing marina, and the DDA might consider that the future TIF includes the provision of maintenance and continued use of the marina and the park will be a DDA priority going forward. City Manager Heydlauff stated that a TIF is a vehicle to fund projects the DDA brings forward.

Discussion followed regarding whether a subcommittee should be formed to research projects

at the marina that could possibly be funded by TIF funds.

No action was taken by the Board.

9. Public Comment

10. Request for Future Agenda Items

11. Board Comments

Chair Owens stated they needed to set a date for the next meeting. City Manager Heydlauff stated he would poll the members on meeting days and times and set a date from there.

12. Adjourn

Chair Owens adjourned the meeting at 6:20 p.m.

Charlevoix Downtown Development Authority

Reports

Title: Director's Report

Date: October 28, 2024

Presented By: Mark Heydlauff, City Manager

Background:

A. Downtown Lights

Holiday Lighting has completed their maintenance work for the year on the trees and also the Christmas Tree at the corner of Clinton and Bridge. A few days before Thanksgiving, they will check everything over for the annual lighting.

B. Gift Local Shopping Promotion

As I advised you, we applied for the raffle license from the State on September 27. The license has been received and I've begun working with Village Graphics to have the tickets printed.

C. 109 Mason Street RFP for Redevelopment

We have been working with the Chamber, Visit Charlevoix and the MEDC on redevelopment prospects for 109 Mason Street (which is the current home of the Chamber and Visit Charlevoix). The City Council reviewed the development RFP; it is attached for your review. It is in the process of being distributed now with responses due in mid-January.

Recommendation:

Attachments:

1. 109 Mason Street Development RFP

REDEVELOPMENT READY SITE

109 MASON CHARLEVOIX, MICHIGAN

PREDEVELOPMENT SERVICES





PAST

Source: 99.1 WFMK



Source: Petoskey News-Review



Source: Britannica



PRESENT

Source: Visit Charlevoix



FUTURE

TABLE OF CONTENTS

TABLE OF CONTENTS

DEVELOPMENT OPPORTUNITY	01
COMMUNITY OVERVIEW	02
MARKET CONDITIONS AND OPPORTUNITIES	04
SITE OVERVIEW	08
CURRENT PLANS	10
SITE UTILITIES AND LOCAL SUPPORT	11
PRELIMINARY DEVELOPMENT SCENARIO	12
PROJECT INCENTIVES	19



109 MASON CHARLEVOIX, MICHIGAN

The City of Charlevoix seeks a development partner for the construction of 109 Mason located in the heart of Charlevoix. The City is eager to work with qualified respondents in negotiating a mutually beneficial arrangement for this one-of-a kind opportunity.



**MICHIGAN ECONOMIC
DEVELOPMENT CORPORATION**



Prepared by
SmithGroup and
Mission North.

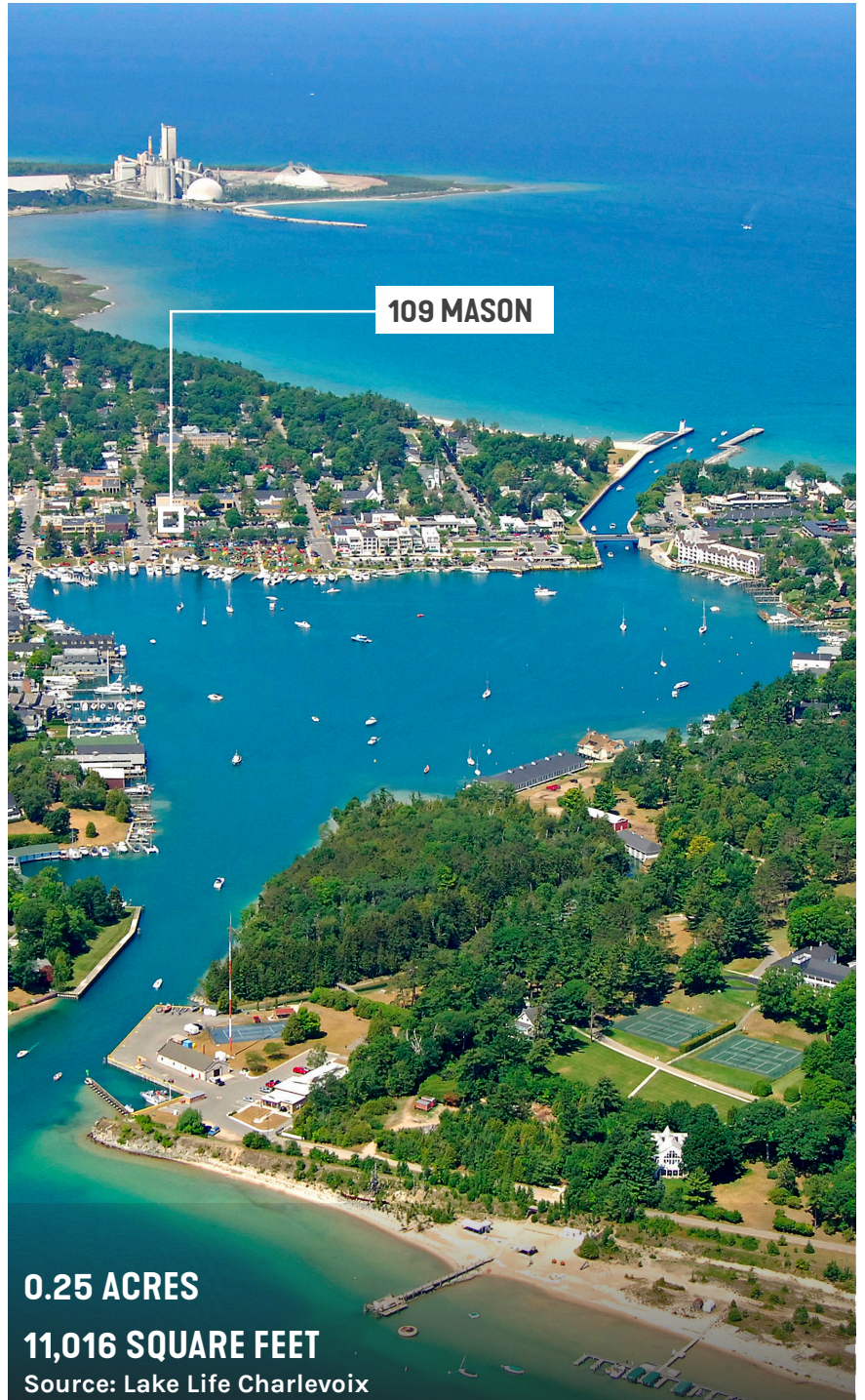
DEVELOPMENT OPPORTUNITY

CHARLEVOIX IS A DESTINATION WATERFRONT COMMUNITY, WITH A HOMETOWN FEEL. 109 MASON IS A MIXED-USE OPPORTUNITY TO SUPPORT YEAR ROUND RESIDENTS WITH HOUSING AND RETAIL.

Charlevoix's draw is no secret. Each year, visitors flock from far and wide to experience the city's lively downtown, sandy beaches, crystal clear water, and lush forests. Charlevoix is in close proximity to Northern Michigan destinations like Traverse City and Torch Lake, making it a highly desired stop on Northern Michigan's scenic route.

As Charlevoix continues to grow, 109 Mason prompts the opportunity for the community to inform what it wants to become. Fostering vibrancy is as much about attracting quality development as it is about retaining it's community, including younger adults and retirees who invigorate the space.

The City's vision for 109 Mason is a mixed-use development that provides community amenities for Charlevoix.



COMMUNITY OVERVIEW

CHARLEVOIX

Charlevoix (population 2,361) is located on the western edge of Charlevoix County on Lake Michigan in the northwest corner of Michigan's lower peninsula. It is located along US-31 roughly 50 miles south of the Mackinac Bridge, the largest suspension bridge in North America, which joins Michigan's upper and lower peninsulas.

Charlevoix's natural features and modern amenities are shared today by both seasonal and permanent residents including the Little Traverse Bay Bands of Odawa Indians who live and work in the community. The City of Charlevoix is largely responsible for the improvements to public spaces and private development that have helped Charlevoix remain a truly special place where residential, commercial, and public uses coexist.

Much of the city's housing stock is well-maintained historic homes with access to nearby schools and parks. The centrally located downtown features a commercial center that provides dining, retail, and entertainment opportunities while the nearby East Park is the recreational and cultural focal point of the city. This combination of quality housing, a walkable commercial center, and family-friendly recreation and trails creates a highly desirable place where the community can grow and thrive.

Climate migration is expected to contribute to a rise in population in the Midwest. Cities located safely away from increasing drought, fires, floods, and severe storms attract residents from parts of the country plagued by these weather-related disasters. Michigan in particular, has been cited as a state that stands to gain population because of its resilience to many of the climate disasters that are impacting other parts of the country.

The convergence of remote working, lifestyle pursuit, and climate migration show the need for increased housing to ensure Charlevoix remains competitive in this new era of resident choice. The waterfront location and amenities, trail network, proximity to other Northern Michigan destinations, affordability, and investment in its Downtown provide many opportunities for 109 Mason.



Source: Visit Charlevoix

REMARKABLE ASSETS

Charlevoix has a unique location with incredible proximity to areas ripe for the Michigan explorer. With the Charlevoix Municipal Airport and Charlevoix Marina, Charlevoix provides multi-modal access to regional and local assets. The city is in close proximity to regional destinations, and minutes from unsurpassed bucolic forests, beaches and fresh water.

HISTORIC SENSE OF PLACE

Just a block from 109 Mason is Charlevoix's charming, walkable downtown. Local events and festivals such as the Farmer's Market and Venetian Festival bring visitors from all over to the city.

UNSURPASSED NATURAL FEATURES

Charlevoix sits proudly in Northern Michigan along the shores of Lake Michigan, with access to incredible natural features. Residents and visitors can stroll along the shoreline of Lake Michigan, sail out of the city's deep water harbor, or hike in nearby forests.

GREAT LAKES ECONOMY

At the center of the Great Lakes mega-region, Charlevoix is exploring ways to leverage its unique surroundings in response to a shifting local, national and global economy. This includes engaging the unique environmental resources, local culture and the amenities of the Great Lakes, as well as the area's strong public research universities.

CLIMATE HAVEN

Cities in the Great Lakes, such as Charlevoix, are increasingly identified as "receiver cities" given their unique location and reduced risk profiles associated with climate change. As such, receiver cities are preparing for growth by improving infrastructure, expanding housing opportunities, and making more people aware of their increasing benefits.



MARKET CONDITIONS AND OPPORTUNITIES

REGION

The City of Charlevoix is located in northwestern lower Michigan, in northwest Charlevoix County. Charlevoix County largely surrounds Lake Charlevoix and follows along the southern edge of Walloon Lake. Charlevoix County borders Emmet County to the north, Cheboygan and Otsego Counties to the east, Antrim to the south, and Lake Michigan to the west. Charlevoix County has three economic centers, the City of Charlevoix, Boyne City, and the City of East Jordan.

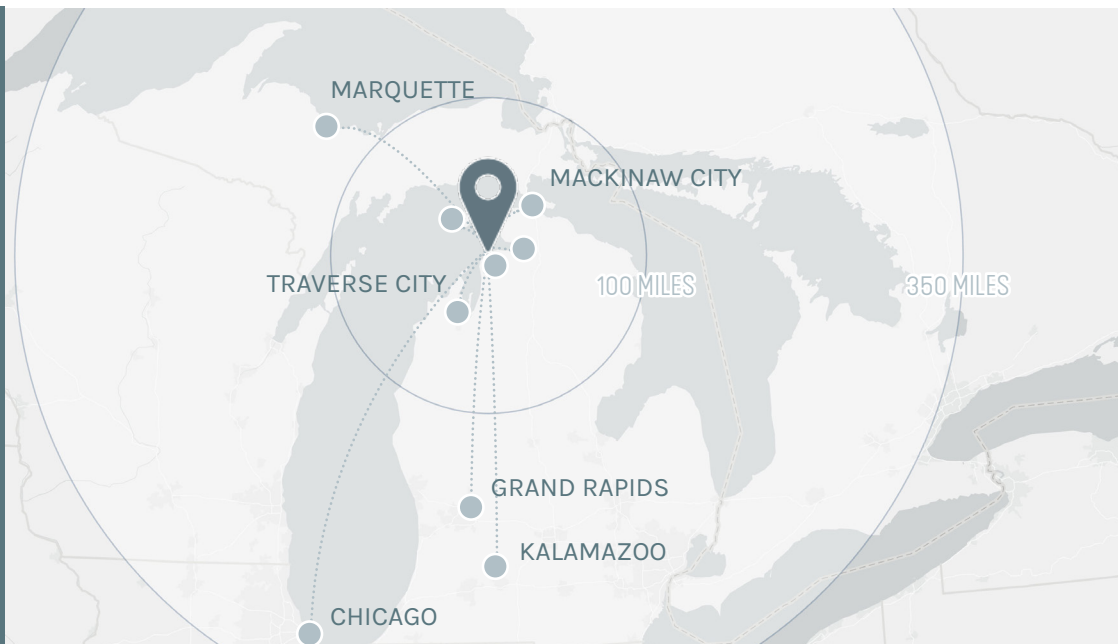
The city surrounds Round Lake and sits on an isthmus between Lake Michigan on the west and Lake Charlevoix on the east. Round Lake is connected to Lake Michigan by the Pine River Channel. Charlevoix Township borders the city on the north and south. The total area of the city is roughly 1,352 acres, excluding Round Lake and the Pine River Channel.

TRANSPORTATION

Tourists, as well as seasonal and permanent residents can access regional economic and recreation destinations through two main highways. From the east, M 66 enters near the south city limits, connecting Ironton and East Jordan. US 31 cuts through the middle of Charlevoix and connects with Petoskey, Elk Rapids, and Traverse City. The Boyne City-Charlevoix Road runs from US 31 to the north of Charlevoix, through Horton Bay into Boyne City. Charlevoix County Transit, Beaver Island Boat Company, the Ironton Ferry, and Charlevoix Municipal Airport provides additional multi-modal circulation.

HIGHLY CONNECTED

- 17 MILES TO BOYNE CITY
- 17 MILES TO PETOSKEY
- 20 MILES TO TORCH LAKE
- 32 MILES TO BEAVER ISLAND
- 50 MILES TO TRAVERSE CITY
- 175 MILES TO GRAND RAPIDS
- 215 MILES TO MARQUETTE
- 230 MILES TO KALAMAZOO
- 350 MILES TO CHICAGO



MARKET OVERVIEW

A highest and best use analysis for the site was prepared by Mission North in May 2024. Based on the findings of the market study, there is a development opportunity for residential and institutional and/or co-working space. A shortage of urban housing types and the general age of housing in Charlevoix creates opportunity for the project, which includes micro units. Though commercial retail will be challenged by the project's location off of Bridge Street, the first floor could accommodate institutional and/or co-working space. This is in alignment with the city's vision to retain the visitor's center and office on the first floor, coupled with additional incubator retail space.

The Charlevoix Primary Market Area (PMA) had a 2022 estimated population of 13,695, according to the American Community Survey. The PMA had a median income close to that of the State and about 88% of the country's. The median age for the Primary Market Area is six to seven years higher than the State and Country. Finally, the PMA has a higher high school diploma rate than the other geographies. At 93.7%, it is higher than the nation's and state's but lower than the city and Charlevoix County.

109 Mason can help retain and attract younger residents who may eventually start families which would help bolster overall population.

POPULATION, INCOME, AGE

Trends through 2022 show that the Charlevoix market has become more educated, older and has generally seen income grow at a similar pace to that of the country's. At the same time, the PMA has lost younger population, as individuals move away for more economic opportunities in urban areas.

	Charlevoix	PMA
Population	2,474	13,695
Median Household Income	\$30,114	\$66,238
Median Age	44.7	49.7
Edu: High School or Higher*	96.7%	93.7%

*For those age 25 and over

Source: 2022 American Community Survey, Mission North, LLC

ECONOMY

Charlevoix County's employment is dominated by manufacturing and health care. Tourism plays a large part in the economy too, with restaurants, hotels, tourist homes, and retail benefiting from summer tourism and a growing year round economy.

Unemployment in 2022 was lower in Charlevoix, the PMA, and the County than in Michigan and the country. More recent data for Charlevoix and Antrim counties show unemployment trending downward in March 2024. The two area zip codes had a payroll of nearly \$170 million in 2021. Since then, employees and payroll have risen dramatically in Charlevoix County, pegged at 11,067 jobs and \$621,559,000 in gross wages in the third quarter of 2023, up from 7,847 and \$390,902,000 in 2018.

HOUSING

Homes in the area are generally older, and there is less variety than is found nationally. Mission North's 2024 Housing Needs Assessment reported that Charlevoix County's rental housing stock is older than the other Northwest Michigan counties in the study. The County's owner-occupied housing is aged too, with 35% being pre-1970 product. 54% of the area's housing stock is over 40 years old with only 4% built after 2010. Housing types are limited largely to single-family, with mobile homes coming in as a distant second. Comparing the PMA's unit breakdown versus the country's shows how the area lags in apartment and single-family attached offerings.

PROPOSED USES

OWNER-OCCUPIED HOUSING

80% of the occupied housing stock in the Charlevoix Primary Market Area is owner-occupied. This is a higher percentage than that of the country and state, which are 65% and 73% respectively. Home values have rebounded since the Great Recession and shot up during the pandemic. Values have increased faster in Charlevoix market than in Michigan, rising over 59% in the Charlevoix Zip Code.

FOR-SALE DEMAND

The proposed development includes two floors of residential that could either be for sale or for rent. The development scenario as all for sale units was tested against capture rate standards. The capture rate is the percentage of qualified buyer households in the primary market area that the property must capture to fill the units. Qualified households were defined as those with an income between \$35,000- \$150,000, with 1-2 in the household. Based on this analysis, the project's proposed 16 for-sale units can be absorbed by the primary market area. These units should include various sizes, including 1-2 bedroom units.

Home values have increased faster in Charlevoix market than in Michigan overall, rising over 59% in the Charlevoix Zip Code in four years.

2020-TO APRIL 2024 HOME VALUES

	Increase
Michigan	40.5%
Charlevoix County	56.8%
49720 Zip Code (Charlevoix)	59.1%
49729 Zip Code (Ellsworth)	51.3%

Zillow Home Value Index, Zillow, Inc.

A shortage of urban housing types and the general age of housing in Charlevoix creates opportunity for the project, which includes micro units.

CHARLEVOIX PMA DEMAND FOR 16 OWNER UNITS

Target Characteristics	
Household Income	\$35,000-\$150,000
Household Size	1-2 residents
Household Ages	All ages
Capture Rate (target ≤14%)	10%

Mission North, Preliminary Market Study (2024)

RENTAL HOUSING

Nationally, apartment occupancy is at a 10-year low, due to robust additions to supply. In December 2023, it stood at 94.1%. In the Charlevoix area, apartment properties are essentially at 0% vacancy.

The Primary Market Area has over 1,300 renter-occupied units, which represent about 20% of all occupied units in the PMA.

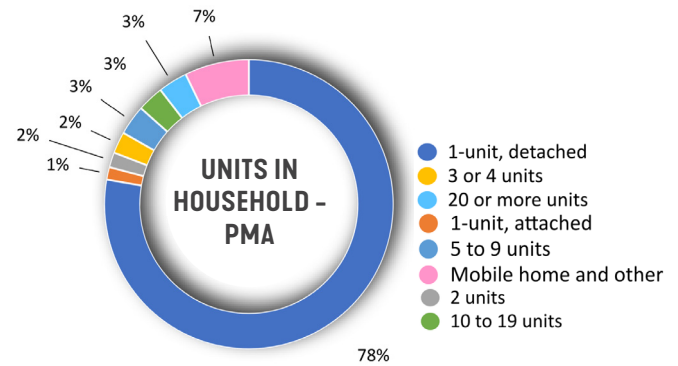
Realtors report that monthly rents in the City of Charlevoix range from \$800 to \$1,200 for one-bedroom units and up to \$2,000 for two-bedroom units. Apartments in nearby Petoskey’s downtown are asking well above that. The project’s prime location will certainly allow it to fetch the top rents in the market. It is suggested to target around \$36 to \$38 per square foot annually.

RENTAL DEMAND

As noted above, rental demand is robust in the City of Charlevoix. Like with owned units, demand was analyzed for 16 rental units using capture rate as the measure. Target households are those with an income of \$35,000 to \$150,000 and with household sizes of one and two. Again, the market easily supports the proposed units in the project.

OFFICE/INSTITUTIONAL

The site currently houses the Charlevoix Area Chamber of Commerce and Visit Charlevoix’s visitors center. There is a desire for both organizations to occupy the first floor of the new building. In addition, there has been discussion of the Vault co-working space, which is operated by the Chamber of Commerce, also moving to the first-floor space. These uses are destinations and would be well suited for the location. Consideration for these organizations to remain within the current rent structure will be heavily weighted as they provide an important service to the community and inherent foot traffic.



The project’s prime location will certainly allow it to fetch the top rents in the market. It is suggested to target around \$36 to \$38 per square foot annually.

CHARLEVOIX PMA DEMAND FOR 16 APARTMENT UNITS

Target Characteristics

Household Income	\$35,000-\$150,000
Household Size	1-2 residents
Household Ages	All ages
Capture Rate (target ≤14%)	6%

Mission North, Preliminary Market Study (2024)

SITE OVERVIEW

109 Mason is a 11,016 square foot parcel measuring 162 feet in length and 68 feet in width. The site faces south towards Mason Street, with rear access parking and walking connections to the activated Hoop Skirt Alley in the heart of Downtown Charlevoix. The site is about 300 feet walking distance to Bridge Street and Charlevoix’s downtown, and 480 feet to the water and East Park.

Adjacent to City Hall to the west, a residential rental complex to the east, and commercial uses to the south, the site currently hosts the Charlevoix Chamber of Commerce. The parking to the rear (north) is shared with the Charlevoix Fire Department.

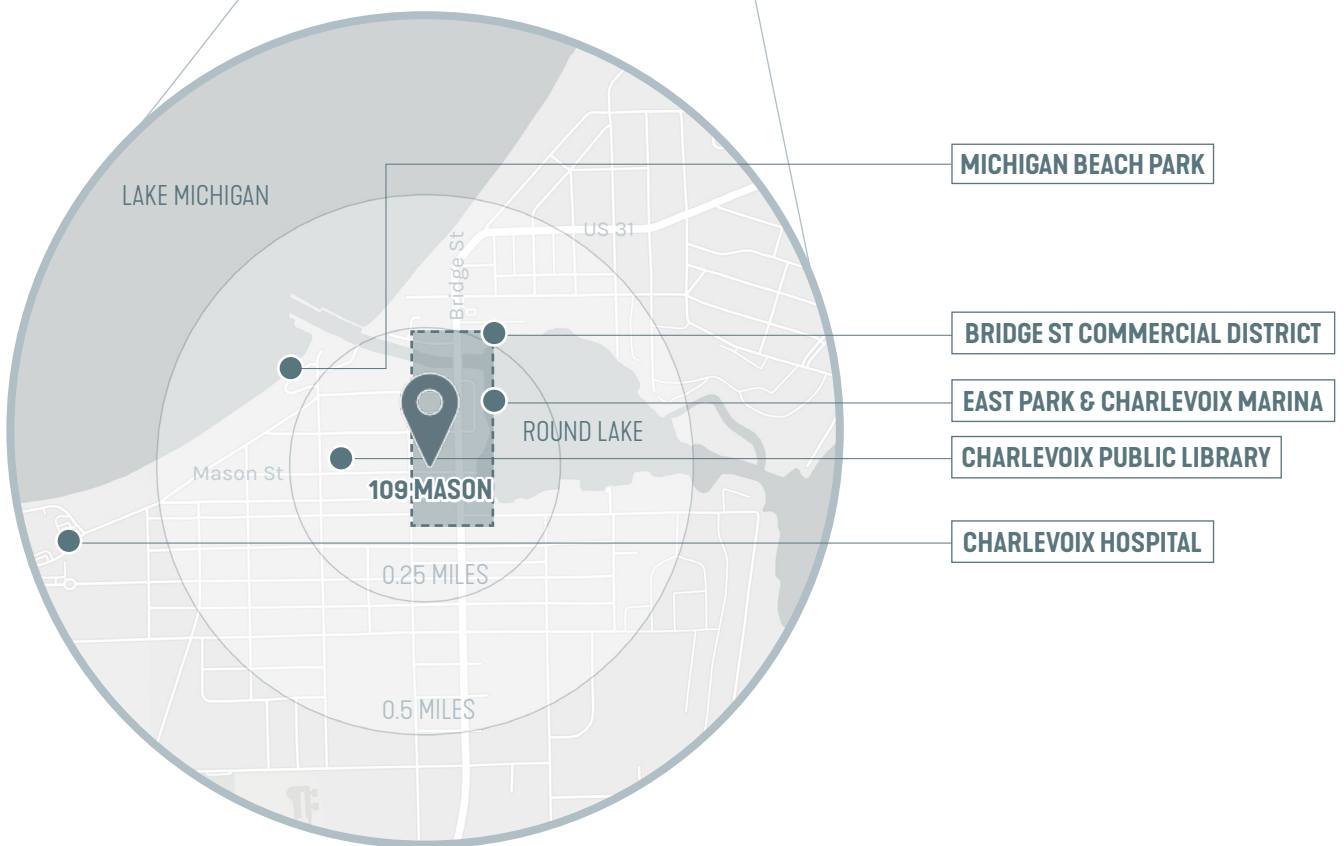
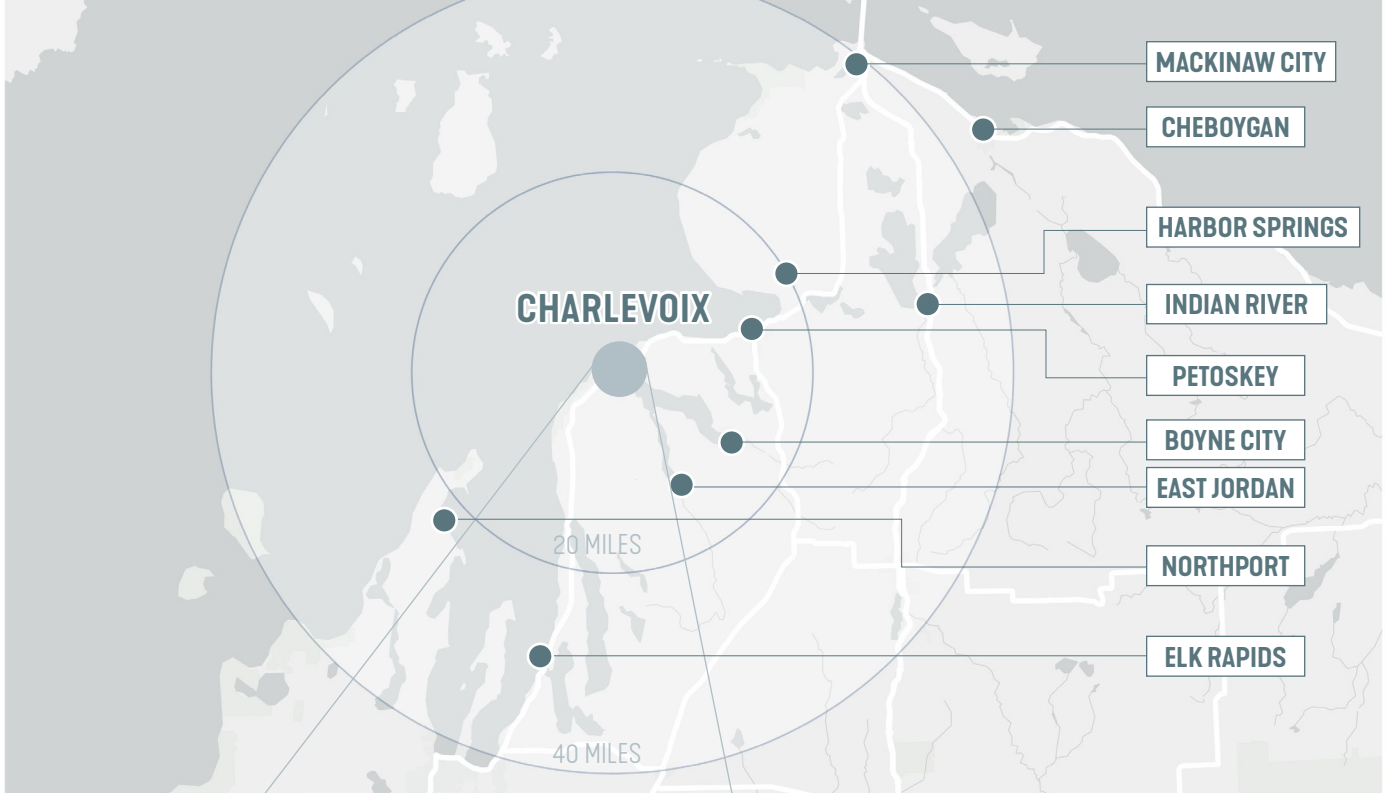
The site has been home to a handful of uses since it’s construction in 1956, most notably a post office, and residential housing. The building itself is not historically significant.

Charlevoix has continued to see development in the past decades. Given the prime location of 109 Mason, it is integral that the development positively contributes to the Charlevoix charm, and upholds the values set forth in the Charlevoix Master Plan. While Charlevoix has a significant tourism industry, it is important to support the needs of current and potential long-term, year-round residents, and provide resources for people of all lifestyles.

109 Mason offers an incredible investment opportunity to promote economic development and support diverse housing types in the downtown in order to ensure that current/future residents of Charlevoix have the choice to enjoy the community’s walkable downtown and nearby recreational opportunities.



CHARLEVOIX PROVIDES THE CHARM OF A SMALL TOWN WITH ACCESS TO A TREASURE TROVE OF NATURAL ADVENTURES



CURRENT PLANS

MASTER PLAN

The 2022 Master Plan sets the vision and goals for the city, with a focus on the following:

- Natural beauty
- Preservation of small town character
- Protection of historical and cultural resources
- Economic growth
- Sustainable utilities
- Environmental standards in land use
- Housing needs

These goals are key components in the development of 109 Mason and make it an area of great interest for the city.

ZONING

The site is zoned as CBD, Central Business District. The CBD District is designed to support the central activity area of the city by accommodating a mix of retail, office, service, entertainment and residential uses in a walkable, pedestrian-friendly environment. The district allows for a flexible range of uses including:

- Public/institutional
- Retail
- Entertainment
- Recreation and open space
- Offices and services
- Multi-family residential, and dwellings above the first floor

While the site is City-owned, it is imperative that the development is conducive with surrounding neighborhood design and character.

SITE UTILITIES AND LOCAL SUPPORT

This site is served by public streets and has full access to utilities provided by adjacent streets. For more information, contact the following:

CITY OF CHARLEVOIX

Mark Heydlauff, City Manager

markh@charlevoixmi.gov

(231) 547-2370

ZONING

Jonathan Scheel, Director of Planning and Zoning

planner@charlevoixmi.gov

(231) 547-3265

PUBLIC WORKS

Pat Elliott, Public Works Superintendent

pate@charlevoixmi.gov

(231) 547-3276

ELECTRIC

John Griffith, Electric Department Director

johng@charlevoixmi.gov

(231) 547-3273

COUNTY OF CHARLEVOIX

Department of Building Safety

buildingsafety@charlevoixcounty.org

(231) 547-7236

CHAMBER OF COMMERCE

Sarah VanHorn

vanhorn@charlevoix.org

(231) 547-2101

VISIT CHARLEVOIX

amanda@visitcharlevoix.com

(231) 547-2101

PRELIMINARY DEVELOPMENT SCENARIO

Northern Michigan cities such as Charlevoix are situated in one of the globe's most unique and majestic regions. Surrounded by over 22% of the world's fresh surface water supply, with long-term market-driving resilience benefits, and regional connectivity to North America's most noteworthy cities – from Chicago, to Toronto and Detroit – the development potential for Charlevoix continues to be celebrated. As Charlevoix continues to grow, it is important that development nurtures the unique culture of the city, and provides resources to transient and permanent residents of all ages.

Within this context, the preferred development scenario for 109 Mason is for-rent commercial and office space on the ground floor, and multi-family housing on the upper levels, with amenities like a publicly accessible bathroom, plaza space, and non-motorized connections providing access to an activated alleyway in the heart of downtown.

These uses – in alignment with the policy vision of Charlevoix's master plan, and the regulatory framework of its zoning – will leverage the unique existing characteristics of 109 Mason and the assets directly adjacent:

- Lake Michigan, including a marina for recreational boating, as well as the Charlevoix Airport
- Downtown Charlevoix, supporting walkable retail, cafes, and restaurants as well as seasonal festivals and events
- Other northern Michigan cities, from Traverse City, Boyne City, and East Jordan, to Marquette, Petoskey and Mackinaw City

109 Mason will foster unique opportunities for people looking to live within the downtown Charlevoix district. The investment made in property within the northern Great Lakes will leverage the increased value generated by market demand induced by climate change, related population migration, and the foundational resilience northern Great Lakes cities provide.



View of the south facade of the proposed vision for the site, facing Mason Street.

SMITHGROUP

DEVELOPMENT CONCEPT

The following building concept has been prepared to demonstrate the potential building program and desired elements that Charlevoix is seeking in the future redevelopment of 109 Mason. The concept reflects alignment with local zoning, and the 2015 Michigan Building Code. The final development will include a unique combination of residential program elements including micro units, one-, and two-bedroom units, as well as office/commercial space on the ground floor. Publicly accessible restrooms on the west side of the building have been incorporated to enhance amenities for visitors and passersby, ensuring that they have access to clean and convenient restrooms independent of office or retail hours.

RESIDENTIAL UNIT BREAKDOWN

PROGRAM	GROUND FLOOR	SECOND FLOOR	THIRD FLOOR
MICRO	0	5	5
ONE-BEDROOM	0	2	2
TWO-BEDROOM	0	1	1
OFFICE	1	0	0
RETAIL	1	0	0
Total			16

A micro unit is a smaller variation of a "studio" unit. Micro units typically include a one-room living space designed to include a bed, kitchenette, seating, bathroom and storage. This unit approach leverages available nearby amenities and services in the community, while maintaining lower rents to support workforce and younger residents.

The proposed development concept includes the following:

MICRO UNITS (10 TOTAL)

These units are approximately 320-340 sq. ft.

ONE-BEDROOM UNITS (4 TOTAL)

These units are approximately 425-435 sq. ft.

TWO-BEDROOM UNITS (2 TOTAL)

These units are approximately 620 sq. ft.

OFFICE/RETAIL SPACE

Approximately 1,755 sq. ft. of office and/or retail space on the ground floor.

THE CASE FOR MINIMALISM & CHANGING DEMOGRAPHICS

"Micro housing is revolutionizing urban living, offering an innovative solution to the challenges of affordability, sustainability, and efficient space utilization. This trend reflects a shift in housing norms, addressing the needs of diverse urban populations with unique lifestyles while promoting a more inclusive and vibrant cityscape."

- Bryant Beltran, eXp Realty

MISSING MIDDLE HOUSING



Source: City of Jackson, Mi



Source: Homebuilders Association Vancouver



Source: ArchDaily

PUBLIC AMENITIES

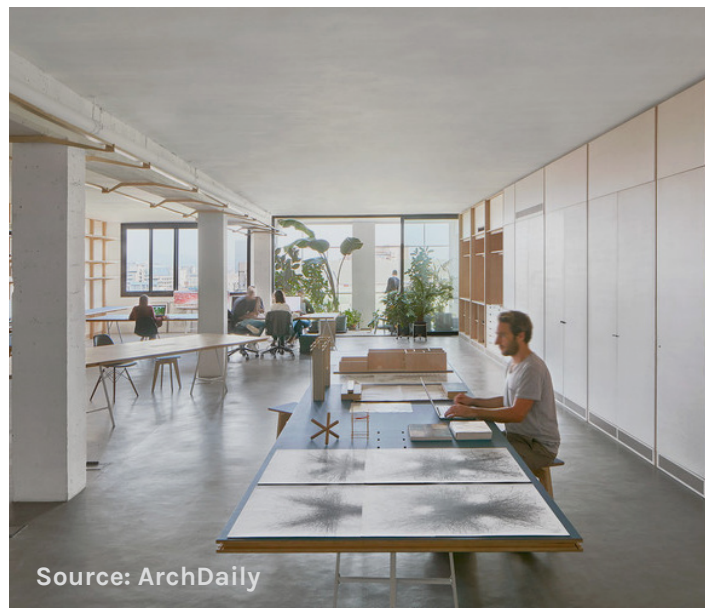


Source: miplace

Source: Visit Grady County



ACTIVATED GROUND FLOOR

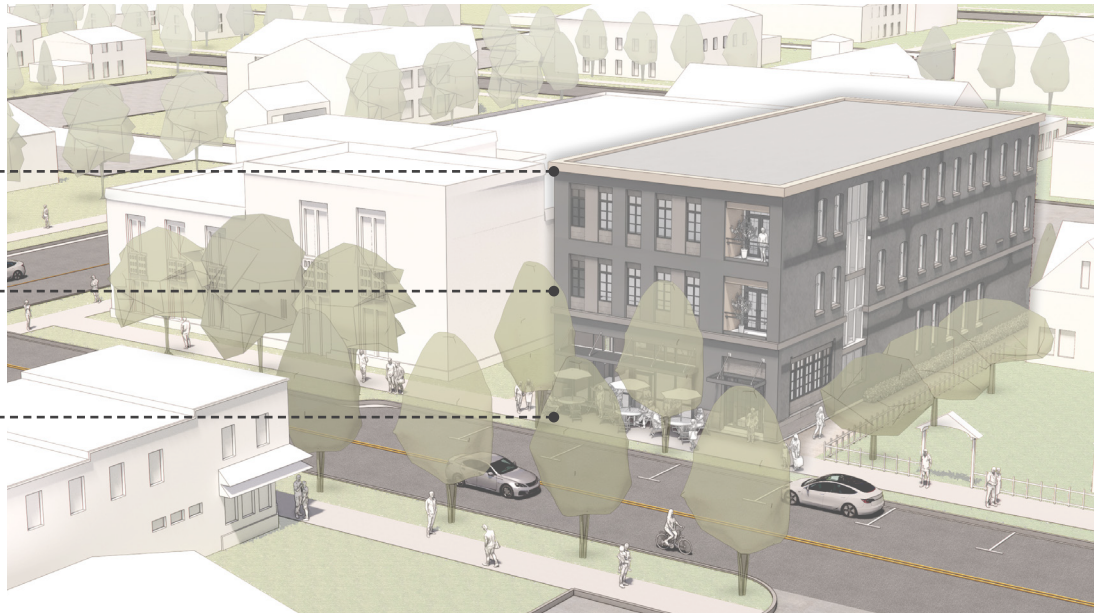


Source: ArchDaily

THIRD FLOOR
RESIDENTIAL

SECOND FLOOR
RESIDENTIAL

GROUND FLOOR
RETAIL+OFFICE



GROUND FLOOR

GROSS FLOOR AREA: 4284 SF

NET RENTABLE FLOOR AREA: 3017 SF

- RETAIL AND/OR OFFICE** - 1,755 SF
- FLEXIBLE STORAGE/UTILITY** - 1048 SF
- BATHROOM** - 214 SF
- TOTAL** - 3,017



GROUND LEVEL FLOOR PLAN WITH RETAIL
AND STORAGE SPACES

LEVELS 2 AND 3

LIVING UNIT TYPES

- 2 BEDROOM (2 TOTAL)**
 - NET RENTABLE PER UNIT: 597 SF
- 1 BEDROOM (4 TOTAL)**
 - NET RENTABLE PER UNIT: 413 SF
- MICRO (10 TOTAL)**
 - NET RENTABLE PER UNIT: 319 SF

TOTAL RESIDENTIAL GROSS FLOOR AREA:
8,568 SF

TOTAL RESIDENTIAL NET RENTABLE AREA:
6,043 SF

- LIVING SPACE**
- BEDROOM**
- KITCHEN**
- BATHROOM**



TYPICAL UNIT TYPE FLOOR PLAN
FOR LEVELS 2 AND 3



TYPICAL PROGRAM FLOOR PLAN
FOR LEVELS 2 AND 3

DESIGN OBJECTIVES AND PRELIMINARY CODE CONSIDERATIONS

The proposed program calls for new construction on 109 Mason. The information provided below is general in nature and intended to provide a broad sense of prevailing design objectives and cursory code considerations for the redevelopment project. All interested parties are encouraged to visit the property and to review all relevant state and local codes to ensure compliance.

DESIGN OBJECTIVES

- **Respect Neighborhood Character.** Complement the design elements of the surrounding neighborhood and downtown. This includes punched windows on the upper floors, parapets, and utilizing materials like brick and natural stone.
- **Activated Ground Floors.** Foster street frontage, access and an activated ground floor by providing primary street-fronting entry and a transparent facade.
- **Setbacks.** Allow 10 foot minimum building setbacks on the east and west sides, allowing windows on all floors. Preserve existing minimum rear allowance for emergency fire station access.
- **Height.** Maximum height is 40'-0" (3 stories) to align with neighborhood character and construction type.

CONSTRUCTION TYPE

The construction type has been identified as 5-B with fire suppression

PARCEL DATA

- 0.24 acre lot size (10,376sf)
- Parcel ID 052-347-017-00

ZONING

- CBD (Central Business District).

OCCUPANCY

- Floor 1 – Mercantile, Business
- Floors 2, 3 - Multifamily Residential

CONSTRUCTION TYPE

- The construction type identified for the development is Type 5-B, with fire suppression (whole building).
- 1hr Fire Rated Second floor.

MAXIMUM BUILDING HEIGHT

- 40' - 0"

SIDE SETBACKS

- 10' - 0" (associated with Type 5-B construction type)
- (Refer to 153.087 Area, Height and Placement Requirements).
- 3 Stories maximum

Information above is based on MBC 2015. Please consult MBC 2015, or local code officials for additional information or clarifications.

Note: The aforementioned considerations are for informational purposes only. Interested parties are encouraged to visit and evaluate the site, and engage local Building Code and zoning officials to confirm and clarify all requirements.

PROJECT INCENTIVES

Charlevoix and the MEDC are committed to making sure that all available incentives may be leveraged to ensure the selected developer can achieve a quality outcome commensurate with the project vision and goals. The City of Charlevoix looks to work with developers to create a mutually beneficial development based on the guiding principles of this document, our master plan, and the character of the community. We welcome innovative ideas and incentive structures to fulfill these objectives. Such incentives may include the following:

- **Neighborhood Enterprise Zone (NEZ)** allows for reduced property taxes for up to 15 years in designated areas to promote revitalization.
- **Michigan Community Revitalization Program (MCRP).** Through the MCRP, which is a program available from the Michigan Strategic Fund (MSF) in cooperation with MEDC, grants or loans may be available to fill financial gaps and promote community revitalization. MEDC and the City are committed to collaborate with the selected developer to ensure this tool is used efficiently and successfully in order to contribute to Michigan's employment opportunities, foster infill redevelopment of historic properties and reduce blight.
- **New Markets Tax Credit** financing may be available.
- The **Michigan State Housing Development Authority (MSHDA) Housing Tax Increment Financing** allows communities through Brownfield Redevelopment Authorities to create/finance attainable housing.

SUBMISSION PROCESS

RFQ Release Date: October 2024

Qualification submission: Please provide information for us to consider your proposal.

- Letter of Interest: Provide a letter (up to 3 pages) identifying the development team and providing a brief description of the team's vision for the site and timeline
- Concept plans or renderings
- Development Experience: Provide a short description of past projects of a relevant nature completed by the development team (up to 10 pages). Include a description of projects, cost, completion date, and references.
- Fiscal Capacity: Provide evidence of the development team's fiscal capacity to undertake the proposed project. Include an Initial Pro Forma, and Sources & Uses Worksheet
- Resume of firm and lead team members

Due Date: Qualifications are due to the City of Charlevoix no later than 12:00 pm EST on Wednesday, January 15th.

Emailed or hard copy proposals must be received by noon and should be addressed to City Clerk Sarah Dvoracek, City Clerk

210 State Street
Charlevoix, MI 49720

clerk@charlevoixmi.gov

Emailed proposals will be acknowledged. If you have not received an acknowledgment, assume we have not received your proposal and contact us. Late proposals will not be accepted for any reason including technical errors or omissions regardless of the cause of the error or omission. The City of Charlevoix assumes no responsibility or liability for the timely receipt of a proposal.

Initial Review: Qualifications will be reviewed within 45 days by city stakeholders.

Contact Information: Please contact Daniel Leonard, Director - Redevelopment Services, with any questions or for more information. Daniel can be reached at leonardd6@michigan.org or (989) 387-4467.



REDEVELOPMENT READY SITE

109 MASON

CONTACT CITY MANAGER MARK HEYDLAUFF WITH ANY QUESTIONS OR REQUESTS
MARKH@CHARLEVOIXMI.GOV
(231) 547-3270

Charlevoix Downtown Development Authority

Old Business

Title: Alley Improvement Grant- 211 Bridge Street

Date: October 28, 2024

Presented By: Mark Heydlauff, City Manager

Background:

I received a request for payment from Ally and Andrew Margulies at 211 Bridge Street. As you may recall, they was awarded a Downtown Alleyway Improvement Grant back in [March of 2022](#) (click the link for the packet) by the DDA Board. I checked the application against the visibly completed work. In my opinion, they have performed the most significant requirements. I inquired in September about three things that don't appear to be in place and they had this feedback:

- **Tenant Signage:** Now that we have the back of the building painted and our final manifold for our pool installed we are planing to offer our retail tenants the option to place signage on the back of the building if they choose to.
- **Screened Refuse Area:** We intend to screen an area under the stairs to accommodate refuse containers. Given the limited space on our property, individual refuse containers are currently our only option. We're open to participating in a centralized collection point if the city can provide one. In the meantime, we will proceed with screening the two receptacles we have.
- **Awning Installation:** We are planning to install an awning for the ground-level entrance to the second floor this fall to help protect the elevator from winter weather.

They provided proof of payment for the work completed which included the new stairway and improved lighting and rear facade cleanup. In my opinion, they have materially completed the work you intended and are due for the \$5,000 payment. This grant was separate and distinct from the downtown housing incentive they also applied for.

Recommendation:

Motion to authorize the payment of the Downtown Alley Improvement Grant to 211 Bridge Street Associates LLC in the amount of \$5,000.

Attachments:

None

Charlevoix Downtown Development Authority

New Business

Title: Downtown Bathrooms

Date: October 28, 2024

Presented By: Mark Heydlauff, City Manager

Background:

I know there have been some merchants at the north end of downtown who have been expressing an interest in having additional bathrooms added. When I was at a conference last month, I talked with a firm who sells pre-built bathroom buildings that might be effective for such a space. I'm unsure the interest and direction the Board has in this. In this area, the only logical use would be in some portion of the DeWitt Lot.

Here is the [link](#) to the firm I saw. I think this could be a good option because the bathrooms are pre-built exactly for a public setting. They can be timed to lock at certain time each evening and are built to withstand vandalism which has been a problem periodically. While this is just one firm, it is an option to consider. If you want to go down this road, I can explore it in greater depth ahead of the new budget year and bring you options.

Recommendation:

Board discussion and direction

Attachments:

None

Charlevoix Downtown Development Authority

New Business

Title: DDA Agreement with the Charlevoix Public Library

Date: October 28, 2024

Presented By: Mark Heydlauff, City Manager

Background:

In 2004, as part of the relocation of the Charlevoix Public Library to the former school on Clinton Street, the DDA pledged \$600,000 over 20 years for the improvement and redevelopment within the district. In 2010, the DDA ceased making payments for a period of years and then resumed payments at a lower level in 2014. Altogether, payments would have been complete in FY 2026 had there been no gap in payments or reduced payments. The DDA still owes \$155,000 to the library. The payments are detailed below. The current fund balance for the DDA is approximately \$295,000 based on the FY 2024 audited financial and the FY 2025 approved budget.

Total Contribution: \$600,000 over 20 years

Yearly Contributions:

2005-06: \$30,000

2006-07: \$30,000

2007-08: \$30,000

2008-09: \$30,000

2009-10: \$30,000

Payment Gap

2014-15: \$15,000

2015-16: \$10,000

2016-17: \$30,000

2017-18: \$30,000

2018-19: \$30,000

2019-20: \$30,000

2020-21: \$30,000

2021-22: \$30,000

2022-23: \$30,000

2023-24: \$30,000

2024-25: \$30,000 (Budgeted)

i would propose you pay \$80,000 in FY 2025 (current year) and the final \$75,000 in FY 2026 so that you are caught up and complete on this obligation.

Recommendation:

Motion to direct the Acting Director and City Treasurer to affect the payment of \$80,000 to the Charlevoix Public Library in FY 2025 and budget for the payment of \$75,000 in FY 2026 to complete the obligation to the library from 2005.

Attachments:

None

Charlevoix Downtown Development Authority

New Business

Title: Partnership Agreement with the Charlevoix Area Chamber of Commerce

Date: October 28, 2024

Presented By: Mark Heydlauff, City Manager

Background:

At your last meeting, you discussed the prospect of the Charlevoix Area Chamber of Commerce providing some staff support and being the public face for DDA activities in addition to the work they already do to manage events and some event-related marketing on your behalf. Sarah Van Horn and I envision this as a one year trial run. We attempted to include the main points of activity we felt the board was seeking to accomplish while also considering your desire to lower your labor costs.

I believe many people--including businesses, residents, and visitors--do not differentiate between the Chamber, DDA, and Visit Charlevoix for that matter, they simply want an answer or assistance. By streamlining the contacts, I think we can improve service and centralize information sharing. This flows out of years of combining activities like downtown maps, visitor guides, joint calendar development, and other shared activities.

Recommendation:

Motion to approve the Service Agreement by and between the Charlevoix Downtown Development Authority and the Charlevoix Area Chamber of Commerce and authorize the Chair to sign the agreement.

Attachments:

1. Chamber DDA Service Agreement

Service Agreement by and between the Charlevoix Downtown Development Authority and the Charlevoix Area Chamber of Commerce

The following agreement is made by and between the Charlevoix Downtown Development Authority, a Michigan municipal corporation whose offices are located at 210 State Street, Charlevoix, Michigan 49720 and the Charlevoix Area Chamber of Commerce, a Michigan nonprofit corporation whose offices are location at 109 Mason Street Charlevoix Michigan.

Whereas, the Charlevoix Downtown Development Authority (DDA) is tasked with maintaining and increasing the property value of the downtown district as stipulated by local ordinance and Michigan law. It undertakes these activities by supporting infrastructure improvements, certain programming, and business support for the property owners and businesses within the boundaries of the district.

Whereas, the Charlevoix Area Chamber of Commerce promotes the business and commerce of the broad Charlevoix area and maintains an office and distinct presence in downtown Charlevoix to serve the public and its members with programming and assistance meant to promote the local economy.

WHEREAS, the DDA desires to retain ~~Chamber contractor~~ to perform certain ~~“Duties & Responsibilities”~~ duties and responsibilities in connection with the operation of the DDA and the ~~Contract Chamber~~ desires to provide the service to the DDA as part of its broader community mission; and

WHEREAS, the DDA and ~~Chamber contractor~~ desire to specify and define the scope of work to be completed, reporting requirements, and the compensation to be paid by the DDA to the ~~Chamber contractor~~ for the agreed upon services.

Now therefore, the parties agree as follows:

1. CONTRACTOR DUTIES & RESPONSIBILITIES

- a. Respond to inquires from the City, partners, businesses within the DDA District, general public, and media with regard to DDA matters as covered by the scope of this agreement. Work to provide all prospective business owners with the proper information and contacts necessary ~~to proceed with making business and property owners successful within the DDA district~~ for prospective operation in the district. Serve as a resource on existing Downtown District policies and procedures.
- b. Administer, monitor, and assist with the following projects and programs as approved by the DDA Board:
 - i. Gift Local ~~with the ability to expand the program to reflect the broader Charlevoix small business network~~
 - ii. ~~Downtown Dollars until its proper end at the program’s expiration date, as well as continue to manage the existing Charlevoix Chamber Check program with added Downtown District promotions~~

~~iii.~~ ii. Downtown Promotions events:

1. First Fridays

- 2. Easter Egg Hunt
- 3. Downtown Open Houses (Summer, Holiday)
- 4. Sidewalk Sales
- 5. Holiday Parade

~~6. Any new event brought to the DDA Board during the term of this agreement and approved under the slate of Contractor duties and responsibilities, with proper compensation consideration~~

- c. Monitor the accuracy and update as necessary the DDA website and all public notice mechanisms used by the DDA
 - i. Maintain contact database of downtown business owners, downtown property owners, and others with vested interest in the downtown; communicate through email newsletters and notices as needed for programs and projects
 - ii. Maintain contact database of general interest in downtown activities; *communicate through weekly Chamber Biz Blast with specific Downtown Charlevoix section as pertinent to programs and projects*
- d. May represent the DDA board at various meetings and events, and may speak on behalf of the DDA Board, as it relates to approved Contractor projects and responsibilities
- e. Research the availability and conditions of grant funding and participate in the process for both businesses within the Downtown District and for DDA programs and projects; Assist in monitoring and reporting requirements of grants secured by the DDA.
- f. For DDA Events:
 - i. Contractor handles all administrative tasks to ensure fiscal and legal responsibility
 - ii. Contractor manages marketing, setup, clean up, and fundraising
 - iii. Contractor may expand event participation to Charlevoix Chamber member businesses while maintaining event location and focus to the Downtown District
- ~~g.~~ Present annual reports to the DDA Board ~~and Charlevoix City Council~~ as requested by the DDA Board and City Manager; attend DDA Board meetings as requested by the DDA Board and City Manager. Present pertinent data and researched information to aid the Board in making decisions and establishing policies.

~~g.~~

2. PERFORMANCE EVALUATION

A performance evaluation shall be ~~requested~~ performed annually by the DDA Board to assess overall performance and compensation matters.

3. PRICE AND TERMS

- a. The Contractor agrees to furnish the services as outlined in the Agreement for a trial period of ~~one year~~ one-year, effective November 1, 2024, and ending October 31, 2025, in accordance with the specifications as outlined in this Agreement.
- b. Following the trial period, the Contract services and compensation shall be reviewed, updated with agreement by both parties, and the Contract renewed for three years, effective November 1, 2025 and ending October 31, 2027.

c. Compensation for the first year shall be \$35,000 paid by the DDA to the Contractor annually no later than February 1. Compensation for the following term will be reviewed at the conclusion of the trial period.

4. TERMINATION

Either party may terminate this contract by providing sixty (~~60~~90) days written notice prior to the termination of the agreement to the address first contained within this contract.

5. SUPERSEDING AGREEMENT

This document shall constitute the entire agreement between the parties and shall supersede and replace all prior and existing agreements made between the parties.

5.6. POWER TO EXECUTE AGREEMENT

The parties represent and warrant that the person(s) executing this Agreement on behalf of each of them have been fully empowered by their respective governing body to execute the Agreement.

The parties have here unto agreed to this contract and their authorized representatives have affixed their signatures below effective as of November 1, 2024.

For the DDA:

For the Chamber:

Maureen B. Owens, Chair

Brett Binkley, Chair

Charlevoix Downtown Development Authority

New Business

Title: Concerts in the Park

Date: October 28, 2024

Presented By: Mark Heydlauff, City Manager

Background:

As I've been looking at options for your staffing and continuing your programs, I'd like to understand what the board's expectations are for Concerts in the Park. Would you like to keep the program relatively similar? Expand? Contract? I've often observed that the park is built for entertaining and hosting music events but much of the time we use it for non-musical events. If the board is interested, we could look at expansion but if not, that's fine too.

As we weigh this out, I'll refine a service agreement proposal between the DDA and the City for services. This may be included or perhaps there is another way to provide this service.

Recommendation:

Board discussion and direction.

Attachments:

None

Charlevoix Downtown Development Authority

New Business

Title: Marketing Opportunities and Requests

Date: October 28, 2024

Presented By: Mark Heydlauff, City Manager

Background:

There was some ambiguity in my mind over what, if any efforts, the board wanted to undertake from a marketing perspective for the district. In the past, I know you undertook some joint marketing programs with businesses in the district but I don't believe any of those are active at this point. I'd like direction from the board of whether this is a priority or not. If it is, I can work with our partners to bring options for your consideration.

Recommendation:

Board discussion and direction.

Attachments:

None