



Agenda
City of Charlevoix City Council Regular Meeting
Monday, November 18, 2024 - 6:00 PM
Council Chambers, 210 State Street, Charlevoix, MI

- 1. Pledge of Allegiance**
- 2. Roll Call**
- 3. Presentations**
- 4. Inquiry Regarding Conflicts of Interest**
- 5. Consent Agenda**
 - A. City Council Meeting Minutes - November 1, 2024
 - B. Accounts Payable and Payroll Check Registers
 - C. Airport Fees
 - D. Lighthouse Grant Support
 - E. Investment Update from City Treasurer
 - F. Bridge Drop New Year's Eve Event
 - G. Match on Main Grant: Charlevoix Running Company
- 6. Public Hearings and Actions Requiring Public Hearings**
 - A. Public Hearing: Amendment to Disorderly Conduct, Ordinance 853 of 2024
Mark Heydlauff, City Manager
 - B. Set Public Hearing: Amendment to Lighting and Signs, Ordinance 854 of 2024
Jonathan Scheel, Director of Planning & Zoning
- 7. All Other Actions and Requests**
 - A. Redevelopment Liquor License Application
 - B. Organizational Meeting
Sarah Dvoracek, City Clerk
 - C. Council Members Appointment to Board of Review
Sarah Dvoracek, City Clerk
- 8. Reports and Communications**
 - A. Public Comment
 - B. City Manager's Comments

C. Mayor and Council Comments

9. Other Council Business

10. 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 City Council

Consent Agenda

Title: City Council Meeting Minutes - November 1, 2024

Date: November 18, 2024

Presented By:

Background:

Recommendation:

Motion to approve the minutes as presented.

Attachments:

1. 2024.11.01 CC DRAFT

City of Charlevoix
City Council Regular Meeting Minutes
Friday, November 1, 2024 - 12:00 PM
Council Chambers, 210 State Street, Charlevoix, MI

1. Pledge of Allegiance

The meeting was called to order at 6:00 p.m. by Mayor Gennett. The Council, staff, and members of the public rose and recited the Pledge of Allegiance.

2. Roll Call

Mayor: Lyle Gennett

Members Present: Shane Cole, Aaron Hagen, Janet Kalbfell, Mark Knapp, Phil Parr, Richard Spring

Members Absent:

City Manager: Mark L. Heydlauff

City Clerk: Sarah J. Dvoracek

3. Presentations

4. Inquiry Regarding Conflicts of Interest

5. Consent Agenda

Mayor Gennett opened the item for public comment. None were heard.

Motion by Parr, seconded by Kalbfell to approve the consent agenda as presented.

Yeas: Hagen, Cole, Kalbfell, Parr, Spring, Knapp

Nays: None

Absent: None

Motion carried.

A. City Council Meeting Minutes - October 21, 2024

Motion to approve the minutes as presented.

B. Accounts Payable and Payroll Check Registers

Motion to approve the accounts payable and payroll check registers as presented.

Dates	Description	Amount
10/24/2024	Special Accounts Payable Run	\$70,601.20
10/25/2024	Payroll (net pay)	\$125,778.66
10/25/2024	Payroll Transmittal Checks	\$5,892.70
11/04/2024	Regular Accounts Payable	\$455,626.50
10/10/2024-10/28/2024	ACH/WIRE Payments	\$212,330.55
Grand Total		\$870,229.61
The entire accounts payable and payroll check registers can be viewed on the City's website.		

C. High Service Pump Rebuild for Water Treatment Plant: \$29,684.00

Motion to approve the proposal from Northern Pump and Well to rebuild high service pump #1 at the Water Treatment Plant for \$29,684 and authorize the City Manager to sign all necessary documents.

D. Grand Traverse Band of Ottawa & Chippewa Indians Grant Application

Motion to authorize the City Manager to sign the 2% allocation grant application for Joppa House and forward it to the Grand Traverse Band of Ottawa and Chippewa Indians Tribal Council for their consideration.

E. Replacement of Automated External Defibrillators AEDs

Motion to approve the purchase of 28 automated external defibrillators from Stryker Corporation for \$55,970.35 and authorize the City Manager to sign all necessary documents.

6. Public Hearings and Actions Requiring Public Hearings

A. Set Public Hearing: Amendment to Disorderly Conduct, Ordinance 853 of 2024

Mark Heydlauff, City Manager

City Manager Heydlauff presented information on the amendment to disorderly conduct Ordinance 853 of 2024.

Mayor Gennett opened the item for public comment, one was heard.

Motion by Cole, seconded by Hagen to set a public hearing for November 18, 2024 at 6pm in the Council Chambers of City Hall to consider Ordinance 853 of 2024 as proposed.

Yeas: Hagen, Cole, Kalbfell, Parr, Spring, Knapp

Nays: None

Absent: None

Motion carried.

7. All Other Actions and Requests

A. New Year's Eve Holiday

Mark Heydlauff, City Manager

City Manager Heydlauff presented information on the New Year's Eve Holiday.

Mayor Gennett opened the item for public comment. None were heard.

Motion by Kalbfell, seconded by Spring to authorize New Year's Eve day as a city holiday beginning with December 31, 2024.

Yeas: Hagen, Cole, Kalbfell, Parr, Spring, Knapp

Nays: None

Absent: None

Motion carried.

8. Reports and Communications

A. Public Comment

- Leilani Durbin stated her concerns about the Burns Street Docks and the placement of

benches on Ferry Beach

B. City Manager's Comments

- Thanked City Clerk for her hard work in the election

C. Mayor and Council Comments

- Council requested allowing year round residents only use the Burn Street docks, City Manager Heydlauff will draft a policy

9. Other Council Business

10. Adjourn

Mayor Gennett adjourned the meeting at 12:20 p.m.

Sarah J. Dvoracek

City Clerk

Lyle Gennett

Mayor

DRAFT

Charlevoix City Council

Consent Agenda

Title: Accounts Payable and Payroll Check Registers

Date: November 18, 2024

Presented By:

Background:

Recommendation:

Motion to approve the accounts payable and payroll check registers as presented.

Attachments:

1. Check Registers 11-18-24 Agenda

CHECK REGISTER FOR CITY OF CHARLEVOIX

CHECK DATE 11/07/2024 - 11/07/2024

BANK CODE: 1 - GENERAL CASH - HUNTINGTON BANK - CHECK TYPE: PAPER CHECK - CHECK SOURCE: COMPUTER GENERATED CHECKS

Check Date	Check	Vendor Name	Amount
Bank 1 GENERAL CASH - HUNTINGTON BANK			
11/07/2024	143807	CHARTER COMMUNICATIONS	149.98
11/07/2024	143808	CHARTER COMMUNICATIONS OPERAT	88.24
11/07/2024	143809	HARTFORD, THE	2,788.04
1 TOTALS:			
Total of 3 Checks:			3,026.26
Less 0 Void Checks:			0.00
Total of 3 Disbursements:			3,026.26

Summary of Check Registers & ACH Payments HUNTINGTON NATIONAL BANK - CHECKS ISSUED

11/07/24	Special Accounts Payable Run	\$	3,026.26
11/08/24	Payroll (net pay)	\$	123,186.76
11/08/24	Payroll Transmittal Checks	\$	6,223.89
11/19/24	Regular Accounts Payable	\$	202,765.90
Checks Sub-Total:		\$	335,202.81

HUNTINGTON NATIONAL BANK - ACH/WIRE PAYMENTS

11/04/24	MI Public Power Agency	\$	9,637.32
11/04/24	AMG Payment Solutions	\$	577.68
11/04/24	AMG Payment Solutions	\$	34.99
11/07/24	DTE Energy	\$	3,551.50
11/08/24	IRS (Payroll Tax Deposit)	\$	45,210.01
11/08/24	Alerus Financial (HCSP)	\$	558.00
11/08/24	Vantagepoint (401 Plan)	\$	1,204.14
11/08/24	Vantagepoint (457 Plan)	\$	22,537.18
11/08/24	Vantagepoint (Roth IRA)	\$	1,265.00
11/08/24	State of MI (Withholding Tax)	\$	6,653.05
11/08/24	State of MI (Sales Tax)	\$	28,883.46
11/12/24	MI Public Power Agency	\$	11,619.11
ACH Sub-Total:		\$	131,731.44

Huntington National Bank Total: \$ 466,934.25

CHARLEVOIX STATE BANK - CHECKS ISSUED (PROPERTY TAX DISBURSEMENT TO VARIOUS TAXING AUTHORITIES)

10/29/24	Special A/P Tax Disbursement	\$	397,647.11
11/08/24	Special A/P Tax Disbursement	\$	33,233.64
Charlevoix State Bank Total:		\$	430,880.75

Grand Total: \$ 897,815.00

APPROVED:


CITY MANAGER


CITY TREASURER


CITY CLERK

CHECK REGISTER FOR CITY OF CHARLEVOIX

CHECK DATE 11/08/2024 - 11/08/2024

BANK CODE: 1 - GENERAL CASH - HUNTINGTON BANK - CHECK TYPE: PAPER CHECK - CHECK SOURCE: COMPUTER GENERATED CHECKS

Check Date	Check	Vendor Name	Amount
Bank 1 GENERAL CASH - HUNTINGTON BANK			
11/08/2024	143799	4FRONT CREDIT UNION	1,460.58
11/08/2024	143800	AMERICAN FAMILY LIFE	532.65
11/08/2024	143801	CHARLEVOIX STATE BANK	1,380.00
11/08/2024	143802	COMMUNICATION WORKERS OF AMER	647.95
11/08/2024	143803	FOPLC	234.00
11/08/2024	143804	MI STATE DISBURSEMENT UNIT	116.55
11/08/2024	143805	PRIORITY HEALTH	1,456.92
11/08/2024	143806	THE HARTFORD	395.24
1 TOTALS:			
Total of 8 Checks:			6,223.89
Less 0 Void Checks:			0.00
Total of 8 Disbursements:			6,223.89

CHECK APPROVAL REPORT FOR CITY OF CHARLEVOIX

Payroll: 0000000005

Name	Check Date	Gross	Net
HEYDLAUFF, MARK L.	11/08/2024	6,169.23	4,171.50
DVORACEK, SARAH J.	11/08/2024	3,207.15	2,508.64
DeROSIA, PATRICIA E.	11/08/2024	1,444.23	887.32
KLOOSTER, ALIDA K.	11/08/2024	3,592.00	2,527.46
BARNEVELD, RICHELLE L.	11/08/2024	2,188.36	1,549.09
SCHULZ, GINNY L.	11/08/2024	2,323.06	1,733.43
JENKINS, JESSICA-RAE A.	11/08/2024	1,895.20	1,466.25
MILLER, FAITH G.	11/08/2024	156.08	100.14
MCGINN, KELLY A.	11/08/2024	4,233.84	2,921.63
SCHEEL, JONATHAN D.	11/08/2024	3,752.01	2,684.55
MCDONNELL, JILL L.	11/08/2024	4,260.36	2,620.93
UMULIS, MATTHEW T.	11/08/2024	2,866.01	1,664.37
ORBAN, BARBARA K.	11/08/2024	2,520.35	1,336.25
RILEY, DENISE M.	11/08/2024	717.42	582.57
MUNK, CHRISTOPHER J.	11/08/2024	2,440.00	1,448.44
CHRISTIANSEN, BRIAN D.	11/08/2024	2,174.40	1,489.75
RAMIREZ, CHARLES V.	11/08/2024	2,138.20	1,460.14
MARTIN, DONALD L.	11/08/2024	3,386.12	2,280.25
YOUNG, KRISTEN L.	11/08/2024	2,771.98	2,051.58
CONWAY, PATRICK G.	11/08/2024	72.00	66.48
DOTSON, WILLIAM R.	11/08/2024	700.00	602.85
WURST, RANDALL W.	11/08/2024	3,278.74	1,706.12
HILLING, NICHOLAS A.	11/08/2024	3,533.16	2,208.10
MEIER III, CHARLES A.	11/08/2024	2,547.89	1,579.47
ZACHARIAS, STEVEN B.	11/08/2024	2,536.00	1,513.15
NEWMAN, MARK J.	11/08/2024	2,416.00	1,588.14
LOUGHMILLER, JOHN A.	11/08/2024	2,568.60	1,863.79
GRIFFITH, JOHN J.	11/08/2024	4,964.92	2,708.63
EATON, BRAD A.	11/08/2024	4,428.63	2,778.15
WILSON, TIMOTHY J.	11/08/2024	5,036.37	3,623.98
LAVOIE, RICHARD L.	11/08/2024	3,434.10	2,113.71
STERRETT, PHILLIP R.	11/08/2024	3,634.01	2,378.46
STEVENS, BRANDON C.	11/08/2024	5,197.48	3,156.29
WHITLEY, ANDREW T.	11/08/2024	4,752.37	2,772.26
FARRELL, MITCHELL L.	11/08/2024	3,821.17	2,462.83
ANDERSON, ELIZABETH A.	11/08/2024	2,130.00	1,393.69
KENWABIKISE, DAVID L.	11/08/2024	1,917.19	1,332.62
DVORACEK, BRIAN N.	11/08/2024	990.00	820.49
ELLIOTT, PATRICK M.	11/08/2024	4,961.27	3,414.29
MORRISON, KEVIN P.	11/08/2024	2,704.64	1,590.48
FURGESON, JUSTIN L.	11/08/2024	3,149.16	2,340.22
BRADLEY, KELLY R.	11/08/2024	3,480.50	2,104.74
HART II, DELBERT W.	11/08/2024	3,048.04	1,968.52
JONES, ROBERT F.	11/08/2024	2,422.43	1,583.56
THORP, WILLIAM D.	11/08/2024	2,822.32	1,802.30
LEITNER, RYAN S.	11/08/2024	2,421.41	1,618.97
NOWKA, STEPHEN P.	11/08/2024	2,260.72	1,629.95
RILEY, DANIEL A.	11/08/2024	2,455.89	1,733.65
REID, ROB A.	11/08/2024	1,881.56	1,294.14
DORAN, JUSTIN J.	11/08/2024	3,364.54	2,556.57
NEDWICK, DAVID J.	11/08/2024	861.88	747.59
FINNERTY, HOLLY E.	11/08/2024	1,440.00	1,172.15
WILSON, SAMUEL J.	11/08/2024	1,224.00	1,016.92
POIROT, KENNETH R.	11/08/2024	1,072.00	901.26
VENTZKE, COLE C.	11/08/2024	1,041.25	868.71
JOHNSON, RANDY J.	11/08/2024	1,440.00	1,236.95
PARRISH, JASON P.	11/08/2024	880.00	775.28
SPEER, LIAM M.	11/08/2024	952.50	800.06
WOOD, DIANA G.	11/08/2024	1,139.00	943.08
CRANDELL, ZACKARY R.	11/08/2024	1,011.50	835.38
RABIDEAU, JACOB L.	11/08/2024	1,224.00	1,007.77
BORTHS, MICHAEL J.	11/08/2024	957.00	803.58
KNORR, KENT J.	11/08/2024	3,304.55	2,439.21
ANZELL, BETH A.	11/08/2024	2,293.48	1,718.23
STEBE, LAURA A.	11/08/2024	11.63	10.74
MCDERMOTT, DENNIS J.	11/08/2024	1,692.42	1,376.20
DRENTH, DOUGLAS A.	11/08/2024	264.00	182.59
GILL, DAVID R.	11/08/2024	1,462.06	1,204.56
LIVINGSTON, BRIAN D.	11/08/2024	2,390.40	1,903.02
KLOOSTER, PATRICK H.	11/08/2024	240.00	111.44
COX, RONALD L.	11/08/2024	232.00	154.38
WAY, KRISTINA M.	11/08/2024	62.00	57.26
PETROSKY, TIMOTHY D.	11/08/2024	46.50	40.96

Payroll: 0000000005

Approved By: Long Min Date: 11/5/24

CHECK REGISTER FOR CITY OF CHARLEVOIX

CHECK DATE 11/19/2024 - 11/19/2024

BANK CODE: 1 - GENERAL CASH - HUNTINGTON BANK - CHECK SOURCE: COMPUTER GENERATED CHECKS

Check Date	Check	Vendor Name	Amount
Bank 1 GENERAL CASH - HUNTINGTON BANK			
11/19/2024	143810	ACE HARDWARE	4,328.82
11/19/2024	143811	ACLARA TECHNOLOGIES LLC	2,781.12
11/19/2024	143812	ALTEC INDUSTRIES INC	6,698.37
11/19/2024	143813	AMAZON CAPITAL SERVICES	524.93
11/19/2024	143814	ART'S AUTO & TRUCK PARTS	144.26
11/19/2024	143815	ASPLUNDH TREE EXPERT LLC	5,089.60
11/19/2024	143816	AT YOUR SERVICE PLUS INC	420.00
11/19/2024	143817	AT&T MOBILITY	85.12
11/19/2024	143818	AUTO WARES INC	575.18
11/19/2024	143819	AVFUEL CORPORATION	72,360.59
11/19/2024	143820	CARQUEST OF CHARLEVOIX	2,138.29
11/19/2024	143821	CCH INCORPORATED	1,315.10
11/19/2024	143822	CHARLEVOIX SCREEN MASTERS INC	27.00
11/19/2024	143823	CITY OF CHARLEVOIX - MISC	1,011.16
11/19/2024	143824	CONWAY PROFESSIONAL SERVICES	1,866.50
11/19/2024	143825	DETROIT SALT COMPANY	7,550.49
11/19/2024	143826	DIONNE FARMS	31.00
11/19/2024	143827	DROST LANDSCAPE	675.00
11/19/2024	143828	EDWARD JONES	245.28
11/19/2024	143829	ELECTIONSOURCE	21.38
11/19/2024	143830	FAMILY FARM AND HOME	158.47
11/19/2024	143831	FLETCH'S INC	1,395.64
11/19/2024	143832	FREEDOM MAILING SERVICES INC	2,984.18
11/19/2024	143833	FURGESON, JUSTIN L.	374.33
11/19/2024	143834	GOSLING CZUBAK ENGINEERING	2,400.00
11/19/2024	143835	GREAT LAKES ASPHALT SERVICES	3,250.00
11/19/2024	143836	GREAT LAKES ELEVATOR LLC	473.39
11/19/2024	143837	GREG BARNES	34.33
11/19/2024	143838	GRP ENGINEERING INC	2,321.13
11/19/2024	143839	HACH COMPANY	89.45
11/19/2024	143840	HAGGARD PLUMBING & HEATING	202.54
11/19/2024	143841	HYDE SERVICES LLC	212.00
11/19/2024	143842	HYDROCORP	2,243.50
11/19/2024	143843	IDEXX DISTRIBUTION INC	1,958.30
11/19/2024	143844	JERRY CHIPMAN	85.04
11/19/2024	143845	JOHN H CROSS III	7,000.00
11/19/2024	143846	JOHN KURTZ	592.72
11/19/2024	143847	JOY HALVERSON	120.00
11/19/2024	143848	KALAMAZOO SANITARY SUPPLY LLC	626.35
11/19/2024	143849	KAM POWERSPORTS	1,586.84
11/19/2024	143850	LAKESHORE TIRE & AUTO SERVICE	68.00
11/19/2024	143851	MANTHEI CONSTRUCTION	1,458.55
11/19/2024	143852	MATT SALTZGABER	111.79
11/19/2024	143853	MCCARDEL CULLIGAN WATER COND	55.50
11/19/2024	143854	MICHIGAN DNR	346.39
11/19/2024	143855	MUTT MITT	2,931.67
11/19/2024	143856	NORTHWEST FIRE	133.00
11/19/2024	143857	OLSON & HOWARD	418.50
11/19/2024	143858	ON DUTY GEAR LLC	1,055.00
11/19/2024	143859	PENINSULA FIBER NETWORK LLC	360.00
11/19/2024	143860	PHILLIP R STERRETT	81.66
11/19/2024	143861	POWER LINE SUPPLY	681.66
11/19/2024	143862	PRESTON FEATHER	275.16
11/19/2024	143863	PRO IMAGE DESIGN - PETOSKEY	2,095.96
11/19/2024	143864	PURE WATER WORKS	62.00
11/19/2024	143865	RENEWIT DECK SUPPLY	308.88
11/19/2024	143866	ROTARY CLUB OF CHARLEVOIX	75.00
11/19/2024	143867	SHADES OF GREEN LANDSCAPING	16,687.50
11/19/2024	143868	SHARRI ROSE	33.01
11/19/2024	143869	SHARROW MASONRY INC	2,300.00
11/19/2024	143870	STATE OF MICHIGAN	1,293.38
11/19/2024	143871	STITCH N LYDS LLC	763.00
11/19/2024	143872	STOOPS FREIGHTLINER	83.94
11/19/2024	143873	STUART C IRBY CO	7,239.74
11/19/2024	143874	SUMMIT FIRE PROTECTION	853.00
11/19/2024	143875	SUPERIOR MECHANICAL OF CHARLE	16,415.01
11/19/2024	143876	SYSTEMS SPECIALISTS INC	1,560.00
11/19/2024	143877	TELNET WORLDWIDE	286.33
11/19/2024	143878	TERMINAL SUPPLY CO	506.65
11/19/2024	143879	TOP LINE ELECTRIC LLC	350.00

CHECK REGISTER FOR CITY OF CHARLEVOIX

CHECK DATE 11/19/2024 - 11/19/2024

BANK CODE: 1 - GENERAL CASH - HUNTINGTON BANK - CHECK SOURCE: COMPUTER GENERATED CHECKS

Check Date	Check	Vendor Name	Amount
Bank 1 GENERAL CASH - HUNTINGTON BANK			
11/19/2024	143880	TRACE ANALYTICAL LABORATORIES	460.00
11/19/2024	143881	TRINA BRIGHAM	62.39
11/19/2024	143882	TRUCK & TRAILER SPECIALTIES	793.20
11/19/2024	143883	UNIFIRST CORPORATION	285.50
11/19/2024	143884	UTILITY FINANCIAL SOLUTIONS	1,522.50
11/19/2024	143885	VILLAGE GRAPHICS INC	72.00
11/19/2024	143886	WHIPPO BROTHERS PLUMBING & HE	350.00
11/19/2024	143887	WILLIAM R JOY	81.56
11/19/2024	143888	WINDEMULLER ELECTRIC INC.	1,001.07
11/19/2024	143889	WOJAN, ROBERT	3,250.00
1 TOTALS:			
Total of 80 Checks:			202,765.90
Less 0 Void Checks:			0.00
Total of 80 Disbursements:			202,765.90

CHECK REGISTER FOR CITY OF CHARLEVOIX

CHECK DATE 11/04/2024 - 11/04/2024

BANK CODE: 1 - GENERAL CASH - HUNTINGTON BANK - CHECK TYPE: EFT - CHECK SOURCE: COMPUTER GENERATED CHECKS

Check Date	Check	Vendor Name	Amount
Bank 1 GENERAL CASH - HUNTINGTON BANK			
11/04/2024	39(E)	MICHIGAN PUBLIC POWER AGENCY	9,637.32
11/04/2024	48(E)	AMG PAYMENT SOLUTIONS	577.68
11/04/2024	49(E)	AMG PAYMENT SOLUTIONS	34.99
1 TOTALS:			
Total of 3 Checks:			10,249.99
Less 0 Void Checks:			0.00
Total of 3 Disbursements:			10,249.99

CHECK REGISTER FOR CITY OF CHARLEVOIX

CHECK DATE 11/07/2024 - 11/07/2024

BANK CODE: 1 - GENERAL CASH - HUNTINGTON BANK - CHECK TYPE: EFT - CHECK SOURCE: COMPUTER GENERATED CHECKS

Check Date	Check	Vendor Name	Amount
Bank 1 GENERAL CASH - HUNTINGTON BANK			
11/07/2024	38(E)	DTE ENERGY	3,551.50
1 TOTALS:			
Total of 1 Checks:			3,551.50
Less 0 Void Checks:			0.00
Total of 1 Disbursements:			3,551.50

CHECK REGISTER FOR CITY OF CHARLEVOIX

CHECK DATE 11/08/2024 - 11/08/2024

BANK CODE: 1 - GENERAL CASH - HUNTINGTON BANK - CHECK TYPE: EFT - CHECK SOURCE: COMPUTER GENERATED CHECKS

Check Date	Check	Vendor Name	Amount
Bank 1 GENERAL CASH - HUNTINGTON BANK			
11/08/2024	40(E)	**EFTPS* Payroll Taxes	45,210.01
11/08/2024	41(E)	Alerus Financial	558.00
11/08/2024	42(E)	MissionSquare - 401 Plan 1091	1,204.14
11/08/2024	43(E)	MissionSquare - 457 Plan 3009	22,537.18
11/08/2024	44(E)	MissionSquare - Roth IRA 7061	1,265.00
11/08/2024	45(E)	STATE OF MICHIGAN	6,653.05
11/08/2024	46(E)	STATE OF MICHIGAN	28,883.46
1 TOTALS:			
Total of 7 Checks:			106,310.84
Less 0 Void Checks:			0.00
Total of 7 Disbursements:			106,310.84

CHECK REGISTER FOR CITY OF CHARLEVOIX

CHECK DATE 11/12/2024 - 11/12/2024

BANK CODE: 1 - GENERAL CASH - HUNTINGTON BANK - CHECK TYPE: EFT - CHECK SOURCE: COMPUTER GENERATED CHECKS

Check Date	Check	Vendor Name	Amount
Bank 1 GENERAL CASH - HUNTINGTON BANK			
11/12/2024	47(E)	MICHIGAN PUBLIC POWER AGENCY	11,619.11
1 TOTALS:			
Total of 1 Checks:			11,619.11
Less 0 Void Checks:			0.00
Total of 1 Disbursements:			11,619.11

CHECK REGISTER FOR CITY OF CHARLEVOIX

CHECK DATE 10/29/2024 - 10/29/2024

BANK CODE: 2 - TAX CASH - CSB - CHECK TYPE: PAPER CHECK - CHECK SOURCE: COMPUTER GENERATED CHECKS

Check Date	Check	Vendor Name	Amount
Bank 2 TAX CASH - CSB			
10/29/2024	4170	CHARLEVOIX COUNTY TREASURER	102,736.48
10/29/2024	4171	CHARLEVOIX PUBLIC SCHOOLS	182,084.06
10/29/2024	4172	CITY OF CHARLEVOIX - TAXES DU	112,812.70
10/29/2024	4173	Guardian Title Agency	13.87
2 TOTALS:			
Total of 4 Checks:			397,647.11
Less 0 Void Checks:			0.00
Total of 4 Disbursements:			397,647.11

CHECK REGISTER FOR CITY OF CHARLEVOIX

CHECK DATE 11/08/2024 - 11/08/2024

BANK CODE: 2 - TAX CASH - CSB - CHECK TYPE: PAPER CHECK - CHECK SOURCE: COMPUTER GENERATED CHECKS

Check Date	Check	Vendor Name	Amount
Bank 2 TAX CASH - CSB			
11/08/2024	4174	CHARLEVOIX COUNTY TREASURER	9,290.69
11/08/2024	4175	CHARLEVOIX PUBLIC SCHOOLS	13,684.22
11/08/2024	4176	CITY OF CHARLEVOIX - TAXES DU	10,258.73
2 TOTALS:			
Total of 3 Checks:			33,233.64
Less 0 Void Checks:			0.00
Total of 3 Disbursements:			33,233.64

Charlevoix City Council

Consent Agenda

Title: Airport Fees

Date: November 18, 2024

Presented By:

Background:

I have been calculating time spent on a couple of duties that our airport staff do for customers and believe implementing a couple of new fees would be appropriate. I calculated an average hourly rate for all airport employees with benefits at \$50 per hour.

Quick turn: This is a request for expedited services such as marshaling, fueling, lavatory service, ground power unit, etc. This is typically requested when aircrews are running behind and would like to depart as quickly as possible. This requires two employees at \$50 per hour for \$100. I also calculated the vehicle/equipment at approximately \$50. This makes the total quick turn fee \$150.

Vehicle Handling Fee: This fee would be imposed anytime we have to take care or charge of any customer's vehicle, including but not necessarily limited to; plane side delivery, parking their vehicle for them after departure, handling, holding, or otherwise taking responsibility for their vehicle keys. I calculated that fee to be one hour of our time at \$50 for each event.

Both of these services take airport staff away from other duties such as fueling aircraft, marshaling aircraft, airport maintenance, and more.

I would also propose increasing after-hour call out services on holidays.

Currently, we charge \$200 per hour for the first hour and \$150 per hour for every hour after that. Of that, the employee gets half (\$100 and \$75 respectively). This is per employee required for the call-out. For example, if there was a snow event during a call-out, three employees would be necessary, making it \$600 for the first hour and \$450 for every hour after. Employees are currently paid 2 ½ times their hourly rate for working holidays. Based on this, I think doubling call out fees for holidays would be appropriate, i.e. \$400 an hour for the first hour and \$300 for every hour after that. This will also be split with the employee.

Recommendation:

Motion to approve the new fees as presented.

Attachments:

None

Charlevoix City Council

Consent Agenda

Title: Lighthouse Grant Support

Date: November 18, 2024

Presented By:

Background:

The Charlevoix Historical Society is seeking the City's support to apply for a grant from the State of Michigan's State Historic Preservation Office (SHPO) to repaint the interior and exterior of the lighthouse for the amount of \$60,000. The City would receive the grant funds and be the pass-through entity in advancing funds until SHPO reimbursed them for expenses. The Charlevoix Historical Society is providing \$80,500 in funds toward the project.

Recommendation:

Motion to designate City Manager as the City's project contact and approve the resolution as presented.

Attachments:

1. City Resolution 2024-11-18 lighthouse rehab MLAP grant

CITY OF CHARLEVOIX
RESOLUTION NO. 2024-11-01
CHARLEVOIX HISTORICAL SOCIETY SOUTH PIER LIGHTHOUSE REHABILITATION GRANT APPLICATION

- WHEREAS,** the Charlevoix Historical Society has entered into an agreement with the City of Charlevoix to restore, maintain and preserve the Charlevoix South Pier Lighthouse; and
- WHEREAS,** the Charlevoix Historical Society will file an application to the Michigan State Historic Preservation Office (SHPO) for the Michigan Lighthouse Assistance Program (MLAP) in the amount of \$60,000 for a Rehabilitation grant for the Localized Repainting the Interior and Exterior of the Charlevoix South Pier Lighthouse; and
- WHEREAS,** the Charlevoix Historical Society shall provide the matching funds totaling \$80,500 for a total project cost of \$140,500. The source of the matching funds shall be the Charlevoix Historical Society; and
- WHEREAS,** Denise Fate, Lighthouse Chair of the Charlevoix Historical Society (denise@chxhistory.com) will oversee the MLAP grant management and grant administration duties; and
- WHEREAS,** the Charlevoix Historical Society will receive and pay vendor invoices related to the grant project; and
- WHEREAS,** the City of Charlevoix will advance funds as needed to the Charlevoix Historical Society to pay project invoices until reimbursement is received by the Charlevoix Historical Society from SHPO, of an amount not to exceed the amount of the SHPO grant, and
- WHEREAS,** the Charlevoix Historical Society will re-pay the City for any advanced funds within 30 days of SHPO reimbursement, and
- WHEREAS,** the Mayor and City Clerk from the City of Charlevoix are authorized to sign the required historic preservation easement and record it at the County Register of Deeds before the grant reimbursement will be processed by the SHPO; and
- WHEREAS,** the Charlevoix Historical Society acknowledges that the Michigan Lighthouse Assistance Program (MLAP) is an expense reimbursement program. The Charlevoix Historical Society authorizes expenditures in the amount of \$140,500 for the project work with the knowledge that eligible expenditures up to the approved grant amount will be reimbursed to the Charlevoix Historical Society upon SHPO acceptance of final project work, SHPO acceptance of the final completion report, SHPO audit and acceptance of financial documentation for eligible costs and SHPO acceptance of a historic preservation easement recorded at the Register of Deeds.
- NOW THEREFORE BE IT RESOLVED,** that the City of Charlevoix as owner of the South Pier Lighthouse supports the Charlevoix Historical Society in the application for a Rehabilitation Grant dated November 21, 2024 and designates City Manager Mark Heydlauff as the City's project contact (markh@charlevoixmi.gov).

RESOLVED this 18th day of November, A.D. 2024.

Resolution was adopted by the following yea and nay vote:

Yeas:
Nays:
Absent:

Charlevoix City Council

Consent Agenda

Title: Investment Update from City Treasurer

Date: November 18, 2024

Presented By:

Background:

The City of Charlevoix Investment Policy authorizes the City Treasurer to establish procedures and internal controls for depositing City monies and carrying out investment decisions and activities consistent with the investment policy. Per the Investment Policy, the Treasurer will report investment information to the City Manager and Council as to the type, rate and terms of the investments, total interest received, annual rate of returns with benchmark comparisons, bank ratings and other related information which enables the governing body to monitor and measure the success of the investment portfolio.

As of 11/18/2024, four CD's matured and are listed at the top of the Investment Report. Two of these CD's were invested at higher interest rates while the other two were re-invested at slightly lower interest rates.

Recommendation:

Motion to approve the investment report as presented.

Attachments:

1. Investments FY 2024-25 as of 11-18-24

CITY OF CHARLEVOIX
SCHEDULE OF FISCAL YEAR 2024-25 INVESTMENTS
As of November 18, 2024

ACCOUNT# / CUSIP	BANK	AMOUNT	INVEST DATE	MATURITY DATE	CASHED?	ANNUAL RATE	TIME DAYS	EST TOTAL PROCEEDS	EST 24-25 PROCEEDS		
38150VDK2	Huntington - Goldman Sachs	250,000	7/8/2022	7/7/2024	Yes	3.300%	730	16,568	2,224		
6887508	CIBC - Private Bank	250,000	7/11/2022	7/15/2024	Yes	3.200%	735	16,333	2,356		
6894143	CIBC - Private Bank	250,000	8/17/2022	8/16/2024	Yes	3.350%	730	17,006	3,215		
6933632	CIBC - Private Bank	250,000	8/16/2022	8/15/2024	Yes	3.350%	730	17,006	3,192		
6870388	CIBC - Private Bank	250,000	9/26/2022	9/25/2024	Yes	4.150%	730	21,038	5,130		
587379AD0	Huntington - Mercantile Bank	250,000	4/30/2023	10/28/2024	Yes	4.800%	548	18,049	6,972		
6809318	CIBC - Private Bank	250,000	2/21/2023	2/20/2025	NO	4.750%	730	23,750	10,606		250,000
1029548761	CIBC - Private Bank CDARS	250,000	8/22/2024	8/20/2026	NO	4.150%	728	20,693	6,282		250,000
6975062	CIBC - Private Bank	630,000	3/8/2023	3/7/2025	NO	5.000%	730	63,000	29,429		630,000
33847GJS2	Huntington - Flagstar	250,000	7/11/2024	7/10/2026	NO	4.850%	729	24,217	8,737		250,000
06051V4P8	Huntington - Bank of America	250,000	11/1/2023	11/3/2025	NO	5.350%	733	26,860	13,375		250,000
02007G-3S-0	Huntington - Ally Bank	250,000	9/28/2024	9/28/2026	NO	3.800%	730	19,000	4,789		250,000
05612LAR3	Huntington - BMW Bank North America	250,000	7/12/2024	7/12/2026	NO	4.700%	730	23,500	8,434		250,000
15987UBK3	Huntington - Charles Schwab	250,000	4/25/2023	4/24/2025	NO	4.800%	730	24,000	12,000		250,000
32110YP90	Huntington - 1st Natl Bank of America	250,000	10/30/2024	10/30/2026	NO	3.800%	730	19,000	3,956		250,000
90355GCYO	Huntington - UBS Bank USA	250,000	5/5/2023	5/5/2025	NO	4.800%	731	24,033	12,000		250,000
1029548737	CIBC - Private Bank CDARS	250,000	8/21/2024	8/19/2026	NO	4.150%	728	20,693	6,310		250,000
TOTALS:		\$3,130,000			Average Days & Totals:		720	394,746	139,007		3,130,000

Charlevoix City Council

Consent Agenda

Title: Bridge Drop New Year's Eve Event

Date: November 18, 2024

Presented By:

Background:

The Bridge Drop event has been on hiatus since the pandemic and there have been some community members and businesses who requested that it come back. The event we are proposing this year will be toned down from the past with no fireworks planned, but a variety of family-friendly activities during the day and the culmination of “dropping the bridge” at midnight. We hope restaurants and bars will have live music and dinner and drink specials to help with the festive atmosphere.

Recommendation:

Motion to authorize the Bridge Drop event to take place in downtown Charlevoix, and allow staff to contact MDOT to request help with the Bridge Drop.

Attachments:

1. Bridge Drop 2024



Event Planning Worksheet/Schedule

Name of Event: **Charlevoix Bridge Drop**

Event Contact Person (Available the day of the event): Amanda Wilkin
Phone Number: 547-2101 (248-802-9692 day of)

Date: **December 31, 2024**

Time: Noon- Midnight

Location: East Park

List of items/support needed:

Coned off parking spaces on Mason Street by Clothing Company for horse drawn carriage

Banners in East Park for 3 days prior to event

2 Fire cans, 4 trash cans with lids, 2 picnic tables in plaza B of East Park

Sidewalks cleared and salted all around East Park-including stairs

BIBCo bathrooms available and stocked, City Hall bathrooms available until 6:00 pm

Odmark Pavilion sound system

2024 Plan

Banners: Request to have banners displayed at the north and south ends of town. Banners will go up on December 14th. Request to hang banners from the railing near the Odmark Pavilion and along the Marina from December 28th to January 2nd.

Parking: Block four (4) parking spaces on Mason Street at 8:00 am on 12/31. Spaces to be blocked are at the northwest corner of Mason & Bridge (next to Clothing Co). Spaces will be used by horse-drawn wagon. Wagon rides on December 31st from 1 to 5:00 p.m. Event organizers to remove the cones when the wagon rides are finished.

Parking: Block four (4) parking spaces on Bridge Street adjacent to Plaza B. Parking spots should be blocked off by 8:00 am on December 31st. Event organizers to remove the cones after the fireworks.

Trash receptacles: Four (4) cans are requested in East Park. Committee requests that the trash cans have lids. The DPW will not be picking up the trash until January 2nd. If the committee wishes, it can take the waste to either the City's DPW or City Hall dumpster.

Picnic Tables: Two (2) picnic tables are requested for East Park along the Bridge Street sidewalk near Plaza B.

Burning Barrels: Request for two (2) burn barrels in Plaza B. The committee will provide firewood. The burn barrels will be manned at all times.

Sidewalks: Remove snow from sidewalks surrounding East Park. Requesting the yellow area on the map be shoveled. Organizers are requesting that the City remove snow from East Park's east/west sidewalks. The DPW requests that Bridge Drop organizers have volunteers available to complete the work in the event the DPW is unable. The DPW and Police are willing to loan Bridge Drop organizers the City Hall snow blower for volunteers to move snow if necessary.

Event is also asking that the stairs be salted

Restrooms: Request for access to Bridge Park (BIBCo) restrooms, and request City Hall's Mason Street restrooms be available on December 31st from noon to 6:00 p.m.

Use of East Park: East Park will have the s'mores making station, snowman contest and other children's activities.

Electricity: Request the use of the East Park electrical boxes

Music: The event requests to use the Odmark Pavilion sound system to play music during the children's activities and early evening.

Prior to Midnight – The drawbridge will be raised prior to midnight before the official countdown begins. The drawbridge is expected to remain open for less than five minutes. The committee requests that the City contact MDOT and the bridge operator.

Snow Banks: Request removal of snow banks along Bridge Street prior to the event. (if appropriate)

City Use Only: -- Department	Item
Electric	Verify electric outlets in East Park along Bridge Street area working
Police	12/31/19 8:00 am: Block off 4 parking cones on Mason Street-Northwest corner (near Clothing Company) Spaces to be used for horse drawn wagon. 12/31/19 8:00 am Block 4 parking spaces adjacent to East Park in front of Plaza B City Hall Mason Street restrooms available 12/31 from 12 noon to 6:00 p.m. City Hall snow blower to be available to clear snow on sidewalks, if needed
Public Works	Deliver 4 trash cans with lids to East Park-see map for placement 2 picnic tables to be placed on the sidewalk in East Park. See map for placement. One in plaza B, one next to plaza B. 2 burning barrels in East Park in Plaza B. See map for placement Clear snow from sidewalks surrounding/inside East Park. Please salt all sidewalks If needed, remove snow banks from Bridge Street adjacent to East Park
Recreation	Keys for Pavilion sound system to Amanda

EAST PARK BRIDGE DROP

Please block 4 spaces in front of Plaza B at 8:00 am on 12/31

2 picnic tables (**please place on sidewalk, one in plaza B, one next to plaza B**), 4 trash cans with lids and 2 fire pits to be delivered.

Please be sure all starred sidewalks are cleared and salted



Bridge Drop Schedule - December 31st

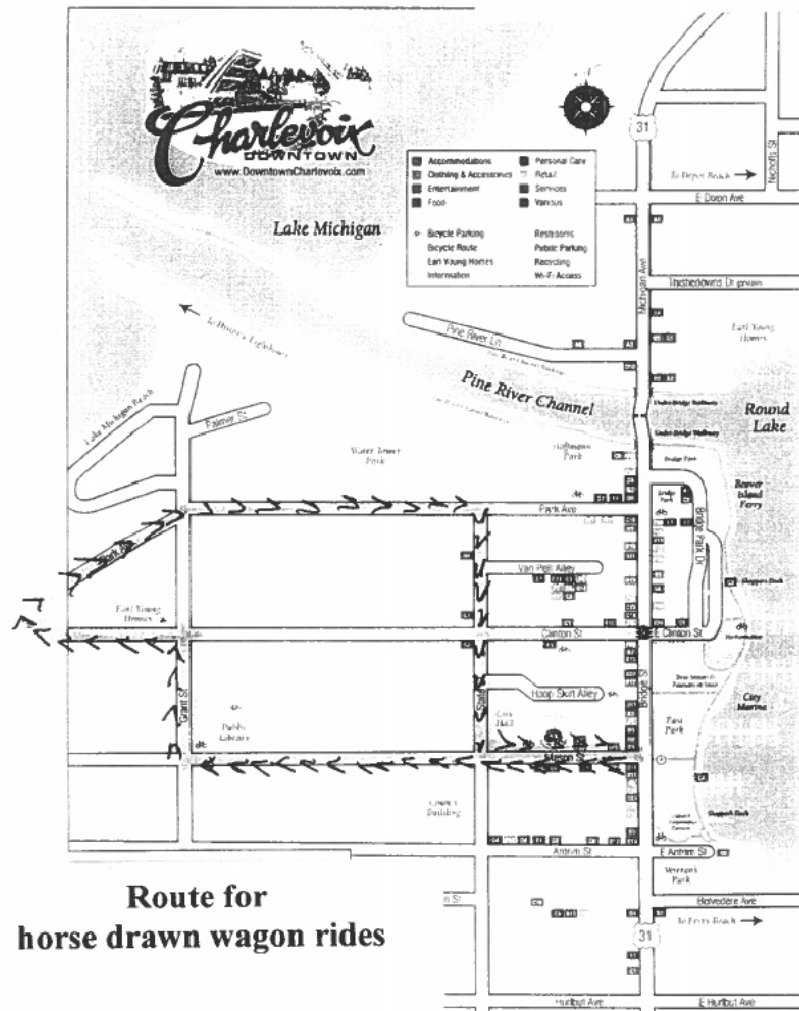
10:30 a.m.

Movie at Charlevoix Cinema III

1:00pm - 5:00 p.m.

Horse drawn wagon rides - corner Bridge & Mason

1:00pm - 4:00 p.m.	music in East Park via pavilion speakers
1:00pm - 4:00 p.m.	East Park Activities • Snowman Making Contest • Hot Cocoa • S'more making station • Burning barrel for warmth
5:00pm- midnight	Restaurant and bar specials around downtown
11:55 p.m. - midnight	Bridge Drop



**Route for
horse drawn wagon rides**

Charlevoix City Council

Consent Agenda

Title: Match on Main Grant: Charlevoix Running Company

Date: November 18, 2024

Presented By:

Background:

This summer, the former DDA Director worked with the Charlevoix Running Company to apply for a Match on Main Grant for \$25,000 of support from the Michigan Economic Development Corporation for business support. The grant was ultimately successful and the the director signed a grant agreement with the MEDC on July 31. The requirements for the grant have been finalized and the state has transferred the money to the City. However, the grant did not receive approval in advance from either the DDA Board or City Council and as such, staff cannot arrange payment to reimburse Charlevoix Running Company. The DDA Board will meet again in January but, since no local funds were used for the grant, the Council could also receive the funds and authorize disbursement.

Recommendation:

Motion to authorize the receipt of funds for the Match on Main Grant and authorize the payment of them in the amount of \$25,000 to the Charlevoix Running Company in accordance with the grant agreement.

Attachments:

None

Charlevoix City Council

Public Hearings and Actions Requiring Public Hearings

Title: Public Hearing: Amendment to Disorderly Conduct, Ordinance 853 of 2024

Date: November 18, 2024

Presented By: Mark Heydlauff, City Manager

Background:

At your meeting on October 21, Council directed staff to develop plans to attempt to control the deer population based on the model in use in Meridian Township in Ingham County. To this end, we have developed an amendment to the Disorderly Conduct Ordinance to remove bow and arrow from the list of prohibited weapons that can be discharged in the City. We have also prohibited the discharge of a bow and arrow on city property except when the Council may pass a resolution to authorize it based on conditions you may set.

Recommendation:

Motion to approve Ordinance 853 of 2024 as presented.

Attachments:

1. 853 of 2024 Disorderly Conduct

CITY OF CHARLEVOIX
ORDINANCE NO. 853 of 2024
AN ORDINANCE TO AMEND TITLE XIII, CHAPTER 130, SECTION 130.03 (B) (1), OF THE CHARLEVOIX CITY CODE

THE CITY OF CHARLEVOIX ORDAINS:

SECTION 1. Title XIII, Chapter 130, Section 130.03 (B) (1) of the City of Charlevoix Code is hereby amended as follows:

- (B) *Acts prohibited.* No person shall:
- 1. Discharge a pistol or other firearm or bow and arrow in the city, except when lawfully acting in the defense of persons or property or the enforcement of law or at a duly established range, the operation of which has been approved by the City Council;
 - 2. The discharge of a bow and arrow on land owned by the City is prohibited unless the City Council may, upon the advice and consent of the appropriate agencies of this state, approve by resolution the removal and control of wildlife under conditions it may from time to time determine.

SECTION 2. Severability

No other portion, paragraph or phase of the Code of the City of Charlevoix, Michigan shall be affected by this Ordinance except as to the above sections, and in the event any portion, section or subsection of this Ordinance shall be held invalid for any reason, such invalidation shall not be construed to affect the validity of any other part or portion of this Ordinance or of the Code of the City of Charlevoix, Michigan.

SECTION 3. Effective Date

This Ordinance shall become effective thirty (30) days after its enactment.

Ordinance No. 853 was adopted on the XX day of November 2024 A.D., by the Charlevoix City Council as follows:

Motion by:
Seconded by:
Yeas:
Nays:
Absent:

State of Michigan }
City of Charlevoix } §

Sarah J. Dvoracek Clerk Lyle Gennett Mayor

Charlevoix City Council

Public Hearings and Actions Requiring Public Hearings

Title: Set Public Hearing: Amendment to Lighting and Signs, Ordinance 854 of 2024

Date: November 18, 2024

Presented By: Jonathan Scheel, Director of Planning & Zoning

Background:

Because of the continuing new and infill development along the US 31 corridor and through the rest of the city, light pollution continues to be a concern. Technology has made lighting inexpensive and installations are becoming larger, more complex and, brighter. The Planning Commission is proposing changes to the existing lighting and sign ordinances to minimize lighting intrusion on our citizens and the city. All existing lighting in the city can continue as is and only new installations will have to meet the new ordinance.

Here is a summary of the impact of the proposed changes:

153.172 LIGHTING

The new proposed language will replace in whole the current section.

The changes to the ordinance section include:

- Added a Purpose and Intent to define the importance and reasoning behind the lighting regulations. Courts look at purpose and intent when ordinances are challenged, and this section helps in showing the courts the “greater good” that the city is legislating.
- Adding specific definitions for the complexity of lighting terms
- Added Figure 153.172 Examples of Fully Shielded Light Fixtures for visual ease of selecting a fixture.
- Set Applicability standards.
- Set different standards for different lighting with a 1-3 class system.
- Added Outdoor Lighting Standards including LEDs, trespass, shielding and maximum light output
- Set Lighting Time Limitations.
- Added a Special Uses category for uses with exceptionally large lighting needs
- Expanded Plan Submittal and Evidence of Compliance standards
- Revised Exemptions and Nonconforming Lights.

153.207 SIGN STANDARDS FOR ALL SIGNS.

(D) *Illumination and lighting.*

The new proposed ordinance language replaces in whole the current section.

The changes to the ordinance section include:

- Does not allow external neon signs.
- Ties sign lighting standards to the general lighting ordinance standards.
- Protects nearby residential properties from light spillage.
- Allows certain Internally illuminated signs.

- Allows certain Fluorescent lights.
- Allows signs to be lit until 11:00 p.m. or during the hours of operation whichever is later.
- Illumination of off-premises signs is prohibited.
- Limits ground-mounted sign lighting

Recommendation:

Motion to set a public hearing for December 16, 2024 at 6pm in the Council Chambers of City Hall to consider Ordinance 854 of 2024 as presented.

Attachments:

1. Lighting ordinance final
2. LO bullet points
3. 854 of 2024 Lighting ordinance

153.172 LIGHTING

This section will replace in whole the existing 153.172

Purpose and Intent. It is the purpose and intent of this Code to balance the goals of the City of Charlevoix's Master Plan to maintain its small-town character with the need to provide for safe lighting practices and to minimize light pollution for the enjoyment of Charlevoix's citizens and visitors.

A. The use of outdoor lighting is often necessary for adequate nighttime safety and utility, but common lighting practices can also interfere with other legitimate public concerns. Principles among these concerns are:

1. The degradation of the nighttime visual environment by production of unsightly and dangerous glare;
2. Lighting practices that interfere with the health and safety of Charlevoix's citizens and visitors;
3. Unnecessary waste of energy and resources in the production of too much light or wasted light;
4. Interference in the use or enjoyment of property which is not intended to be illuminated at night, and the loss of the scenic view of the night sky due to increased urban sky-glow.

B. The concerns of safety, utility and aesthetic appearance need not compete. Good modern lighting practices can provide adequate light for safety and utility without excessive glare or light pollution. In nearly all cases, careful attention to when, where and how much nighttime lighting is needed will lead to better lighting practices.

C. The topography and atmospheric conditions in northern Michigan are uniquely suited for commercial and private astronomical observation in the area. Unnecessary or excessive uses of outdoor nighttime lighting have an adverse impact on astronomical observation even at relatively distant observatories.

D. Accordingly, it is the intent of this Code to require lighting practices and systems which will minimize light pollution, glare, light trespass, and conserve energy while maintaining nighttime safety, utility, security and productivity.

Outdoor Lighting. This definition includes the following terms and definitions:

A. "Class 1 lighting" means all outdoor lighting used for, but not limited to, outdoor sales or eating areas, assembly or repair areas, advertising and other signs, recreational facilities and other similar applications where color rendition is important to preserve the effectiveness of the activity.

B. "Class 2 lighting" means all outdoor lighting used for, but not limited to, illumination for walkways, roadways, equipment yards, parking lots and outdoor security where general illumination for safety and/or security of the grounds is the primary concern.

C. "Class 3 lighting" means any outdoor lighting used for decorative effects including, but not limited to, architectural illumination, flag and monument lighting, and illumination of trees, bushes, and similar things.

D. "Direct illumination" means illumination resulting from light emitted directly from a lamp, luminary, or reflector and is not light diffused through translucent signs or reflected from other surfaces such as the ground or building faces.

E. "Display lot or area" means outdoor areas where active nighttime sales activity occurs and where accurate color perception of merchandise by customers is required. To qualify as a display lot, 1 of the following specific uses must occur: automobile sales, boat sales, tractor sales, building supply sales, gardening or nursery sales, and assembly lots. Uses not on this list may be approved as display lot uses by the Zoning Administrator.

F. "Foot-candle" means 1 lumen per square foot. Unit of illuminance. It is the luminous flux per unit area in the Imperial system. One foot-candle equals approximately 0.1 (0.093) lux.

G. "Fully shielded light fixture" means a light fixture that is shielded in such a manner that light rays emitted by the fixture, either directly from the lamp or indirectly from the fixture, are projected below a horizontal plane running through the lowest point on the fixture where light is emitted (see Figure 153.172).

H. "Glare" means the sensation produced by a bright source within the visual field that is sufficiently brighter than the level to which the eyes are adapted to cause annoyance, discomfort, or loss in visual performance and visibility; blinding light. The magnitude of glare depends on such factors as the size, position, and brightness of the source, and on the brightness level to which the eyes are adapted.

I. "Installed" means a light fixture attached or fixed in place, whether or not connected to a power source, of any outdoor light fixture.

J. "Light pollution" means any adverse effect of man-made light.

K. "Light trespass" means light spill falling over property lines.

L. "Lumen" means a unit used to measure the actual amount of visible light which is produced by a lamp as specified by the manufacturer.

M. "Luminary" means the complete lighting assembly, less the support assembly.

N. "Motion sensing security lighting" means any fixture designed, and properly adjusted, to illuminate an area around a residence or other building by means of switching on a lamp when motion is detected inside the area or perimeter and switching the lamp off when the detected motion ceases.

O. "Multi-class lighting" means any outdoor lighting used for more than 1 purpose, for example security and decoration, such that its use falls under the definition of 2 or more classes as defined for Class 1, 2 and 3 lighting.

P. "Net acreage" means the remaining ground area of a parcel after deleting all portions for proposed and existing public rights-of-way and undeveloped area.

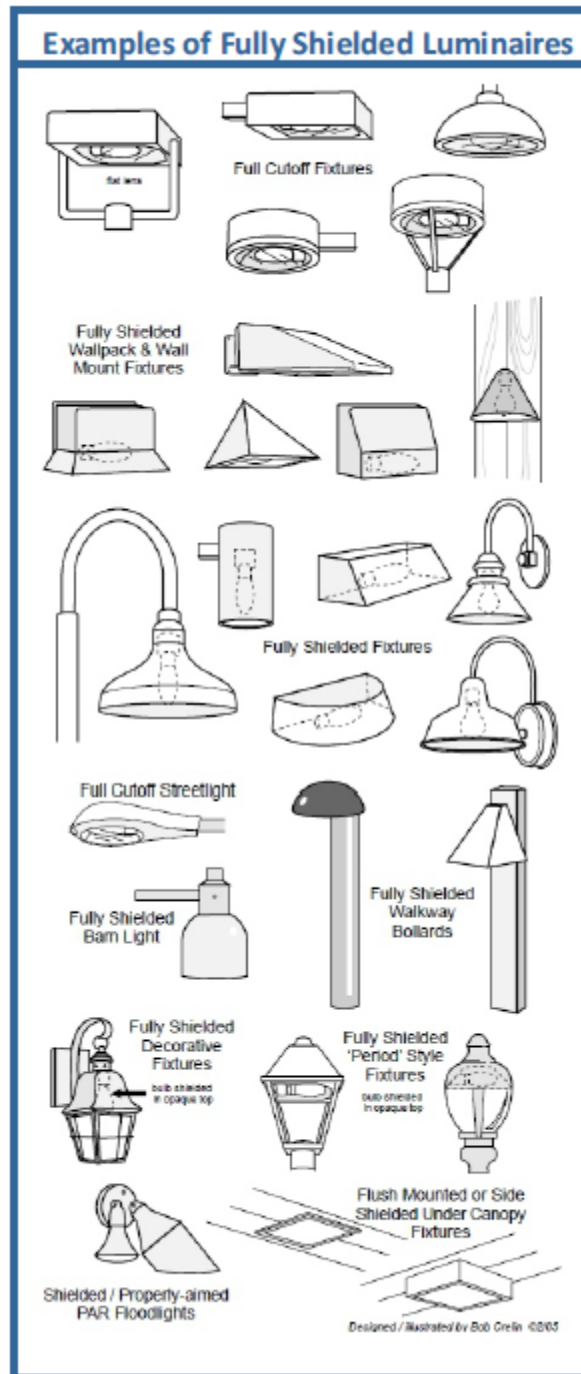


Figure 153.172 Example of Fully Shielded Light Fixtures

Q. "Outdoor light fixture" means an outdoor illuminating device, outdoor lighting or reflective surface, lamp or similar device, permanently installed or portable, used for illumination, decoration, or advertisement. Such devices shall include, but are not limited to, lights used for:

1. Buildings and structures;
2. Recreational areas;
3. Parking lot lighting;
4. Landscape lighting;
5. Architectural lighting;
6. Signs (advertising or other);
7. Street lighting;
8. Product display area lighting;
9. Building overhangs and open canopies;
10. Security lighting.

R. "Outdoor recreation facility" means an area designed for active recreation, whether publicly or privately owned, including, but not limited to, parks, baseball diamonds, soccer and football fields, golf courses, tennis courts, and swimming pools.

S. "Partially shielded light fixture" means a fixture shielded in such a manner that no more than 10% of the light emitted directly from the lamp or indirectly from the fixture is projected at an angle above the horizontal, as determined by photometric test or certified by the manufacturer. Luminaries mounted under canopies or other structures such that the surrounding structure effectively shields the light in the same manner are also considered partially shielded for the purposes of this Code.

T. "Security lighting" means lighting designed to illuminate a property or grounds for the purpose of visual security.

U. "Unshielded fixture" means any fixture that allows light to be emitted above the horizontal directly from the lamp or indirectly from the fixture or a reflector.

V. "Watt" means the unit used to measure the electrical power consumption (not the light output) of a lamp.

END

Applicability.

A. New Uses, Buildings and Major Additions or Modifications. If the total cumulative increase in floor area is greater than 33% for single-family residential or greater than 25% for all other uses, then all outdoor lighting fixtures shall meet the requirements of this Code for the entire site, including previously installed and any new outdoor lighting. Cumulative modification or replacement of outdoor lighting constituting 25% or more of the permitted lumens for the parcel, no matter the actual amount of lighting already on a nonconforming site, shall constitute a major addition for purposes of this section.

B. Minor Additions. If the total cumulative increase in the floor area is 33% or less for single family residential or 25% or less for all other uses, then full conformance of the existing portion of the building or structure is not required. However, such projects shall require the submission of a complete inventory and Site Plan detailing all existing and any proposed new outdoor lighting.

C. New Lighting. Any new lighting on the site shall meet the requirements of this Code with regard to shielding and lamp type; the total outdoor light output after the modifications are complete shall not exceed that on the site before the modification, or that permitted by this Code, whichever is larger.

D. Resumption of Use after Abandonment. If a property or use with nonconforming lighting is abandoned as defined in 153.293, Nonconforming Buildings or Structures, then all outdoor lighting shall be reviewed and brought into compliance with this Code before the use is resumed.

E. Public Roadways. In general, this Code does not apply to city and state rights-of-way. However, the goal of the City is to have all such street lights fully shielded.

Outdoor Lighting Standards.

A. Light Emitting Diode Lighting (LED). Due to their high energy efficiency, long life and spectral characteristics, (LED) lamps are the preferred illumination source throughout the city. Their use is to be encouraged, when not required, for outdoor illumination whenever its use would not be detrimental to the use of the property.

1. Class 1 Lighting. Light emitting diode (LED) lamps are not required. Businesses who choose to use LED as their primary lamps are eligible to apply for an additional 10% increase in the lumens per acre allowed for their site.

2. Class 2 Lighting. Light emitting diode (LED) lamps are required. Up to 10% of the total lumens per acre allowed may be white light.

B. Light Trespass Standard. All light fixtures, including security lighting, shall be aimed and shielded so that the direct illumination shall be confined to the property boundaries of the source.

Particular care is to be taken to ensure that the direct illumination does not fall onto or across any public or private street or road. Motion sensing light fixtures shall be fully shielded and properly adjusted, according to the manufacturer's instructions, to turn off when detected motion ceases.

C. Lamp and Shielding. All light fixtures are required to be fully shielded and shall be installed in such a manner that the shielding complies with the definition of fully shielded light fixtures for all uses, including single-family and multifamily residential uses, except as provided below.

1. All lamp types above 2,000 lumens shall be fully shielded.

2. Partially shielded light fixtures may be permitted subject to the approval of the Zoning Administrator.

3. Partially shielded light fixtures are limited to a maximum of 5,500 lumens per net acre and shall not exceed 2,000 per lamp (see subsection (D) of this section).

D. Total Outdoor Light Output Standards – Nonresidential and Multifamily Uses.

1. Total outdoor light output shall not exceed an average of .4356 lumens per net foot for all development except single-family residential uses. This cap is not intended to be achieved in all cases or as a design goal. Instead, design goals should be the lowest levels of lumens necessary to meet the lighting requirements of the site. Partially shielded light fixtures are limited to an average maximum of 7.92 lumens per net foot and are counted towards the 100,000 lumens per net acre cap.

2. Seasonal decorations, permitted between November 15 and January 15, are not counted toward these limits. Lighting used for external illumination of signs is counted.

E. Total Outdoor Light Output Standards – Single-Family Residential Uses.

1. Outdoor lighting for single-family residential uses is not subject to a lumens per net acre cap.

2. Outdoor lighting for single-family residential uses is subject to the lamp fixture and shielding requirements.

F. Parking Lot Standards. Parking lots shall be considered Class 2 lighting. Parking lot lighting poles shall be sized in such a manner that the top of any luminary does not exceed 12 feet above adjacent grade.

G. Lighting Time Limitations.

1. Class 1 lighting, including but not limited to sales, service, commercial, assembly, repair, maintenance, and industrial areas, may only continue in operation until 11:00 p.m. or for as long as the area is in active use but once off remain off during non-business hours.

2. Class 2 lighting shall have no time restrictions except as specified by any conditions of approval. Uses that do not require all-night illumination are encouraged to turn off their outdoor lighting during night hours whenever possible.

3. Class 3 lighting, except for flagpole lighting and low-wattage holiday decorations must be extinguished after 11:00 p.m. or when the business closes, whichever is later.

4. Multi-class lighting, except for security lighting, must conform to the time limitations of the strictest class.

H. Multi-Class Lighting Standard. Multi-class lighting must conform to the shielding and timing restrictions, if any, that apply to the most restrictive included class.

I. Class 3 Lighting Standards.

1. All Class 3 lighting must be selected, designed, installed, and aimed so that there is a minimum amount of spill beyond the area intended to be lighted.

2. Permanent exposed string lighting is not permitted except where permitted in the Central Business District.

3. All Class 3 lighting must comply with the light trespass standards as described in subsection 153.172(B) of this section.

4. All Class 3 lighting shall comply with the lamp and shielding standards as described in subsection 153.072 Outdoor Lighting standard (C) of this section.

5. a. Subject to the approval of the Zoning Administrator, uplighting or ground-mounted lighting may be allowed to accent unique features of a building and/or surrounding landscaping (such as outstanding architectural features, specimen trees with dense year-round foliage or large native shrub masses). Uplighting or ground-mounted lighting shall be designed and installed in such a manner as to minimize glare with special consideration in areas where there is vehicle and pedestrian traffic.

b. All lighting which is directed upwards shall be placed in such a manner that the angle of the lamp shall not be greater than 45 degrees measured from a horizontal plane to a line projected through the center of the lamp, and fixtures shall be fully shielded to contain and direct the light onto the feature to be lit.

J. Searchlights, floodlights, laser source lights, strobe or flashing lights, illusion lights or any similar high intensity light shall not be permitted except in emergencies by police and fire personnel at their direction. Spot lights are permitted and must be directed downward 45 degrees from any neighboring property.

K. On projects where an engineer or architect is required, the developer shall verify in writing to the city that all outdoor lighting was installed in accordance with the approved plans.

Special Uses.

A. Recreational Facilities.

1. Lighting for outdoor athletic fields, courts or tracks shall be considered Class 1.

2. Lighting allowed in this subsection shall be subject to Planning Commission approval. When the proposed lumens per acre exceed the lumens per net acre limits, the installation shall be designed to achieve no greater than the minimum illuminance levels for the activity as recommended by the Illuminating Engineering Society of North America (IESNA).

3. Every such lighting system design shall be certified by a Michigan registered engineer as conforming to all applicable restrictions of this Code.

4. Such lighting shall not include any light trespass as determined by the Zoning Administrator.

5. All events shall be scheduled so as to complete all activity and lights turned off by 10:00 p.m.

6. Fully shielded lighting shall be required for fields designed for amateur, recreational or nonprofessional sports activity. For professional level sports facilities where fully, shielded fixtures are not utilized, acceptable luminaries shall include those which:

a. Are provided with internal or external glare control louvers, or both, and installed so as to minimize uplight and off-site light trespass as determined by the Zoning Administrator; and

b. Are installed and maintained with aiming angles that permit no greater than 2% of the light emitted by each fixture to project above the horizontal.

B. Outdoor Display Lots. Light for outdoor display lots shall be considered Class 1, and shall conform to the lumens per net acre limits except as follows:

1. All such lighting shall utilize fully shielded luminaries that are installed in a fashion that maintains the fully shielded characteristics.

2. When the proposed lumens exceed the per acre limits, the installation shall be designed to achieve no greater than the minimum illuminance levels for the activity as recommended by the Illuminating Engineering Society of North America (IESNA).

3. Such lighting shall not include any light trespass as determined by a Michigan registered engineer as conforming to all applicable restrictions of this Code.

4. Lighting Time Limitations. Outdoor display lot lighting shall conform to the hours of operation as established under Class 1 lighting standards. Any lighting on after the time limitations shall be considered Class 2 lighting and shall conform to all restrictions of this Code applicable to this class.

C. Service Station Canopies.

1. Class 2. Lighting for service station canopies shall be considered Class 2 lighting.

2. Shielding. All luminaries shall be flush with the lower surface of canopies and utilize flat glass or plastic covers.

3. Total Under-Canopy Output. The total light output used for illuminating service station canopies, defined as the sum of under-canopy initial bare-lamp outputs in lumens, shall not exceed 40 lumens per square foot of canopy. All lighting mounted under the canopy, except internally illuminated signs, shall be included in the total. Fifty percent of the total lumen output of all lamps mounted within or under a canopy shall be included in the lumen per acre cap.

D. Other Lighting on Parcels with Special Uses. All site lighting not directly associated with the special uses as permitted shall conform to all lighting standards described in this Code.

Plan Submittal and Evidence of Compliance.

A. Plan Submittal. Whenever a person is required to obtain a permit for outdoor lighting or signage, a conditional use permit, subdivision approval or any development plan approved by the city, including all city projects, or whenever a person requests a rezoning, the applicant shall, as part of the application process, submit sufficient information to enable the Zoning Administrator to determine whether proposed lighting complies with this Code. All applications may be subject to review and action by the Planning and Zoning Commission at the discretion of the Zoning Administrator.

B. Applications. All applications shall include the following:

1. A Site Plan indicating the location of all lighting fixtures, both proposed and any already existing on the site.

2. A description of each illuminating device, fixture, lamp, support and shield, both proposed and existing. The description shall include, but is not limited to, manufacturer's catalog cuts and illustrations (including sections where required); lamp types, wattages and initial lumen outputs.

3. Such other information that the Zoning Administrator may determine is necessary to ensure compliance with this Code.

C. Plan Approval. If the Zoning Administrator determines that any proposed lighting does not comply with this Code, the permit shall not be issued, nor the plan approved.

D. Lamp or Fixture Substitution. Should any outdoor light fixture or the type of light source therein be changed after the permit has been issued, a change request must be submitted to

the Zoning Administrator for approval, together with adequate information to assure compliance with this Code, which must be received prior to substitution.

E. Certification of Installation. For all projects, commercial and multi-family, certification that the lighting, as installed, conforms to the approved plans shall be provided by a certified engineer before final approval by the City. Until this certification is submitted in writing, the City will ask that the Certificate of Occupancy be revoked or not be issued for the project.

Approved Materials and Methods of Construction or Installation/Operation – Approval of Alternatives. The provisions of this Code are not intended to prevent the use of any design, material, or method of installation or operation not specifically prescribed by this Code, provided any such alternate has been approved by the Zoning Administrator. The Zoning Administrator may approve any such proposed alternate providing that it:

A. Provides at least approximate equivalence to that applicable specific requirement of this Code.

B. Is otherwise satisfactory and complies with the intent of this Code.

Exemptions and Nonconforming Lights.

A. All nonconforming outdoor light fixtures lawfully installed prior to and operable on the effective date of the ordinance codified in this Code are exempt from all requirements of this Code. However, there shall be no change in use or lamp type, or any replacement (except for same type and same-output lamp replacement) or structural alteration made, without conforming to all applicable requirements of this Code.

B. In the event that an outdoor lighting fixture is abandoned or is damaged to the point of requiring repairs for safe operation, the repaired or replacement fixture shall comply with the provisions of this Code.

C. Emergency lighting, used by police, firefighting, or medical personnel, or at their direction, is exempt from all requirements of this Code for as long as the emergency exists.

D. Swimming Pool and Decorative. Underwater lighting used for the illumination of swimming pools is exempt from the lamp type.

E. Ornamental lighting that is incorporated into an architectural design, such as colored tubes, lighting of fountains, statuary or other outdoor art and other building elements (other than signs), provided that the light source is shielded to direct light onto the lighted element.

F. Lighting for temporary events, such as fairs, carnivals and similar temporary outdoor uses.

SIGNS

153.206

This section will replace in whole the existing 153.206 (D)

(D) Illumination and lighting.

1. Externally lit signs shall be illuminated only with steady, stationary, shielded light sources

directed solely onto the sign without causing glare, no unshielded lights, or lights directed upward or horizontally at sign faces, flashing lights, scrolling or moving electronic lights, or other distractive devices may be used in conjunction with any sign or business.

2. Light bulbs or lighting tubes used for illuminating a sign shall not be visible from adjacent public rights-of-way or residential properties. Illumination by bare bulbs or flames is prohibited.

3. External illumination for signs shall conform to all provisions of Outdoor lighting.

Such lighting shall be treated as Class 1 lighting and shall conform to the lamp and shielding restrictions and lumen caps.

4. The fixtures used to illuminate signs shall not be directed toward nearby residential properties.

5. Internally illuminated signs are permitted in certain circumstances as follows:

a. Individual back-lit letters which are silhouetted against a softly illuminated wall.

b. Individual letters with translucent faces, containing soft lighting elements inside each letter.

c. Metal-faced box signs with cut-out letters and soft-glow fluorescent tubes.

6. Fluorescent lights shall be allowed for indirect illumination when placed in such a manner that the light tubes are not exposed to view from the public right-of-way or sidewalk.

7. A sign may be illuminated during the hours of operation of the facility being identified or advertised or until 11:00 p.m., whichever is later.

8. Such signs shall provide an automatic timer to comply with the intent of this section.

9. Illumination of off-premises signs is prohibited, except in the case of off-premises kiosks which are subject to the provisions of this Code.

10. a. Ground-mounted sign lighting is not permitted for freestanding signs on poles, where open

space is visible from the bottom of the sign to the ground. The Zoning Administrator may approve ground mounted lighting for freestanding signs which are constructed in such a way that no open space is visible from the bottom of sign to the ground (such as solid base, landscaping).

b. All ground-mounted lights shall be placed in such a manner that the angle of the lamp shall not be greater than 45 degrees measured from a horizontal plane to a line projected through the center of the lamp, and fixtures shall be fully shielded to contain and direct the light onto the sign only. All upward-directed sign lighting is prohibited.

11. Underground wiring shall be required for all illuminated signs that are not attached to a building.

153.172 LIGHTING

The new proposed language will replace in whole the current section.

The changes to the ordinance section include:

- Added a Purpose and Intent to define the importance and reasoning behind the lighting regulations. Courts look at purpose and intent when ordinances are challenged, and this section helps in showing the courts the “greater good” that the city is legislating.
- Adding specific definitions for the complexity of lighting terms
- Added Figure 153.172 Examples of Fully Shielded Light Fixtures for visual ease of selecting a fixture.
- Set Applicability standards.
- Set different standards for different lighting with a 1-3 class system.
- Added Outdoor Lighting Standards including LEDs, trespass, shielding and maximum light output
- Set Lighting Time Limitations.
- Added a Special Uses category for uses with exceptionally large lighting needs
- Expanded Plan Submittal and Evidence of Compliance standards
- Revised Exemptions and Nonconforming Lights.

153.207 SIGN STANDARDS FOR ALL SIGNS.

(D) *Illumination and lighting.*

The new proposed ordinance language replaces in whole the current section.

The changes to the ordinance section include:

- Does not allow external neon signs.
- Ties sign lighting standards to the general lighting ordinance standards.
- Protects nearby residential properties from light spillage.
- Allows certain Internally illuminated signs.
- Allows certain Fluorescent lights.
- Allows signs to be lit until 11:00 p.m. or during the hours of operation whichever is later.
- Illumination of off-premises signs is prohibited.
- Limits ground-mounted sign lighting

CITY OF CHARLEVOIX
ORDINANCE NO. 854 of 2024

AN ORDINANCE TO AMEND TITLE XV LAND USE, CHAPTER 153 PLANNING AND ZONING SECTIONS 153.172 AND 153.207(D)

THE CITY OF CHARLEVOIX ORDAINS:

SECTION 1. Title XV Land Use, Chapter 153 Planning and Zoning Section 153.172 is hereby amended as follows:

153.172 Purpose and Intent. It is the purpose and intent of this Code to balance the goals of the City of Charlevoix's Master Plan to maintain its small-town character with the need to provide for safe lighting practices and to minimize light pollution for the enjoyment of Charlevoix's citizens and visitors.

A. The use of outdoor lighting is often necessary for adequate nighttime safety and utility, but common lighting practices can also interfere with other legitimate public concerns. Principles among these concerns are:

1. The degradation of the nighttime visual environment by production of unsightly and dangerous glare;
2. Lighting practices that interfere with the health and safety of Charlevoix's citizens and visitors;
3. Unnecessary waste of energy and resources in the production of too much light or wasted light;
4. Interference in the use or enjoyment of property which is not intended to be illuminated at night, and the loss of the scenic view of the night sky due to increased urban sky-glow.

B. The concerns of safety, utility and aesthetic appearance need not compete. Good modern lighting practices can provide adequate light for safety and utility without excessive glare or light pollution. In nearly all cases, careful attention to when, where and how much nighttime lighting is needed will lead to better lighting practices.

C. The topography and atmospheric conditions in northern Michigan are uniquely suited for commercial and private astronomical observation in the area. Unnecessary or excessive uses of outdoor nighttime lighting have an adverse impact on astronomical observation even at relatively distant observatories.

D. Accordingly, it is the intent of this Code to require lighting practices and systems which will minimize light pollution, glare, light trespass, and conserve energy while maintaining nighttime safety, utility, security and productivity.

Outdoor Lighting. This definition includes the following terms and definitions:

A. "Class 1 lighting" means all outdoor lighting used for, but not limited to, outdoor sales or eating areas, assembly or repair areas, advertising and other signs, recreational facilities and other similar applications where color rendition is important to preserve the effectiveness of the activity.

B. "Class 2 lighting" means all outdoor lighting used for, but not limited to, illumination for walkways, roadways, equipment yards, parking lots and outdoor security where general illumination for safety and/or security of the grounds is the primary concern.

C. "Class 3 lighting" means any outdoor lighting used for decorative effects including, but not limited to, architectural illumination, flag and monument lighting, and illumination of trees, bushes, and similar things.

D. "Direct illumination" means illumination resulting from light emitted directly from a lamp, luminary, or reflector and is not light diffused through translucent signs or reflected from other surfaces such as the ground or building faces.

E. "Display lot or area" means outdoor areas where active nighttime sales activity occurs and where accurate color perception of merchandise by customers is required. To qualify as a display lot, 1 of the following specific uses must occur: automobile sales, boat sales, tractor sales, building supply sales, gardening or nursery sales, and assembly lots. Uses not on this list may be approved as display lot uses by the Zoning Administrator.

F. "Foot-candle" means 1 lumen per square foot. Unit of illuminance. It is the luminous flux per unit area in the Imperial system. One foot-candle equals approximately 0.1 (0.093) lux.

G. "Fully shielded light fixture" means a light fixture that is shielded in such a manner that light rays emitted by the fixture, either directly from the lamp or indirectly from the fixture, are projected below a horizontal plane running through the lowest point on the fixture where light is emitted (see Figure 153.172).

H. "Glare" means the sensation produced by a bright source within the visual field that is sufficiently brighter than the level to which the eyes are adapted to cause annoyance, discomfort, or loss in visual performance and visibility; blinding light. The magnitude of glare depends on such factors as the size, position, and brightness of the source, and on the brightness level to which the eyes are adapted.

I. "Installed" means a light fixture attached or fixed in place, whether or not connected to a power source, of any outdoor light fixture.

J. "Light pollution" means any adverse effect of man-made light.

K. "Light trespass" means light spill falling over property lines.

L. "Lumen" means a unit used to measure the actual amount of visible light which is produced by a lamp as specified by the manufacturer.

M. "Luminary" means the complete lighting assembly, less the support assembly.

N. "Motion sensing security lighting" means any fixture designed, and properly adjusted, to illuminate an area around a residence or other building by means of switching on a lamp when motion is detected inside the area or perimeter and switching the lamp off when the detected motion ceases.

O. "Multi-class lighting" means any outdoor lighting used for more than 1 purpose, for example security and decoration, such that its use falls under the definition of 2 or more classes as defined for Class 1, 2 and 3 lighting.

P. "Net acreage" means the remaining ground area of a parcel after deleting all portions for proposed and existing public rights-of-way and undeveloped area.

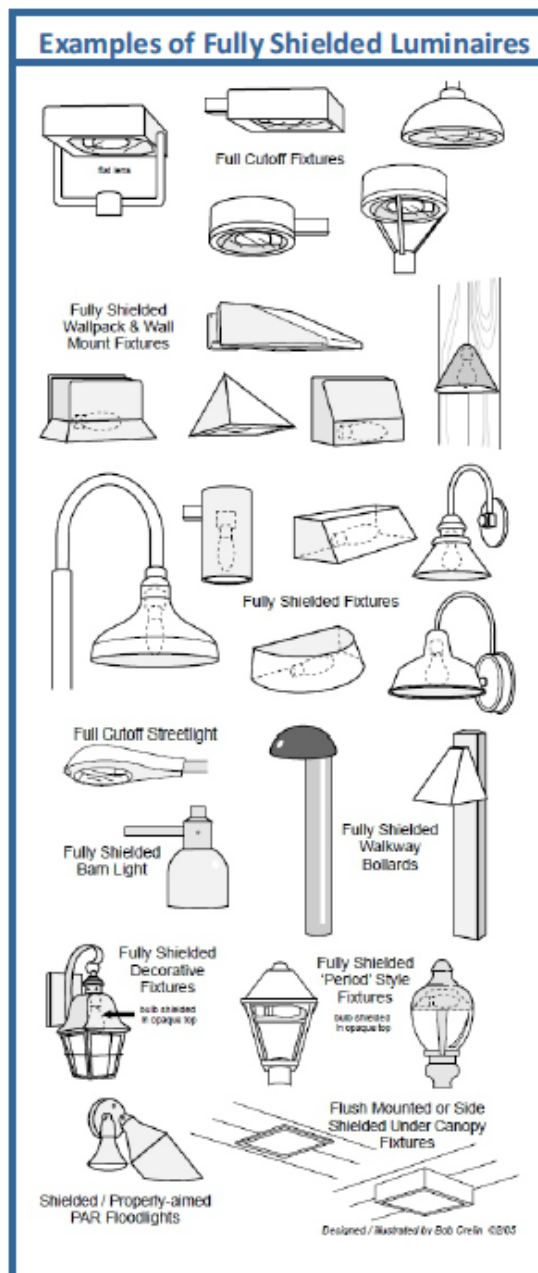


Figure 153.172 Example of Fully Shielded Light Fixtures

Q. "Outdoor light fixture" means an outdoor illuminating device, outdoor lighting or reflective surface, lamp or similar device, permanently installed or portable, used for illumination, decoration, or advertisement. Such devices shall include, but are not limited to, lights used for:

1. Buildings and structures;
2. Recreational areas;
3. Parking lot lighting;
4. Landscape lighting;
5. Architectural lighting;

- 6. Signs (advertising or other);
- 7. Street lighting;
- 8. Product display area lighting;
- 9. Building overhangs and open canopies;
- 10. Security lighting;

R. "Outdoor recreation facility" means an area designed for active recreation, whether publicly or privately owned, including, but not limited to, parks, baseball diamonds, soccer and football fields, golf courses, tennis courts, and swimming pools.

S. "Partially shielded light fixture" means a fixture shielded in such a manner that no more than 10% of the light emitted directly from the lamp or indirectly from the fixture is projected at an angle above the horizontal, as determined by photometric test or certified by the manufacturer. Luminaries mounted under canopies or other structures such that the surrounding structure effectively shields the light in the same manner are also considered partially shielded for the purposes of this Code.

T. "Security lighting" means lighting designed to illuminate a property or grounds for the purpose of visual security.

U. "Unshielded fixture" means any fixture that allows light to be emitted above the horizontal directly from the lamp or indirectly from the fixture or a reflector.

V. "Watt" means the unit used to measure the electrical power consumption (not the light output) of a lamp.

Applicability.

A. New Uses, Buildings and Major Additions or Modifications. If the total cumulative increase in floor area is greater than 33% for single-family residential or greater than 25% for all other uses, then all outdoor lighting fixtures shall meet the requirements of this Code for the entire site, including previously installed and any new outdoor lighting. Cumulative modification or replacement of outdoor lighting constituting 25% or more of the permitted lumens for the parcel, no matter the actual amount of lighting already on a nonconforming site, shall constitute a major addition for purposes of this section.

B. Minor Additions. If the total cumulative increase in the floor area is 33% or less for single family residential or 25% or less for all other uses, then full conformance of the existing portion of the building or structure is not required. However, such projects shall require the submission of a complete inventory and Site Plan detailing all existing and any proposed new outdoor lighting.

C. New Lighting. Any new lighting on the site shall meet the requirements of this Code with regard to shielding and lamp type; the total outdoor light output after the modifications are complete shall not exceed that on the site before the modification, or that permitted by this Code, whichever is larger.

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B. Light Trespass Standard. All light fixtures, including security lighting, shall be aimed and shielded so that the direct illumination shall be confined to the property boundaries of the source.

Particular care is to be taken to ensure that the direct illumination does not fall onto or across any public or private street or road. Motion sensing light fixtures shall be fully shielded and properly adjusted, according to the manufacturer's instructions, to turn off when detected motion ceases.

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2. Partially shielded light fixtures may be permitted subject to the approval of the Zoning Administrator.
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4. Multi-class lighting, except for security lighting, must conform to the time limitations of the strictest class.

H. Multi-Class Lighting Standard. Multi-class lighting must conform to the shielding and timing restrictions, if any, that apply to the most restrictive included class.

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3. All Class 3 lighting must comply with the light trespass standards as described in subsection 153.172(B) of this section.
4. All Class 3 lighting shall comply with the lamp and shielding standards as described in subsection 153.072 Outdoor Lighting standard (C) of this section.
5. a. Subject to the approval of the Zoning Administrator, uplighting or ground-mounted lighting may be allowed to accent unique features of a building and/or surrounding landscaping (such as outstanding architectural features, specimen trees with dense year-round foliage or large native shrub masses). Uplighting or ground-mounted lighting shall be designed and installed in such a manner as to minimize glare with special consideration in areas where there is vehicle and pedestrian traffic.
- b. All lighting which is directed upwards shall be placed in such a manner that the angle of the lamp shall not be greater than 45 degrees measured from a horizontal plane to a line projected through the center of the lamp, and fixtures shall be fully shielded to contain and direct the light onto the feature to be lit.

J. Searchlights, floodlights, laser source lights, strobe or flashing lights, illusion lights or any similar high intensity light shall not be permitted except in emergencies by police and fire personnel at their direction. Spot lights are permitted and must be directed downward 45 degrees from any neighboring property.

K. On projects where an engineer or architect is required, the developer shall verify in writing to the city that all outdoor lighting was installed in accordance with the approved plans.

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2. Lighting allowed in this subsection shall be subject to Planning Commission approval. When the proposed lumens per acre exceed the lumens per net acre limits, the installation shall be designed to achieve no greater than the minimum illuminance levels for the activity as recommended by the Illuminating Engineering Society of North America (IESNA).
3. Every such lighting system design shall be certified by a Michigan registered engineer as conforming to all applicable restrictions of this Code.
4. Such lighting shall not include any light trespass as determined by the Zoning Administrator.
5. All events shall be scheduled so as to complete all activity and lights turned off by 10:00 p.m.
6. Fully shielded lighting shall be required for fields designed for amateur, recreational or nonprofessional sports activity. For professional level sports facilities where fully, shielded fixtures are not utilized, acceptable luminaries shall include those which:
 - a. Are provided with internal or external glare control louvers, or both, and installed so as to minimize uplight and off-site light trespass as determined by the Zoning Administrator; and
 - b. Are installed and maintained with aiming angles that permit no greater than 2% of the light emitted by each fixture to project above the horizontal.

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1. All such lighting shall utilize fully shielded luminaries that are installed in a fashion that maintains the fully shielded characteristics.
2. When the proposed lumens exceed the per acre limits, the installation shall be designed to achieve no greater than the minimum illuminance levels for the activity as recommended by the Illuminating Engineering Society of North America (IESNA).
3. Such lighting shall not include any light trespass as determined by a Michigan registered engineer as conforming to all applicable restrictions of this Code.
4. Lighting Time Limitations. Outdoor display lot lighting shall conform to the hours of operation as established under Class 1 lighting standards. Any lighting on after the time limitations shall be considered Class 2 lighting and shall conform to all restrictions of this Code applicable to this class.

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1. Class 2. Lighting for service station canopies shall be considered Class 2 lighting.
2. Shielding. All luminaries shall be flush with the lower surface of canopies and utilize flat glass or plastic covers.
3. Total Under-Canopy Output. The total light output used for illuminating service station canopies, defined as the sum of under-canopy initial bare-lamp outputs in lumens, shall not exceed 40 lumens per square foot of canopy. All lighting mounted under the canopy, except internally illuminated signs, shall be included in the total. Fifty percent of the total lumen output of all lamps mounted within or under a canopy shall be included in the lumen per acre cap.

D. Other Lighting on Parcels with Special Uses. All site lighting not directly associated with the special uses as permitted shall conform to all lighting standards described in this Code.

Plan Submittal and Evidence of Compliance.

A. Plan Submittal. Whenever a person is required to obtain a permit for outdoor lighting or signage, a conditional use permit, subdivision approval or any development plan approved by the city, including all city projects, or whenever a person requests a rezoning, the applicant shall, as part of the application process, submit sufficient information to enable the Zoning Administrator to determine whether proposed lighting

complies with this Code. All applications may be subject to review and action by the Planning and Zoning Commission at the discretion of the Zoning Administrator.

B. Applications. All applications shall include the following:

1. A Site Plan indicating the location of all lighting fixtures, both proposed and any already existing on the site.
2. A description of each illuminating device, fixture, lamp, support and shield, both proposed and existing. The description shall include, but is not limited to, manufacturer's catalog cuts and illustrations (including sections where required); lamp types, wattages and initial lumen outputs.
3. Such other information that the Zoning Administrator may determine is necessary to ensure compliance with this Code.

C. Plan Approval. If the Zoning Administrator determines that any proposed lighting does not comply with this Code, the permit shall not be issued, nor the plan approved.

D. Lamp or Fixture Substitution. Should any outdoor light fixture or the type of light source therein be changed after the permit has been issued, a change request must be submitted to the Zoning Administrator for approval, together with adequate information to assure compliance with this Code, which must be received prior to substitution.

E. Certification of Installation. For all projects, commercial and multi-family, certification that the lighting, as installed, conforms to the approved plans shall be provided by a certified engineer before final approval by the City. Until this certification is submitted in writing, the City will ask that the Certificate of Occupancy be revoked or not be issued for the project.

Approved Materials and Methods of Construction or Installation/Operation – Approval of Alternatives. The provisions of this Code are not intended to prevent the use of any design, material, or method of installation or operation not specifically prescribed by this Code, provided any such alternate has been approved by the Zoning Administrator. The Zoning Administrator may approve any such proposed alternate providing that it:

A. Provides at least approximate equivalence to that applicable specific requirement of this Code.

B. Is otherwise satisfactory and complies with the intent of this Code.

Exemptions and Nonconforming Lights.

A. All nonconforming outdoor light fixtures lawfully installed prior to and operable on the effective date of the ordinance codified in this Code are exempt from all requirements of this Code. However, there shall be no change in use or lamp type, or any replacement (except for same type and same-output lamp replacement) or structural alteration made, without conforming to all applicable requirements of this Code.

B. In the event that an outdoor lighting fixture is abandoned or is damaged to the point of requiring repairs for safe operation, the repaired or replacement fixture shall comply with the provisions of this Code.

C. Emergency lighting, used by police, firefighting, or medical personnel, or at their direction, is exempt from all requirements of this Code for as long as the emergency exists.

D. Swimming Pool and Decorative. Underwater lighting used for the illumination of swimming pools is exempt from the lamp type.

E. Ornamental lighting that is incorporated into an architectural design, such as colored tubes, lighting of fountains, statuary or other outdoor art and other building elements (other than signs), provided that the light source is shielded to direct light onto the lighted element.

F. Lighting for temporary events, such as fairs, carnivals and similar temporary outdoor uses.

SECTION 1. Title XV Land Use, Chapter 153 Planning and Zoning Section 153.207(D) is hereby amended as follows:

(D) Illumination and lighting.

1. Externally lit signs shall be illuminated only with steady, stationary, shielded light sources directed solely onto the sign without causing glare, no unshielded lights, or lights directed upward or horizontally at sign faces, flashing lights, scrolling or moving electronic lights, or other distractive devices may be used in conjunction with any sign or business.
2. Light bulbs or lighting tubes used for illuminating a sign shall not be visible from adjacent public rights-of-way or residential properties. Illumination by bare bulbs or flames is prohibited.
3. External illumination for signs shall conform to all provisions of Outdoor lighting. Such lighting shall be treated as Class 1 lighting and shall conform to the lamp and shielding restrictions and lumen caps.
4. The fixtures used to illuminate signs shall not be directed toward nearby residential properties.

5. Internally illuminated signs are permitted in certain circumstances as follows:
 - a. Individual back-lit letters which are silhouetted against a softly illuminated wall.
 - b. Individual letters with translucent faces, containing soft lighting elements inside each letter.
 - c. Metal-faced box signs with cut-out letters and soft-glow fluorescent tubes.
6. Fluorescent lights shall be allowed for indirect illumination when placed in such a manner that the light tubes are not exposed to view from the public right-of-way or sidewalk.
7. A sign may be illuminated during the hours of operation of the facility being identified or advertised or until 11:00 p.m., whichever is later.
8. Such signs shall provide an automatic timer to comply with the intent of this section.
9. Illumination of off-premises signs is prohibited, except in the case of off-premises kiosks which are subject to the provisions of this Code.
10. a. Ground-mounted sign lighting is not permitted for freestanding signs on poles, where open space is visible from the bottom of the sign to the ground. The Zoning Administrator may approve ground mounted lighting for freestanding signs which are constructed in such a way that no open space is visible from the bottom of sign to the ground (such as solid base, landscaping).
- b. All ground-mounted lights shall be placed in such a manner that the angle of the lamp shall not be greater than 45 degrees measured from a horizontal plane to a line projected through the center of the lamp, and fixtures shall be fully shielded to contain and direct the light onto the sign only. All upward-directed sign lighting is prohibited.
11. Underground wiring shall be required for all illuminated signs that are not attached to a building.

SECTION 3. Severability

No other portion, paragraph or phase of the Code of the City of Charlevoix, Michigan shall be affected by this Ordinance except as to the above sections, and in the event any portion, section or subsection of this Ordinance shall be held invalid for any reason, such invalidation shall not be construed to affect the validity of any other part or portion of this Ordinance or of the Code of the City of Charlevoix, Michigan.

SECTION 4. Effective Date

This Ordinance shall become effective thirty (30) days after its enactment.

Ordinance No. 854 was adopted on the 16th day of December 2024 A.D., by the Charlevoix City Council as follows:

Motion by:

Seconded by:

Yeas:

Nays:

Absent:

State of Michigan } §
City of Charlevoix

Sarah J. Dvoracek

Clerk

Lyle Gennett

Mayor

Charlevoix City Council

All Other Actions and Requests

Title: Redevelopment Liquor License Application

Date: November 18, 2024

Presented By:

Background:

Earlier this year, Council provided local approval for a liquor license for the former Methodist Church as it is converted into an event space and affordable housing. The specific kind of license applied for tied it to Hotel Earl and the existing liquor license there. While this was perfectly acceptable locally, it was not approved on a technicality with the Michigan Liquor Control Commission. As such, Irene Ventues, LLC has requested a Redevelopment Liquor License for the property at 104 State Street.

Charlevoix City Code § 113.17 obligates the Executive Director of the DDA be given a copy of the application (which was fulfilled on October 30 when a copy was given to me acting as the acting director). From that date, the DDA Board of Directors "shall have 30 days from the submission of the application to its executive director to make its recommendation to the City Council or this requirement of a recommendation from the DDA shall be waived." I provided the redacted application packet (included here) to the DDA Board via email on October 31. They do not have another meeting scheduled until January 7 and nothing in the statute or ordinance requires them to meet to consider this recommendation except that they be given up to 30 days to offer a non-binding recommendation if they choose. To date, three board members responded to acknowledge receipt of the application but did not request a meeting be called for further consideration.

Given this, Council can move forward to consider the application which is materially complete. The DDA has had ample time to call a meeting if they felt a recommendation was important. It is worth noting that one owner of Irene Ventures, LLC is Paul Silva who is himself a member of the DDA Board. He received the information as a board member but has not communicated on the topic.

Recommendation:

Motion to recommend the redevelopment liquor license permit application for Irene Ventures, LLC to be considered for approval by the Michigan Liquor Control Commission and approve the attached resolution as presented.

Attachments:

1. Irene Ventures LLC Redevelopment Liquor License Application_Redacted
2. Local Government Approval Resolution

RECEIVED

OCT 30 2024

CITY OF CHARLEVOIX
Liquor License Application

You MUST answer all questions and include all attachments, or this application will be returned to you. Bring or mail this application to the City Clerk, City of Charlevoix, 210 State Street, Charlevoix, Michigan 49720.

This form is designed to conform to the Michigan Liquor Control Code of 1998 being Public Act 1998 No. 58 (MCL 436.1101, et seq), and the City of Charlevoix Alcoholic Beverages Ordinance.

Approval of a new liquor license or the transfer of an existing license is not a determination that the applicant has complied with other ordinances or regulations.

I. APPLICANT INFORMATION (if more than one applicant, please attach separate sheet):

Name of individual or business entity: IRENE VENTURES, LLC

- A. If the business entity is a partnership or a limited liability company provide the name of person or persons entitled to share in the profits of the partnership or limited liability company (attach separate sheets if needed):

John Paul Silva

- B. If the business entity is a corporation, provide the names and addresses of the officers and directors of the corporation (attach separate sheets if needed):

N/A

If a majority interest in the stock of such corporation is held by one person or one person's nominee, please provide the name and address of such person:

John Paul Silva
123 Lake Shore Rd
Grosse Pointe, Farm, MI 48236

II. CITIZENSHIP

Provide proof of the citizenship of the applicant and all persons listed in Paragraph I, above. Attach copy of current passport OR attach copies of two forms of identification, such as Driver's License, State ID, or Social Security card.

If the applicant or any of the parties listed in Paragraph I above is/are a naturalized citizen of the United States, please provide the date(s) and place(s) of where citizenship was received.

Naturalized 1986 Boston, Massachusetts

III. ATTACHMENTS

All of the following attachments **MUST** be included. Label each attachment as shown.

- A. Character of the business of the applicant including a description of what services will be provide to patrons and how intoxicating liquor will be offered in conjunction with those services. In the case of a corporation, a copy of the articles of incorporation shall also be provided;
- B. The length of time the applicant has been in the business of that character, or in the case of a corporation, the date when its articles of incorporation were approved by the state;
- C. A statement including a map showing a location and description of the premises or place of business which is to be operated under the liquor license including:
 - (i.) Street address and if applicable, post office box number;
 - (ii.) A legal description of the premises or place of business including the applicant's ownership interest in the premises and business, and the zoning district in which the premises or place of business is located;
 - (iii.) A copy of the building and site plan showing the entire structure and premises, specifically the areas within the building or structure where the license is to be utilized. Such site plan should demonstrate adequate off-street parking, lighting, refuse disposal facilities and plans, in any, for screening and noise control. A copy of a development plan which has previously been approved by the city is acceptable.
- D. A statement whether the applicant has made an application for a similar or other license on premises other than described in this application, and the disposition of that application;
- E. A statement that the applicant has never been convicted of a felony and is not disqualified to receive a license by reason of any matter or thing contained in this chapter or laws of the State of Michigan.
- F. A statement that the applicant will not violate any of the laws of the State of Michigan or of the United States or any ordinances of the city in the conduct of its business.

- G. A statement as to whether the applicant will offer entertainment at the licensed premises, and a description of the kind(s) of entertainment to be offered. The statement will address whether any entertainment will include public nudity;
- H. A copy of all financial information and documents provided to the Michigan Liquor Control Commission investigator regarding financial responsibility.

IV. AFFIDAVIT AND PERMISSION FOR CITY, COUNTY AND STATE OFFICIALS TO ENTER THE PROPERTY FOR INSPECTIONS:

I agree the statements made above are true, and if found not to be true, this application and any approval will be void. Further, I agree to comply with the conditions and regulations in the Michigan Liquor Control Code of 1998 and the Charlevoix City Code. Further, I agree to give permission for officials of the City of Charlevoix, Charlevoix County, and the State of Michigan to enter the property and any structures thereon where the licensed premises is located for purposes of inspection during normal business hours. Further, I understand that this is only a liquor license application and that such license conveys certain rights under the Charlevoix City Code and the Michigan Liquor Control Code, being Public Act 1998 No. 58, MCL 436.1101 et seq, and does not include any representation or conveyance of rights in any other statute, zoning under the City of Charlevoix's Code, or other property rights.

Finally, even if this liquor license is approved, I understand the City of Charlevoix Code and state statutes change from time to time. Therefore, I hereby acknowledge that any approval of this liquor license is subject to any change in the Charlevoix City Code or state statute as authorized by law.

Applicant's Signature:  Date: 9/30/2024

For office use only

Reviewer's action: Total fee: \$ 240⁰⁰ Check # 1639 Date received: 10/30/2024

This matter was: Approved / Denied by action of the City Council on _____

Signature: _____

Title: _____

**CITY OF CHARLEVOIX
LIQUOR LICENSE APPLICATION**

III. ATTACHMENTS

The following Attachments are enclosed and labeled where applicable:

- A. Character of the proposed business including a description of services to be provided to patrons and the manner in which intoxicating liquor will be sold.**

The character of this business will be to provide a conference, event and wedding venue at which, and at various times, alcoholic beverages would be offered to patrons. A copy of the Applicant's Articles of Organization are attached hereto and marked as Exhibit "A."

- B. The length of time the Applicant has been in the business of selling intoxicating liquor, either in a retail business or in a tavern or restaurant establishment.**

Applicant's sole member, John Paul Silva, has successfully operated the Hotel Earl in Charlevoix since 2018.

- C. A statement including a map showing a location of the premises or place of business which is to be operated under the liquor license, including:**

The premises is the upper level of the former Methodist Church located at:

- (i) Street address and, if applicable, post office box number:**

104 State Street
Charlevoix, Michigan 49720

- (ii) A legal description of the premises or place of business including the Applicant's ownership interest in the premises and business, and the zoning district in which the premises or place of business is located;**

(see attached Warranty Deed at Exhibit "B" for the proposed premises.

- (iii) Building, zoning and site plans are on file with the City of Charlevoix.**

- D. A statement whether the applicant has made an application for a similar or other license on premises other than described in this application, and the disposition of that application.**

Applicant applied for a DDA Liquor License for the Hotel Earl back in 2018. Same was approved.

- E. A statement that the application has never been convicted of a felony and is not disqualified to receive a license by reason of any matter or things contained in this chapter or laws of the State of Michigan.**

Applicant has never been convicted of any crime whatsoever.

- F. A statement that the applicant will not violate any of the laws of the State of Michigan or of the United States or any ordinances of the city in the conduct of its business.**

Applicant will not violate any laws of the State of Michigan, U.S. Government or Ordinances of the City of Charlevoix.

- G. A statement as to whether the Applicant will offer entertainment at the licensed premise, and a description of the kind(s) of entertainment to be offered. The statement will address whether any entertainment will include public nudity.**

Various genre of music that would be event appropriate and no public nudity.

- H. A copy of all financial information and documents provided to the Michigan Liquor Control Commission investigator regarding financial responsibility.**

See MLCC Applications attached hereto.

MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
FILING ENDORSEMENT

This is to Certify that the ARTICLES OF ORGANIZATION

for

IRENE VENTURES, LLC

ID Number: 803277450

received by electronic transmission on September 24, 2024 , ***is hereby endorsed.***

Filed on September 27, 2024 ***by the Administrator.***

The document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.



In testimony whereof, I have hereunto set my hand and affixed the Seal of the Department, in the City of Lansing, this 27th day of September, 2024.

Linda Clegg

Linda Clegg, Director
Corporations, Securities & Commercial Licensing Bureau

EXHIBIT "A"

LARA Corporations
Online Filing System
Department of Licensing and Regulatory Affairs

ARTICLES OF ORGANIZATION
For use by DOMESTIC LIMITED LIABILITY COMPANY

Form Revision Date 02/2017

Pursuant to the provisions of Act 23, Public Acts of 1993, the undersigned executes the following Articles:

Article I

The name of the limited liability company is:

IRENE VENTURES, LLC

Article II

Unless the articles of organization otherwise provide, all limited liability companies formed pursuant to 1993 PA 23 have the purpose of engaging in any activity within the purposes for which a limited liability company may be formed under the Limited Liability Company Act of Michigan. You may provide a more specific purpose:

Article III

The duration of the limited liability company if other than perpetual is:

Article IV

The street address of the registered office of the limited liability company and the name of the resident agent at the registered office (P.O. Boxes are not acceptable):

1. Agent Name: JOHN PAUL SILVA
2. Street Address: 1005 N STEPHENSON HWY
Apt/Suite/Other:
City: ROYAL OAK
State: MI Zip Code: 48067

3. Registered Office Mailing Address:
P.O. Box or Street Address: 1005 N STEPHENSON HWY
Apt/Suite/Other:
City: ROYAL OAK
State: MI Zip Code: 48067

Signed this 24th Day of September, 2024 by the organizer(s):

Signature	Title	Title if "Other" was selected
David L. Campbell, Esq.	Organizer	

By selecting ACCEPT, I hereby acknowledge that this electronic document is being signed in accordance with the Act. I further certify that to the best of my knowledge the information provided is true, accurate, and in compliance with the Act.

☐ Decline ☒ Accept

OPERATING AGREEMENT FOR IRENE VENTURES, LLC

A Michigan Limited Liability Company

This Operating Agreement is made to be effective as of the 27th day of September, 2024, among **Irene Ventures, LLC**, a Michigan limited liability company (the "Company"); and John Paul Silva, as the initial member of the Company; and all of those who shall later be admitted as members (individually "Member" and collectively "Members"), who agree as follows:

Article 1 Organization

1.1 Formation. The Company has been organized as a Michigan limited liability company pursuant to the Michigan Limited Liability Company Act, 1993 PA 23 (the "Act") by the filing of Articles of Organization ("Articles") with the Department of Commerce of the State of Michigan as required by the Act.

1.2 Name. The name of the Company is **Irene Ventures, LLC**. The Company may also conduct its business under one or more assumed names.

1.3 Purposes. The purpose of the Company is to engage in any activity for which limited liability companies may be formed under the Act. The Company shall have all the powers necessary or convenient to effect any purpose for which it is formed, including all powers granted by the Act.

1.4 Duration. The Company shall continue in existence for perpetual duration or until the Company dissolves and its affairs are wound up in accordance with the Act or this Operating Agreement.

1.5 Registered Office and Resident Agent. The Company's Registered Office and Resident Agent shall be as designated in the initial or amended Articles. The Registered Office and/or Resident Agent may be changed from time to time. Any such change shall be made in accordance with the Act. If the Resident Agent resigns, the Company shall promptly appoint a successor.

1.6 Intention for Company. The Members have formed the Company as a limited liability company under the Act. The Members specifically intend and agree that the Company not be a partnership (including a limited partnership) or any other venture, but a limited liability company under and pursuant to the Act. No Member shall be construed to be a partner in the Company or a partner of any other Member or person, and the Articles, this Operating Agreement, and the relationships created by and arising from them shall not be construed to suggest otherwise.

Article 2 Books, Records, and Accounting

2.1 Books and Records. The Company shall maintain complete and accurate books and records of the Company's business and affairs as required by the Act. Such books and records shall be kept at the Company's Registered Office.

2.2 Fiscal Year; Accounting. The Company's fiscal year shall be the calendar year. The particular accounting methods and principles to be followed by the Company shall be selected by the Members from time to time.

2.3 Reports. The Members shall prepare, in the time, manner, and form that the Members determine, reports concerning the financial condition and results of operation of the Company and the Members' Capital Accounts. Such reports shall be provided at least annually, as soon as practicable after the end of each calendar year, and shall include a statement of each Member's share of profits and other items of income, gain, loss, deduction, and credit.

2.4 Members' Accounts. The Company shall maintain separate Capital Accounts for each Member. Each Member's Capital Account shall reflect the Member's capital contributions and increases for the Member's share of any of the Company's net income or gain. Each Member's Capital Account shall also reflect decreases for distributions made to the Member and the Member's share of any of the Company's losses and deductions.

Article 3 Capital Contributions

3.1 Initial Commitments and Contributions. By executing this Operating Agreement, the initial Member agrees to make the capital contributions set forth below. The Members' interests in the total capital of the Company (the Members' "Sharing Ratios," adjusted from time to time to reflect changes in the Capital Accounts of the Members and the total capital in the Company) is also set forth below. Any additional Member (other than an assignee of a membership interest who has been admitted as a Member) shall make the capital contribution set forth in an Admission Agreement. No interest shall accrue on any capital contribution and no Member shall have any right to withdraw or to be repaid any capital contribution except as provided in this Operating Agreement.

<u>Member</u>	<u>Initial Capital Contribution</u>	<u>Interest in Capital</u>
John Paul Silva	\$1,000.00	100%

3.2 Additional Contributions. In addition to the initial capital contributions, the Members may determine from time to time that additional capital contributions are needed to enable the Company to conduct its business and affairs. After making such a determination, notice of it shall be given to all Members in writing at least 10 business days before the date on which the additional contributions are due. The notice shall describe in reasonable detail the purposes and uses of the additional capital, the amounts of additional capital required, and the date by which payment of the additional capital is due. Each Member shall be obligated to make additional capital contributions to the extent of any unfulfilled commitment. Any Member who has fulfilled the Member's commitment has the right, but not the obligation, to make any additional capital contributions needed, according to that Member's Sharing Ratio.

3.3 Failure to Contribute. If a Member fails to make a capital contribution when required, the Company may, in addition to pursuing any other rights and remedies the Company may have under the Act or applicable law, take any enforcement action (including the commencement and prosecution of court proceedings) against the Member that the Members consider appropriate. Moreover, the remaining Members may elect to contribute the required capital themselves, according to their respective Sharing

Ratios. The Members who make such contributions shall be entitled to treat these amounts as an extension of credit to the defaulting Member, payable on demand, with interest accruing on the extension at the rate of 8 percent (8%) per annum until paid. This extension of credit shall be secured by the defaulting Member's interest in the Company. Each Member who defaults grants to each Member who may later grant an extension of credit a security interest in the defaulting Member's interest in the Company.

Article 4 **Allocations and Distributions**

4.1 Allocations. Except as may be required by the Internal Revenue Code of 1986, as amended, or by this Operating Agreement, the Company's net profits, net losses, and other items of income, gain, loss, deduction, and credit shall be allocated among the Members in accordance with each Member's Sharing Ratio.

4.2 Distributions. The Members may take distributions from time to time. Distributions may be made only after the Members determine, in their reasonable judgment, that the Company has cash on hand exceeding the Company's current and anticipated needs (including operating expenses, debt service, acquisitions, reserves, and mandatory distributions, if any). All distributions shall be made to the Members in accordance with each Member's Sharing Ratio. Distributions shall be in cash or property, or both, as the Members determine. No distribution shall be declared or made if, after giving it effect, (a) the Company would not be able to pay its debts as they became due in the usual course of business; or (b) the Company's total assets would be less than the sum of its total liabilities plus the amount that would be needed, if the Company were to be dissolved at the time of the distribution, to satisfy on dissolution the preferential rights of other Members that are superior to the rights of the Members receiving the distribution.

Article 5 **Disposition of Membership Interests**

5.1 General. Every sale, assignment, transfer, exchange, mortgage, pledge, grant, hypothecation, or other disposition of any membership interest shall be made only in compliance with this Article. No membership interest shall be disposed of if (a) the disposition would cause a termination of the Company under the Internal Revenue Code of 1986, as amended; (b) the disposition would not comply with all applicable state and federal securities laws and regulations; or (c) the assignee of the membership interest fails to provide the Company with the information and agreements that the Members may require in connection with such a disposition. Any attempted disposition of a membership interest in violation of this Article is void.

5.2 Permitted Dispositions. Subject to the provisions of this Article, a Member may assign the Member's membership interest in the Company in whole or in part. The assignment of a membership interest does not itself entitle the assignee to participate in the management and affairs of the Company or to become a Member. The assignee is entitled to receive, to the extent assigned, only the distributions to which the assigning Member would otherwise be entitled.

5.3 Admission of Substitute Members. An assignee of a membership interest shall be admitted as a substitute Member and shall be entitled to all the assignor's rights and powers only if the other Members unanimously consent. If admitted, the substitute Member has, to the extent assigned, all of the rights, powers, restrictions, and liabilities of a Member.

Article 6

Meetings of Members

6.1 Voting. All Members shall be entitled to vote on any matter submitted to a vote of the Members. The Members shall have the right to vote on all of the following: (a) the dissolution of the Company pursuant to paragraph 9.1(c) of this Operating Agreement, (b) the merger of the Company, (c) a transaction involving an actual or potential conflict of interest between a Member and the Company, (d) an amendment to the Articles (e) the sale, exchange, lease, or other transfer of all or substantially all of the Company's assets other than in the ordinary course of business and (f) any expenditures, purchases, sale, activity or decision with a value in excess of \$250.00.

6.2 Required Vote. Unless a greater vote is required by the Act or the Articles, the affirmative vote or consent of a majority of the Sharing Ratios of all the Members entitled to vote or consent on the matter is required.

6.3 Meetings. An annual meeting of Members for the transaction of such business as may properly come before the meeting shall be held at the time, date, and place that the Members shall determine. Special meetings of Members for any proper purpose or purposes may be called at any time by the holders of at least 10% of the Sharing Ratios of all Members. The Company shall deliver or mail written notice stating the date, time, place, and purpose(s) of any meeting to each Member entitled to vote at the meeting. The notice shall be given not less than 10 or more than 60 days before the meeting date. All meetings of Members shall be presided over by a Chairperson, designated by the Members from amongst themselves.

6.4 Consent. Any action required or permitted to be taken at an annual or special meeting of the Members may be taken by consent without a meeting, prior notice, or a vote. The consent must be in writing, set forth the action taken, and be signed by the Members having at least the minimum number of votes necessary to authorize or take such an action at a meeting at which all membership interests entitled to vote on the action are present and voting. Every written consent shall also bear the date signifying when each Member signed the consent. Prompt notice of the taking of action without a meeting by less than unanimous written consent shall be given to all Members who did not consent in writing to the action.

Article 7

Management

7.1 Management Vested with Members. The Company's business and affairs shall be managed by the Members in proportion to their capital contributions as adjusted from time to time to reflect any additional contributions to or withdrawals from the Company's capital made by the Members. With the written concurrence of a majority in interest of the Members, each Member has the power on behalf of the Company to do all things necessary or convenient to carry out the Company's business and affairs, including the power to (a) purchase, lease, or otherwise acquire any real or personal property; (b) sell, convey, mortgage, grant a security interest in, pledge, lease, exchange, or otherwise dispose of or encumber any real or personal property; (c) open one or more depository accounts and make deposits into, write checks against, and make withdrawals against such accounts; (d) borrow money and incur liabilities and other obligations; (e) enter into any and all agreements and execute any and all contracts, documents, and instruments; (f) engage employees and agents, define their respective duties, and establish their compensation or remuneration; (g) establish pension plans, trusts, profit-sharing plans, and

other benefit and incentive plans for Company Members, employees, and agents; (h) obtain insurance covering the Company's business and affairs, its property, and the lives and well-being of its Members, employees, and agents; and (i) begin, prosecute, or defend any proceeding in the Company's name.

7.2 Standard of Care; Liability. Every Member shall discharge his or her management duties as a member in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances and in a manner the Member reasonably believes to be in the Company's best interests. A Member shall not be liable for monetary damages to the Company for any breach of management duties except for (a) receipt of a financial benefit to which the Member is not entitled, (b) voting for or assenting to a distribution to Members in violation of this Operating Agreement or the Act, or (c) a knowing violation of the law.

7.3 Reimbursement. Members shall be entitled to reimbursement from the Company for all Company expenses reasonably incurred and paid for by the Member on the Company's behalf.

Article 8

Exculpation of Liability: Indemnification

8.1 Exculpation of Liability. Unless otherwise provided by law or expressly assumed, a person who is a Member shall not be liable for the acts, debts, or liabilities of the Company.

8.2 Indemnification. Except as otherwise provided in this Article, the Company shall indemnify any Member and may indemnify any employee or agent of the Company who was or is a party, or is threatened to be made a party, to a threatened, pending, or completed action, suit, or proceeding (whether civil, criminal, administrative, or investigative and whether formal or informal), other than an action by or in the right of the Company, where such person is a party because the person is or was a Member, employee, or agent of the Company. The Company shall indemnify the Member, employee, or agent against expenses, including attorney fees, judgments, penalties, fines, and amounts paid in settlement, actually and reasonably incurred by that person in connection with the action, suit, or proceeding. The Company shall indemnify the Member, employee, or agent if the person acted in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner that the person reasonably believed to be in the Company's best interests. With respect to a criminal action or proceeding, the person must have had no reasonable cause to believe that his or her conduct was unlawful. To the extent that a Member, employee, or agent of the Company has been successful on the merits or otherwise in defense of an action, suit, or proceeding, or in defense of any claim, issue, or other matter in the action, suit, or proceeding, that person shall be indemnified against actual and reasonable expenses, including attorney fees, he or she incurs in connection with the action, suit, or proceeding and any action, suit, or proceeding brought to enforce this mandatory indemnification. Unless ordered by a court, any indemnification permitted under this Article shall be made by the Company only as the Company authorizes in the specific case after (a) determining that the indemnification is proper under the circumstances because the person to be indemnified has met the applicable standard of conduct and (b) evaluating the reasonableness of the expenses and of the amounts paid in settlement. This determination and evaluation shall be made by a majority vote of the Members who are not parties or threatened to be made parties to the action, suit, or proceeding. However, no indemnification shall be provided to any Member, employee, or agent of the Company for or in connection with (a) the receipt of a financial benefit to which the person is not entitled; (b) voting for or assenting to a distribution to Members in violation of this Operating Agreement or the Act; (c) a knowing violation of the law; or (d) an action brought by or in the name of the Company.

Article 9 Dissolution and Winding Up

9.1 Dissolution. The Company shall dissolve and its affairs shall be wound up on the first to occur of the following events: (a) at any time specified in the Articles or this Operating Agreement; (b) on the occurrence of any event specified in the Articles or this Operating Agreement; (c) on the unanimous consent of all the Members; (d) on the death, withdrawal, expulsion, bankruptcy, or dissolution of a Member or the occurrence of any other event that terminates the continued membership of a Member in the Company unless within 90 days after the disassociation of membership as provided in subparagraph (d), a majority of the remaining Members consent to continue the business of the Company and to the admission of one or more Members as necessary.

9.2 Winding Up. On dissolution, the Company shall cease carrying on its business and affairs and shall begin to wind them up. The Company shall complete the winding up as soon as practicable. On the winding up of the Company, its assets shall be distributed first to creditors, to the extent permitted by law, in order to satisfy Company debts, liabilities, and obligations, and then to Members and former Members. Distributions to Members and former Members shall be made first to satisfy liabilities for distributions and then in accordance with the Members' Sharing Ratios. The proceeds shall be paid to the Members within 90 days after the date of the winding up.

Article 10 Miscellaneous Provisions

10.1 Terms. Nouns and pronouns will be deemed to refer to the masculine, feminine, neuter, singular, and plural, as the identity of the person or persons, firm, or corporation may in the context require.

10.2 Article Headings. The article headings contained in this Operating Agreement have been inserted only as a matter of convenience and for reference and in no way shall be construed to define, limit, or describe the scope or intent of any provision of this Operating Agreement.

10.3 Entire Agreement. This Operating Agreement constitutes the entire agreement among the parties and contains all of the agreements between the parties with respect to the subject matter. This Operating Agreement supersedes any and all other agreements, either oral or written, between the parties with respect to the subject matter.

10.4 Severability. The invalidity or unenforceability of any particular provision of this Operating Agreement shall not affect the other provisions, and this Operating Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

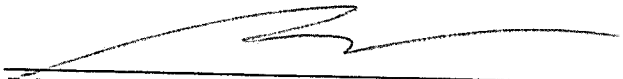
10.5 Amendment. This Operating Agreement may be amended or revoked at any time by a written agreement executed by all of the parties to this Operating Agreement. No change or modification to this Operating Agreement shall be valid unless made in writing and signed by all the parties to this Operating Agreement.

10.6 Notices. Any notice permitted or required under this Operating Agreement shall be conveyed to the party at the address reflected in this Operating Agreement and will be deemed to have been given when deposited in the United States mail, postage paid, or when delivered in person, by courier, or by facsimile transmission.

10.7 Binding Effect. Subject to the provisions of this Operating Agreement relating to transferability, this Operating Agreement shall be binding on and shall inure to the benefit of the parties and their respective distributees, heirs, successors, and assigns.

10.8 Governing Law. This Operating Agreement has been executed and delivered in the State of Michigan and shall be governed by, construed, and enforced in accordance with the laws of the State of Michigan.

IN WITNESS WHEREOF, the parties have executed this Operating Agreement to be effective as of the date set forth above.



**John Paul Silva, individually and as a
Member for and on behalf of the Company**

RECEIVED CHARLEVOIX
NOV - 1 PM 2:52

State of Michigan, County of Charlevoix, ss
Charlevoix, November 2, 2023 I hereby certify
that there are no tax liens of taxes held by the State or by
individuals on the land herein described in the within instrument
and that all taxes due thereon have been paid for the five years
preceding the date of said instrument as appears by the records in
my office. This does not cover taxes in process of collection by
Township, Cities, or Village Betty J. Jensen
County Treasurer KL

L: 1392 P: 247 #2023-0006266 WD

RECEIVED FOR RECORD

STATE OF MICHIGAN, COUNTY OF CHARLEVOIX
SHIRLEY M. COBLENTZ, REGISTER OF DEEDS

11/02/2023 09:44:12 AM PAGES: 3



BARRON TITLE AGENCY

WARRANTY DEED

The undersigned Grantor: the United Methodist Church of Charlevoix, aka The Charlevoix United Methodist Church, a Michigan ecclesiastical Corporation,

whose address is: 104 State Street, Charlevoix, MI 49720,

conveys and warrants to Grantee: 104 State Street, LLC, a Michigan limited liability company,

whose address is: 1005 N. Stephenson Hwy., Attn: Leasing Office, Royal Oak, MI 48067,

certain real property situated in the City of Charlevoix, Charlevoix County, Michigan described as:

See attached Exhibit "A" for complete legal description.

subject to zoning and building regulations, easements, reservations, restrictions and right of ways of record.

Grantor hereby releases and extinguishes the "Trust" provisions and/or attendant restrictions set forth within those certain Warranty Deeds recorded in Liber 370, Page 548, Liber 370, Page 549 and Liber 24, Page 50 of Charlevoix County Records, which otherwise provide that the premises shall be used, kept and maintained as a place of worship, which "Trust" provisions and attendant restrictions shall be held for naught.

The consideration for this Deed consists of the sum of One Hundred Fifty Thousand and 00/100 (\$150,000.00) Dollars.
EXEMPT FROM STATE AND COUNTY TRANSFER TAX PURSUANT TO MCL 207.526 (c) AND MCL 207.505 (c).

Effective Date: November 1, 2023

TAX CODE # 15-052-246-028-00-T12

United Methodist Church of Charlevoix
aka Charlevoix United Methodist Church,
a Michigan ecclesiastical Corporation

John Borths
John Borths, Chair of the Board of
Trustees of the United Methodist Church of
Charlevoix

Ellen Zienert
By: Ellen Zienert, Pastor and designated
signator for The Northern Skies District of
the Michigan Conference of the United
Methodist Church

EXHIBIT "B"

2023 NOV - 2 AM 9:00

STATE OF Michigan

COUNTY OF Charlevoix

I, Mary A. Towne, a Notary Public of the County and State first above written, do hereby certify that John Borths, Chair of the Board of Trustees of the United Methodist Church of Charlevoix, a Michigan Ecclesiastical Corporation and Ellen Zienert, Pastor and designated signator for The Northern Skies District of the Michigan Conference of the United Methodist Church, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal, this the 1st day of November, 2023.

Mary A. Towne
Notary Public

My Commission Expires:

(SEAL)

MARY A TOWNE
Notary Public, State of Michigan
County of Charlevoix
My Commission Expires June 7, 2027
Acting in the County of _____

DRAFTED BY/RETURN TO:
Daniel B. Barron, Esq.
(without opinion as to title)
Barron & Engstrom, P.L.C.
P.O. Box 309
Charlevoix, MI 49720
(231) 547-9950

File No.: 2023020061
Tax Code No. 15-052-246-008-00

When recorded return to Grantee
Send subsequent tax bills to Grantee

CITY OF CHARLEVOIX
Liquor License Application
Addendum for Redevelopment Liquor Licenses

Please note: this application must be submitted WITH the "Liquor License Application". You MUST answer all questions and include all attachments or the application will be returned to you. Bring or mail the applications to the City Clerk, City of Charlevoix, 210 State Street, Charlevoix, Michigan 49720.

This form is designed to conform to Public Act No. 501 of the Public Acts of 2006, being Section 521a(1) of the Michigan Liquor Control Code of 1998, being MCL 436.1521a(1), and the City of Charlevoix Alcoholic Beverages Ordinance.

Approval of a new liquor license or the transfer of an existing license is not a determination that the applicant has complied with other ordinances or regulations.

1. Name, address, and contact information of applicant:

IRENE VENTURES, LLC

C/O John Paul Silva, 1005 N Stephenson Hwy., Royal Oak, MI 48067

2. Address of the real property at which the license will be used:

104 State Street

Charlevoix, Michigan 49720

3. Is the establishment located within the Downtown Development Authority limits? ☐ Yes ☐ No

4. Will the establishment offer: ☒ Dining ☒ Recreation ☒ Entertainment

5. How many days per week and hours per day will the establishment be open to the public?

Open at Various times for scheduled events and functions.

6. What is the seating capacity of this establishment?

100 plus

Attach the following, per City Code § 113.16:

- 209 attached* X Documentation whether the applicant has a real property interest in the real property with which the license will be used.
- X Documentation showing that at least \$75,000 has been expended for the rehabilitation or restoration of the building that will house the licensed premises, or which makes a commitment for a capital investment of at least \$75,000 which will be expended prior to the issuance of the license.
- X Documentation of attempts to purchase a readily available escrowed or quota on-premise license within the City of Charlevoix, and why such license was not reasonably available.
- X Documentation regarding the type of business with which the license will be used.
- X Additional information or documentation that will show whether the application complies with the standards contained in § 113.03 (A.) and § 113.17 of the City Code.

As owner of the premises, (if not the applicant), I approve of the submission of this application:

Owner's Signature:  Date: 9/30/2024

Owner's Name & Contact #: (print) John Paul Silva (248)-705-5969

I, the applicant, do state that all statements made on this application at attachments are true and complete.

Applicant's Signature:  Date: 9/30/2024

**CITY OF CHARLEVOIX
LIQUOR LICENSE APPLICATION
ADDENDUM FOR REDEVELOPMENT LIQUOR LICENSES
SUPPLEMENTAL INFORMATION / PAGE 2**

- A. Documentation whether the applicant has a real property interest in the real property with which the license will be used.

RESPONSE: The real property of the proposed licensed premises is owned by 104 State Street, LLC, a Michigan limited liability company, which consists of two owners/members:

John Paul Silva and Jennifer Marie Silva, as tenants by the entireties, and
Todd A. Wyett 1995 Trust

- B. Documentation showing that at least \$75,000 has been expended for the rehabilitation or restoration of the building that will house the licensed premises, or which makes a commitment for a capital investment of at least \$75,000 which will be expended prior to the issuance of the license.

RESPONSE: See attached Sworn Affidavit.

- C. Documentation of attempts to purchase a readily available escrowed or quota on-premise license within the City of Charlevoix, and why such license was not reasonably available.

RESPONSE: See attached Sworn Affidavit.

- D. Documentation regarding the type of business with which the license will be used.

RESPONSE: Conference, event and wedding venue

- E. Additional information or documentation that will show whether the application complies with the standards contained in Section 7.303.A. and Section 7.305.D. of the City Code.

RESPONSE: See attached copies of a portion of the MLCC Application which will be submitted by Applicant.

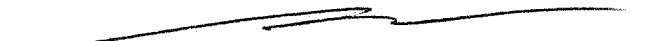
AFFIDAVIT OF JOHN PAUL SILVA

STATE OF MICHIGAN)
)ss
COUNTY OF CHARLEVOIX)

The undersigned, John Paul Silva, being first duly sworn, hereby deposes and says:

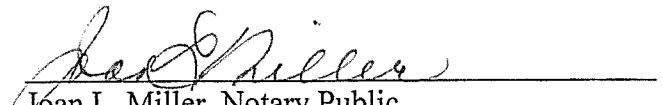
1. That I am, John Paul Silva, and of the lawful age of majority.
2. That I am the managing member of Irene Ventures, LLC d/b/a "The Irene.
3. I am the Managing Member of 104 State Street, LLC which is the owner of record of 104 State Street, Charlevoix, Michigan 49720.
4. That I am the member of Irene Ventures, LLC d/b/a "The Irene," the applicant for new MLCC DDA liquor license under MCLA § 436.1521a (1)(b).
5. That one of the statutory requirements for issuance of this type of license is that the applicant expend at least \$75,000 for the rehabilitation or restoration of the building that will house the licensed premises.
6. That I, the affiant John Paul Silva, has in fact expended far in excess of the statutory requirement of \$75,000 and proposed licensed premises on the real estate located at 104 State Street, Charlevoix, Michigan 49720.
7. That the source of funds for said expenditures come from a combination of personal funds of John Paul Silva and bank loans.

Further, Affiant sayeth not.



John Paul Silva

Subscribed and sworn to before me, a Notary Public, this 30th day of ~~September~~, 2024, by John Paul Silva.



Joan L. Miller, Notary Public
Charlevoix County, Michigan
My commission expires: 7/22/2029

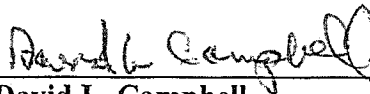
AFFIDAVIT OF DAVID L. CAMPBELL

STATE OF MICHIGAN)
)ss
COUNTY OF CHARLEVOIX)

The undersigned, David L. Campbell, being first duly sworn, hereby deposes and says:

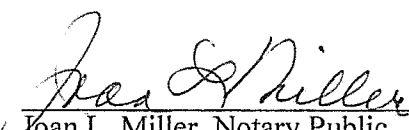
1. That David L. Campbell is in fact the Attorney for Irene Ventures, LLC, a Michigan limited liability company, located at 104 State Street, Charlevoix, Michigan 49720 and has been retained to assist said entity in acquiring a new Michigan Liquor Control Commission (MLCC) Downtown Development District (DDA) on premise liquor license at the 104 State Street address.
2. That Irene Ventures, LLC is making application to the MLCC for a DDA Class C & SDM liquor licenses under MCLA § 436.1521a(1)(b).
3. That David L. Campbell makes this affidavit to verify the fact that there are no readily available on premise Charlevoix County escrowed liquor licenses that do not have pending transfers on file with the MLCC with the following exceptions:
 - a. Round Lake Group, LLC
111 Bridge Street
Charlevoix, Michigan 49720
Business ID 239009
 - b. E.J. Hodgson Enterprises, Inc.
dba "Stoney Acre Grill"
26420 Carlisle Rd, W
Beaver Island, Michigan 49782
Business ID 242303
4. That on or about July 30, 2024, your affiant caused to be sent to the above MLCC licensees, letters of inquiry as to the availability of their respective escrowed liquor licenses. These letters were sent via US Postal Service "certified return receipt requested." Copies of the proof of mailing and referenced letters are attached hereto.
5. That to date, October 30, 2024, your Affiant has failed to receive any response from the holders of these licensees.

Further, Affiant sayeth not.



David L. Campbell

Subscribed and sworn to before me, a Notary Public, this 30th day of October, 2024, by David L. Campbell.



Joan L. Miller, Notary Public
Charlevoix County, Michigan
My commission expires: 7/22/2029

DAVID L. CAMPBELL, P.C.

Attorney

309 Petoskey Ave.
Charlevoix, Michigan 49720

Direct: 231-590-3758
CharlevoixAttorney@gmail.com

October 30, 2024

FIRST REQUEST LETTER

via secure fax line:
(517) 284-8557

Michigan Liquor Control Commission
Licensing Division
Constitution Hall
525 W. Allegan Street
PO Box 30005
Lansing, Michigan 48909

RE: New Class C under MCL 436.1521a(1)(b)

**Applicant: Irene Ventures, LLC
104 State Street
Charlevoix, Michigan 49720
Charlevoix County**

Dear Licensing Division:

This submission is a request for a new DDA Class C Liquor License under provisions of MCL 436.1521a(1)(b) to be located at 104 State Street, Charlevoix, Michigan 49720.

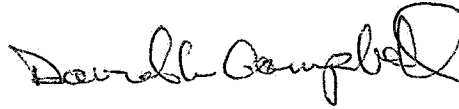
The following items are being hereby submitted to initiate this request:

1. Credit Authorization Form in the amount of \$140.00
2. LCC-109b - executed
3. LCC-100(a) - executed
4. Copy of City of Charlevoix DDA Ordinance
5. Map of City of Charlevoix DDA
6. Affidavit from City of Charlevoix Assessor
7. Affidavit of John Paul Silva
8. Affidavit of Attorney David L. Campbell, with copies of letters and proof of mailings
9. Copy of Passport for John Paul Silva
10. Copy of Applicant's Articles of Organization
11. Copy of Applicant's Operating Agreement

12. LCC-301 for Applicant - completed
13. Copy of Real Estate Lease
14. Copy of Real Estate entity's Articles of Organization, Operating Agreement and LCC-301 - completed
15. Diagram of proposed licensed premises

If you have any questions, please do not hesitate to contact me. Thank you in advance for your assistance in processing this application.

Sincerely,
DAVID L. CAMPBELL, PC

A handwritten signature in black ink, appearing to read "David L. Campbell", with a stylized flourish at the end.

David L. Campbell
Attorney at Law

DLC/jlm
Enclosures



New On-Premises Redevelopment or Development District License Questionnaire

Complete and submit this questionnaire along with a fully completed On-Premises Retailer License & Permit Application (LCC-100a) with the documents required to be submitted with that form and any other documents required as listed below.

Part 1 - Applicant Information

Individuals, please state your legal name. Corporations or Limited Liability Companies, please state your name as it is filed with the State of Michigan Corporation Division.

Applicant name(s): Irene Ventures, LLC		
Address to be licensed: 104 State Street		
City: Charlevoix	Zip Code: 49720	
City/township/village where license will be issued: Charlevoix		County: Charlevoix
Contact Name: John Paul Silva	Phone: (248) 705-5969	Email: Paul@spmliving.com
Mailing address (if different from above): 1005 N Stephenson Hwy		
City: Royal Oak, Michigan	Zip Code: 48067	

I am applying for the following on-premises redevelopment or development district license:

☐ **MCL 436.1521a(1)(a) - Redevelopment (RDA) License - Complete Parts 2a, 3, 4, & 5**

Select one: ☐ Class C ☐ B-Hotel ☐ Tavern ☐ A-Hotel

- The proposed licensed premises must be located in a redevelopment project area defined by the local governmental unit and the investment in the redevelopment project area must meet one (1) of following requirements:
 - Investment of not less than \$50 million in cities, townships, or villages having a population of 50,000 or more
 - Investment of not less than \$1 million per 1,000 people in cities, townships, or villages having a population of less than 50,000
- The licensed business must be engaged in activities related to dining, entertainment, or recreation and provide that activity not less than five (5) days per week
- The licensed business must be open to the public not less than ten (10) hours per day, five (5) days per week
- The initial enhanced license fee for a license issued under this section is \$20,000.00

☒ **MCL 436.1521a(1)(b) - Development District (DDA) License - Complete Parts 2b, 3, 4, & 5**

Select one: ☒ Class C ☐ B-Hotel ☐ Tavern ☐ A-Hotel

- The proposed licensed premises must be located in one of the development districts or areas listed in MCL 436.1521a(1)(b):
 - Tax Increment Finance Authority District Under Part 3 of Public Act 57 of 2018 (Formerly Public Act 450 of 1980)
 - Corridor Improvement Authority Act Development Area under Part 6 of Public Act 57 of 2018 (Formerly Public Act 280 of 2005)
 - Downtown Development Authority (DDA) District under Part 2 of Public Act 57 of 2018 (Formerly Public Act 197 of 1975)
 - Principal Shopping District under Public Act 120 of 1961
- The total investment in real and personal property within the development district or area shall not be less than \$200,000.00 over a period of the preceding five (5) years.
- The building may be new construction or the restoration or rehabilitation of an existing building.
- The building that will house the proposed licensed premises must have at least \$75,000.00 expended for new construction or the rehabilitation or restoration of the building over the preceding five (5) years or a commitment for a capital investment of at least \$75,000.00 in the building that must be expended before the license is issued.
- The licensed business must be engaged in activities related to dining, entertainment, or recreation.
- The licensed business must be open to the general public and have a seating capacity of not less than 25 persons.
- The initial enhanced license fee for a license issued under this section is \$20,000.00.

Please Note: Pursuant to MCL 436.1521a(8) a license issued under MCL 436.1521a cannot be transferred to another location and if the licensee goes out of business the license issued under MCL 436.1521a shall be surrendered by the licensee to the Commission and the Commission will terminate the license.

Part 2a - MCL 436.1521a(1)(a) - Redevelopment (RDA) License Required Documents

- ☐ Resolution from local governmental unit establishing the redevelopment project area
- ☐ Affidavit from the assessor, certified by the city, township, or village clerk, which states the following:
 - The amount of investment money expended for manufacturing, industrial, residential, and commercial development within the redevelopment project area during the preceding three (3) years (must specifically state start and end dates for the investment, i.e. January 1, 2013, to December 31, 2015).
 - Statement that the amount of commercial investment in the redevelopment project area constitutes not less than 25% of the total investment in real and personal property in the area.
- ☐ Legible map of the redevelopment project area which clearly labels all street names

Part 2b - MCL 436.1521a(1)(b) - Development District (DDA) License Required Documents

- ☒ Resolution from local governmental unit establishing the development district or area which specifically references the statute under which the area was established:
 - Part 3 of Public Act 57 of 2018 (Formerly Public Act 450 of 1980) for Tax Increment Finance Authorities
 - Part 6 of Public Act 57 of 2018 (Formerly Public Act 280 of 2005) for Corridor Improvement Authorities
 - Part 2 of Public Act 57 of 2018 (Formerly Public Act 197 of 1975) for Downtown Development Authorities
 - Public Act 120 of 1961 for Principal Shopping Districts
- ☒ Affidavit from the assessor, certified by the city, township, or village clerk, which states the following:
 - The total amount of public and private investment in real and personal property within the development district or area over a period of the preceding five (5) years (must specifically state start and end dates for the investment, i.e. January 1, 2011, to December 31, 2015).
- ☒ Legible map of the development district or area which clearly labels all street names

Part 3 - Available License Search

MCL 436.1521a(9) requires any person signing an application for an on-premises Redevelopment or Development District license to verify that he or she attempted to purchase any of the on-premises licenses that are in escrow that do not have a pending transfer on file with the MLCC within the county in which the applicant for the on-premises Redevelopment or Development District license proposes to operate.

You should not apply for an on-premises Redevelopment or Development District license if there is an available quota license in the local governmental unit in which the proposed licensed business will be located. You may verify the availability of quota licenses on the Commission's website using the [Local Government Quota search page](#).

- ☒ I verify that I have attempted to purchase any readily available on-premises escrowed licenses that do not have pending transfers on file with the MLCC in the county where the proposed licensed business will be located.
 - Applicant should provide a notarized affidavit outlining all attempts and responses (or lack thereof) to secure a readily available on-premises license.
 - Applicant should send certified letters of inquiry as to the availability of the license to each licensee at the address listed on the licensee listing report provided by the MLCC.
 - Applicant should submit copies of the letters sent, certified tags, signed certified return receipts, copies of any envelopes returned by the USPS, and copies of any correspondence received from the licensees.
 - Applicant should provide dates, the name of the person contacted, and a synopsis of the conversation if escrowed licensees are contacted by telephone.
 - Applicant should provide documentation regarding the fair market value of the license based on where the applicant will be located, if determinable, the size and scope of the proposed operation, and/or the existence of mandatory contractual restrictions or inclusion attached to the sale of the license when indicating to the MLCC that purchase of a license is not economically feasible or the license is not readily available.
- ☒ There are no readily available on-premises licenses in escrow in the county where the proposed licensed business will be located.
- ☒ There are no unissued, on-premises quota licenses readily available in the local governmental unit where the proposed licensed business will be located.

An applicant for a new on-premises Redevelopment or Development District license requires approval by the legislative body of the local governmental unit in which the licensed premises will be located. Applicants for a license in a city that has a population of 600,000 or more do not require local governmental approval. Please use the Local Governmental Unit Approval Form (LCC-106) or obtain a resolution from the local governmental unit that contains the same information required on the form. The form or a resolution from the city, village, or township must specifically state the applicant's legal name, if an individual person, or the corporate name of the business, the proposed licensed address, and contain a recommendation for the issuance of a license under one of the two following options:

- New Class C* license issued under the provisions of MCL 436.1521a(1)(a)
- New Class C* license issued under the provisions of MCL 436.1521a(1)(b)

**May substitute other license types such as Tavern, A-Hotel, or B-Hotel licenses*

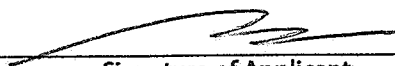
Part 5 - Signature of Applicant

I certify that the information contained in this form is true and accurate to the best of my knowledge and belief. I agree to comply with all requirements of the Michigan Liquor Control Code and Administrative Rules. I also understand that providing **false** or **fraudulent** information is a violation of the Liquor Control Code pursuant to MCL 436.2003.

I certify that I understand that pursuant to MCL 436.1521a(8) a license issued under MCL 436.1521a cannot be transferred to another location and that if the licensee goes out of business the license issued under MCL 436.1521a shall be surrendered by the licensee to the Commission and the Commission will terminate the license.

John Paul Silva, Managing Member

Print Name of Applicant & Title



Signature of Applicant

9/30/2024

Date

Please return this completed form along with corresponding documents:

Michigan Liquor Control Commission

Mailing address: P.O. Box 30005, Lansing, MI 48909

Hand deliveries: Constitution Hall - 525 W. Allegan, Lansing, MI 48933

Overnight packages: 2407 N. Grand River Ave., Lansing, MI 48906

Fax to: 517-763-0059



On-Premises Retailer License & Permit Application (LCC-100a)

Part 1 - Applicant Information

Individuals, please state your legal name. Corporations or Limited Liability Companies, please state your name as it is filed with the State of Michigan Corporation Division.

Applicant name(s): Irene Ventures, LLC		
Address to be licensed: 104 State Street		
City: Charlevoix	Zip Code: 49720	
City/township/village where license will be issued: Charlevoix		County: Charlevoix
Federal Employer Identification Number (FEIN): #99-5136845		

1. Are you requesting a new license? ☒ Yes ☐ No
2. Are you applying ONLY for a new permit or permission? ☐ Yes ☒ No
3. Are you buying an existing license? ☐ Yes ☒ No
4. Are you transferring the classification of an existing on premises license? ☐ Yes ☒ No
5. Are you modifying the size of the licensed premises? ☐ Yes ☒ No
- If Yes, specify: ☐ Adding Space ☐ Dropping Space ☐ Redefining Licensed Premises
6. Are you transferring the location of an existing license? ☐ Yes ☒ No
7. Is this license being transferred as the result of a default or court action? ☐ Yes ☒ No
8. Do you intend to use this license actively? ☒ Yes ☐ No

Leave Blank - MLCC Use Only

Part 2 - License Transfer Information (If Applicable)

If transferring ownership of a license ONLY and not transferring the location of a license, fill out only the name of the current licensee(s)

Current licensee(s): N/A		
Current licensed address:		
City:	Zip Code:	
City/township/village where license is issued:		County:

Part 3 - Licenses, Permits, and Permissions

Applicants for on premises licenses, permits, and permissions (e.g. restaurants, hotels, bars, etc.) must complete the attached Schedule A and return it with this application. Transfer the fee calculations from the Schedule A to Part 4 below.

Part 4 - Inspection, License, and Permit Fees - Make checks payable to State of Michigan

Inspection Fees - Pursuant to MCL 436.1529(4) a nonrefundable inspection fee of \$70.00 shall be paid to the Commission by an applicant or licensee at the time of filing of a request for a new license or permit, a request to transfer ownership or location of a license, a request to increase or decrease the size of the licensed premises, or a request to add a bar. Requests for a new permit in conjunction with a request for a new license or transfer of an existing license do not require an additional inspection fee.

License and Permit Fees - Pursuant to MCL 436.1525(1), license and permit fees shall be paid to the Commission for a request for a new license or permit or to transfer ownership or location of an existing license.

Inspection Fees: \$140.00	License & Permit Fees:	TOTAL FEES:
---------------------------	------------------------	--------------------

Schedule A - Licenses, Permits, & Permissions

Applicant name: _____

Fee Code
MLCC Use
Only

On-Premises License Type:

Base Fee:

Fee Code
MLCC Use
Only

New Transfer

- ☐ ☐ B-Hotel License \$600.00
Number of guest rooms: _____
- ☐ ☐ A-Hotel License \$250.00
Number of guest rooms: _____
- ☒ ☐ Class C License \$600.00
- ☐ ☐ Tavern License \$250.00
- ☐ ☐ Resort License Upon Licensure
- ☒ ☐ DDA/Redevelopment License Upon Licensure
- ☐ ☐ Brewpub License \$100.00
- ☐ ☐ G-1 License \$1,000.00
- ☐ ☐ G-2 License \$500.00
- ☐ ☐ Aircraft License \$600.00
- ☐ ☐ Watercraft License \$100.00
- ☐ ☐ Train License \$100.00
- ☐ ☐ Continuing Care Retirement Center License \$600.00
- ☐ MCL 436.1545(1)(b)(i) ☐ MCL 436.1545(1)(b)(ii)

B-Hotel or Class C Licenses Only:

- ☐ ☐ Additional Bar(s)
Number of Additional Bars: _____

B-Hotel or Class C licenses allow licensees to have one (1) bar within the licensed premises. A \$350.00 licensing fee is required for each additional bar over the one (1) bar initially issued with the license.

Licenses, permits, and permissions selected on this form will be investigated as part of your request. Please verify your information prior to submitting your application, as some licenses, permits, or permissions cannot be added to your request once the application has been sent out for investigation by the Enforcement Division.

Inspection, License, Permit, & Permission Fee Calculation

Number of Licenses: 2 x \$70.00 Inspection Fee

Total Inspection Fee(s): \$140.

Total License Fee(s): _____

Total Permit Fee(s): _____

TOTAL FEES DUE: \$140.00

Please note that requests to transfer SDD licenses will require the payment of additional fees based on the seller's previous calendar year's sales. These fees will be determined prior to issuance of the license to the applicant.

Make checks payable to State of Michigan

On-Premises Permits:

Base Fee:

- ☐ Sunday Sales Permit (AM)* \$160.00
- ☐ Sunday Sales Permit (PM)** 15%**
- ☐ Catering Permit \$100.00
- ☐ Social District Permit \$250.00
- ☐ Banquet Facility Permit - Complete Form LCC-200

A Banquet Facility Permit is an extension of the license at a different location. It may have its own permits and permissions.

- ☐ Outdoor Service No charge
- ☒ Dance Permit No charge
- ☒ Entertainment Permit No charge
- ☐ Extended Hours Permit: No charge
- ☐ Dance ☐ Entertainment Days/Hours: _____
- ☐ Specific Purpose Permit: No charge

Activity requested: _____

Days/Hours requested: _____

- ☐ Living Quarters Permit No charge
- ☐ Topless Activity Permit No charge
- ☐ Off-Premises Storage No charge
- ☒ Direct Connection(s) No charge
- ☐ On-Premises Public Swimming Pool Permit - Complete Form LCC-209

Pursuant to MCL 436.1533, on-premises retailers may be issued a Specially Designated Merchant (SDM) license or a Specially Designated Distributor (SDD) license at the same location in conjunction with the on-premises license under certain circumstances.

Off-Premises License Type:

Base Fee:

Fee Code
MLCC Use
Only

New Transfer

- ☒ ☐ SDM License \$100.00
- ☐ ☐ SDD License \$150.00

Off Premises Permits:

Base Fee:

- ☐ SDD Sunday Sales Permit (PM)** \$22.50
For Spirit Products
- ☒ SDM Sunday Sales Permit (PM)** \$15.00
For Mixed Spirit Drink Products
- ☐ Motor Vehicle Fuel Pumps No charge

*Sunday Sales Permit (AM) allows the sale of spirits, mixed spirit drink, beer, and wine on Sunday mornings between 7:00am and 12:00 noon, if allowed by the local unit of government.

**Sunday Sales Permit (PM) allows the sale of spirits and mixed spirit drink on Sunday afternoons and evenings between 12:00 noon and 2:00am (Monday morning), if allowed by the local unit of government. No Sunday Sales Permit (PM) is required for the sale of beer and wine on Sunday after 12:00 noon. The Sunday Sales Permit (PM) fee is 15% of the fee for the license that allows the sale of spirits or mixed spirit drink. Additional bar fees and hotel room fees are also calculated as part of the permit fee. A separate Sunday Sales Permit (PM) is required for each license that will sell spirits or mixed spirit drink on Sunday after 12:00 noon.

Part 5a - Information on Individual Applicant, Stockholder, Member, or Limited Partner

Each individual, stockholder, member, or partner must complete Part 5a, 5b, and 5c. If a stockholder or member of an applicant company is a corporation or limited liability company, complete Part 5a and 5c and submit a completed Form LCC-301. For applications with multiple individuals, stockholders, members, or partners - each person or entity must complete a separate copy of this page.

Name: John Paul Silva		
Home address: 123 Lake Shore Road		
City: Grosse Pointe Farms	State: Michigan	Zip Code: 48236-3760
Business Phone: (248) 399-1292	Cell Phone: (248) 705-5969	Email: Paul@spmliving.com
Have you ever been licensed by the Michigan Liquor Control Commission (MLCC) or do you currently hold an interest in any other licenses issued by the MLCC? If Yes , please list business ID numbers below. If you hold interest in 2 or more locations under the same name, please also write "chain" below. Pursuant to MCL 436.1603, a retailer licensee <u>may not</u> hold interest in a manufacturer or wholesaler licensee. ☒ Yes ☐ No		
Hotel Earl-Charlevoix, Inc, 120 Michigan Ave, Charlevoix, Michigan 49720-(Business ID #0263226)		
Do you hold 10% or more interest in the applicant entity? ☒ Yes ☐ No		
If you answered "no" to the first question and "yes" to the second question, you must submit fingerprints and undergo an investigation by the MLCC. Please see the attached instructions for submitting fingerprints to the MLCC. You must submit a copy of the completed and endorsed <u>Livescan Fingerprint Background Request (LCC-105)</u> with your application.		

Part 5b - Personal Information (Individuals) - Must be at least 21 years of age, pursuant to administrative rule R 436.1105(1)(a).

Date of Birth: 4/28/1968	Social Security Number: 031-60-7451	Driver's License Number: S 410-429-676-325	
Are you a citizen of the United States of America? ☒ Yes ☐ No			
Have you ever legally changed your name? ☐ Yes ☒ No			
If you answered "yes", please list your prior name(s) (including maiden):			
Spouse's full name (if currently married): Jennifer Marie Silva			
Spouse's date of birth: 06/17/1971	Is your spouse a citizen of the United States of America? ☒ Yes ☐ No		
Do you or your spouse hold any position, either by appointment or election, which involves the duty to enforce any penal law of the United States of America, or the penal laws of the State of Michigan, or any penal ordinance or resolution of any municipal subdivisions of the State of Michigan? ☐ Yes ☒ No			
Does your spouse hold a retailer, manufacturer, or wholesaler license issued by the MLCC? ☒ Yes ☐ No			
Full disclosure of criminal history must be reported, regardless of how long ago the crime occurred. State of Michigan and federal criminal background records will be checked to verify criminal history. Failure to report criminal history charges and/or local ordinance violations may result in the denial of the application. Criminal history includes felonies, misdemeanors, and local ordinance violations in Michigan or any other state for which the applicant or applicant's spouse was found guilty, pled guilty, or pled no contest.			
Have you ever been found guilty, pled guilty, or pled no contest to a criminal charge or any local ordinance violations? If Yes , list below (attach additional pages if necessary): ☐ Yes ☒ No			
Date	City/State	Charge	Disposition
Has your spouse ever been found guilty, pled guilty, or pled no contest to a criminal charge or any local ordinance violations? If Yes , list below (attach additional pages if necessary): ☐ Yes ☒ No			
Date	City/State	Charge	Disposition

Part 5c - Signature

I certify that the information contained in this form is true and accurate to the best of my knowledge and belief. I agree to comply with all requirements of the Michigan Liquor Control Code and Administrative Rules. I also understand that providing false or fraudulent information is a violation of the Liquor Control Code pursuant to MCL 436.2003. (This form must be signed by the person whose information it contains).

John Paul Silva, Managing Member

Print Name

Signature

Date

9/30/2024

Part 6 - Contact Information For This Application

What is your preferred method of contact?			☐ Phone	☐ Mail	☒ Email	☐ Fax
What is your preferred method for receiving a Commission Order?			☐ Mail	☒ Email	☐ Fax	
Contact name: John Paul Silva			Relationship: Managing member			
Mailing address: 1005 N Stephenson Hwy., Attention: Leasing Office						
City: Royal oak			State: Michigan		Zip Code: 48067	
Phone: (248) 705-5969		Fax number: (800) 605-0991		Email: Paul@spmliving.com		

Part 7 - Attorney Information (If You Have An Attorney Representing You For This Application)

Attorney name: David L Campbell			Member Number: P- 11539		
Attorney address: 309 Petoskey Ave					
Phone: (231) 590-3758		Fax number: (231) 547-2977		Email: Charlevoixattorney@gmail.com	
Would you prefer that we contact your attorney for all licensing matters related to this application?					☒ Yes ☐ No
Would you prefer any notices or closing packages be sent directly to your attorney?					☒ Yes ☐ No

Part 8 - Signature of Applicant

Be advised that the information contained in this application will only be used for this request. This section will need to be completed for each subsequent request you make with this office.

Notice: When purchasing a license, a buyer can be held liable for tax debts incurred by the previous owner. Prior to committing to the purchase of any license or establishment, the buyer should request a tax clearance certificate from the seller that indicates that all taxes have been paid up to the date of issuance. Obtaining sound professional assistance from an attorney or accountant can be helpful to identify and avoid any pitfalls and hidden liabilities when buying even a portion of a business. Sellers can make a request for the tax clearance certificate through the Michigan Department of Treasury.

Under administrative rule R 436.1003, the licensee shall comply with all state and local building, plumbing, zoning, sanitation, and health laws, rules, and ordinances as determined by the state and local law enforcements officials who have jurisdiction over the licensee. Approval of this application by the Michigan Liquor Control Commission does not waive any of these requirements. The licensee must obtain all other required state and local licenses, permits, and approvals for this business before using this license for the sale of alcoholic liquor on the licensed premises.

I certify that the information contained in this form is true and accurate to the best of my knowledge and belief. I agree to comply with all requirements of the Michigan Liquor Control Code and Administrative Rules. I also understand that providing **false** or **fraudulent** information is a violation of the Liquor Control Code pursuant to MCL 436.2003.

The person signing this form has demonstrated that they have authorization to do so and have attached appropriate documentation as proof.

John Paul Silva, Managing Member

Print Name of Applicant & Title



Signature of Applicant

9/30/2024

Date

Please return this completed form along with corresponding documents and fees to:

Michigan Liquor Control Commission

Mailing address: P.O. Box 30005, Lansing, MI 48909

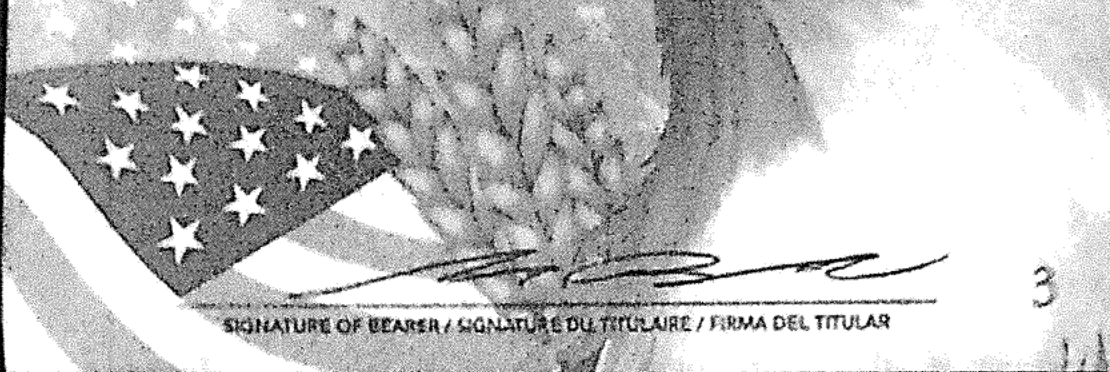
Overnight deliveries: 2407 N. Grand River Avenue, Lansing, MI 48906

Fax to: 517-284-8557

We the People

Of the United States

in Order to form a more perfect Union,
establish Justice, insure domestic Tranquility,
provide for the common defence,
promote the general Welfare, and secure
the Blessings of Liberty to ourselves
and our Posterity, do hereby constitute and
elect one President of the United States of America



SIGNATURE OF BEARER / SIGNATURE DU TITULAIRE / FIRMA DEL TITULAR

PASSPORT
PASSEPORT
PASAPORTE

UNITED STATES OF AMERICA



SILVA

Given Names / Prénoms / Nombres

JOHN PAUL

Nationality / Nationalité / Nacionalidad

UNITED STATES OF AMERICA

Date of birth / Date de naissance / Fecha de nacimiento

28 Apr 1968

Place of birth / Lieu de naissance / Lugar de nacimiento

PORTUGAL

Date of issue / Date de délivrance / Fecha de expedición

18 Feb 2015

Date of expiration / Date d'expiration / Fecha de caducidad

17 Feb 2025

Endorsements / Mentions Spéciales / Anotaciones

SEE PAGE 27

Sex / Sexe / Sexo

M

Authority / Autorité / Autoridad

United States

Department of State

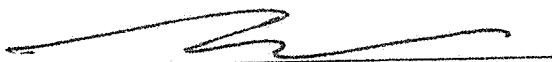
USA

This Sworn Statement Signed by John Paul Silva and Jennifer Silva, husband and wife, signifies that John Paul Silva (husband) holds 100% of the interest in the approved MLCC Liquor Retail Licenses and Permits issued for the Hotel Earl – Charlevoix, INC, 120 Michigan Ave Charlevoix, MI 49720-1803, in Charlevoix (city) in Charlevoix County

And

Jennifer Silva (wife) holds 100% of the interest in Blue Dot LLC, applicant in Request ID# RQ-2204-03778 for a New Small Wine Maker License; New Beer And Wine Tasting Permit; New On-Premises Tasting Room at 11399 Boyne City Rd, Charlevoix, MI 49720-9319 in Hayes Twp in Charlevoix County

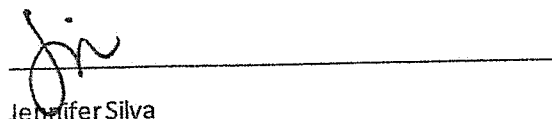
Neither holds an interest the other license.



John Paul Silva

7/20/2022

Date

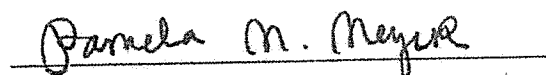


Jennifer Silva

7/20/2022

Date

Witnessed by



Printed Name:

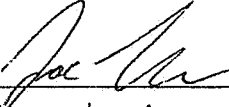
7-20-2022

Date



Affidavit of Public & Private Investment
Development District Area

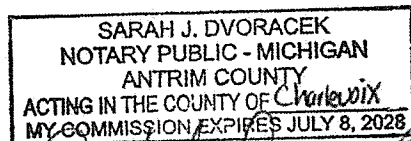
I, Joe Lavender, am the Assessor for the Charlevoix. I have examined the assessment records for the City of Charlevoix and made the following determination as to the public and private investment in the City of Charlevoix qualified development district (Downtown Development Authority). Based on the review of these records, I have determined that the total amount of public and private investment in real property within the qualified development district over the proceeding five (5) year period, January 1st 2020 – December 31st 2024 is \$7,367,000. An amount that exceeds the \$200,000 minimum required by Public Act 501 of 2006, Sec 521a(1)b. I have made this determination to the best of my ability with the records available on this day September 24, 2024, Charlevoix County, Michigan.

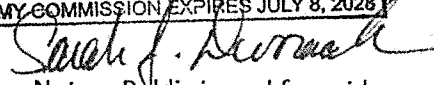


Joe Lavender, Assessor

September 24, 2024

STATE OF MICHIGAN)
)ss
COUNTY OF CHARLEVOIX)





On this 24th day of September, 2024, before me, a Notary Public in and for said county and state, personally appeared the above-named, on behalf of the Charlevoix and made oath that he had read the foregoing Affidavit, by his subscribed, and know that the contents thereof, and that the same is true of his own knowledge, except as to those matters which are stated to be upon information and belief, and as to those matters, he believes to be true.

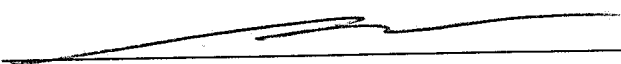
AFFIDAVIT OF JOHN PAUL SILVA

STATE OF MICHIGAN)
)ss
COUNTY OF CHARLEVOIX)

The undersigned, John Paul Silva, being first duly sworn, hereby deposes and says:

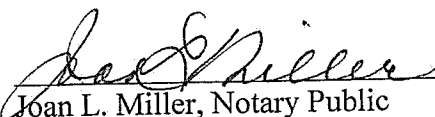
1. That I am, John Paul Silva, and of the lawful age of majority.
2. That I am the managing member of Irene Ventures, LLC d/b/a "The Irene.
3. I am the Managing Member of 104 State Street, LLC which is the owner of record of 104 State Street, Charlevoix, Michigan 49720.
4. That I am the member of Irene Ventures, LLC d/b/a "The Irene," the applicant for new MLCC DDA liquor license under MCLA § 436.1521a (1)(b).
5. That one of the statutory requirements for issuance of this type of license is that the applicant expend at least \$75,000 for the rehabilitation or restoration of the building that will house the licensed premises.
6. That I, the affiant John Paul Silva, has in fact expended far in excess of the statutory requirement of \$75,000 and proposed licensed premises on the real estate located at 104 State Street, Charlevoix, Michigan 49720.
7. That the source of funds for said expenditures come from a combination of personal funds of John Paul Silva and bank loans.

Further, Affiant sayeth not.



John Paul Silva

Subscribed and sworn to before me, a Notary Public, this 30th day of ~~September~~, 2024, by John Paul Silva.



Joan L. Miller, Notary Public
Charlevoix County, Michigan
My commission expires: 7/22/2029

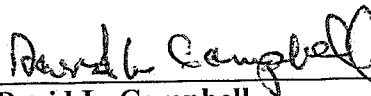
AFFIDAVIT OF DAVID L. CAMPBELL

STATE OF MICHIGAN)
)ss
COUNTY OF CHARLEVOIX)

The undersigned, David L. Campbell, being first duly sworn, hereby deposes and says:

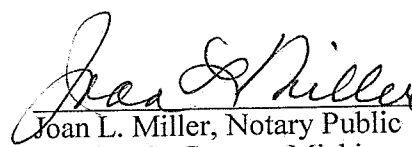
1. That David L. Campbell is in fact the Attorney for Irene Ventures, LLC, a Michigan limited liability company, located at 104 State Street, Charlevoix, Michigan 49720 and has been retained to assist said entity in acquiring a new Michigan Liquor Control Commission (MLCC) Downtown Development District (DDA) on premise liquor license at the 104 State Street address.
2. That Irene Ventures, LLC is making application to the MLCC for a DDA Class C & SDM liquor licenses under MCLA § 436.1521a(1)(b).
3. That David L. Campbell makes this affidavit to verify the fact that there are no readily available on premise Charlevoix County escrowed liquor licenses that do not have pending transfers on file with the MLCC with the following exceptions:
 - a. Round Lake Group, LLC
111 Bridge Street
Charlevoix, Michigan 49720
Business ID 239009
 - b. E.J. Hodgson Enterprises, Inc.
dba "Stoney Acre Grill"
26420 Carlisle Rd, W
Beaver Island, Michigan 49782
Business ID 242303
4. That on or about July 30, 2024, your affiant caused to be sent to the above MLCC licensees, letters of inquiry as to the availability of their respective escrowed liquor licenses. These letters were sent via US Postal Service "certified return receipt requested." Copies of the proof of mailing and referenced letters are attached hereto.
5. That to date, October 30, 2024, your Affiant has failed to receive any response from the holders of these licensees.

Further, Affiant sayeth not.



David L. Campbell

Subscribed and sworn to before me, a Notary Public, this 30th day of October, 2024, by David L. Campbell.



Joan L. Miller, Notary Public
Charlevoix County, Michigan
My commission expires: 7/22/2029

DAVID L. CAMPBELL, P.C.

Attorney

309 Petoskey Ave.
Charlevoix, Michigan 49720

Direct: 231-590-3758
CharlevoixAttorney@gmail.com

July 30, 2024

VIA CERTIFIED MAIL/RETURN RECEIPT

Eric Hodgson
E.J. Hodgson Enterprises, Inc.
26420 Carlisle Rd., West
Beaver Island, Michigan 49782

**RE: Stoney Acre Grill
Class C Resort Liquor License**

Dear Mr. Hodgson:

I have a client that is looking to purchase a Charlevoix County Class C Liquor License.

Please call me at (231) 590-3758, if you have any interest in selling your license.

This is a serious inquiry. Thank you.

Sincerely,



David L. Campbell
Attorney at Law

DLC/jlm
Enclosures

SENDER: COMPLETE THIS SECTION		COMPLETE THIS SECTION ON DELIVERY	
■ Complete items 1, 2, and 3. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits.		A. Signature ☐ Agent ☐ Addressee X 	
1. Article Addressed to: Eric Hodgson E.J. Hodgson Enterprises, Inc. 26420 Carlisle Rd., West Beaver Island, Michigan 49782		B. Received by (Printed Name) C. Date of Delivery	
2. Article Number (Transfer from service label) 9590 9402 6285 0274 7533 80		D. Is delivery address different from item 1? ☐ Yes If YES, enter delivery address below: ☐ No	
3. Service Type ☐ Adult Signature ☐ Priority Mail Express® ☐ Adult Signature Restricted Delivery ☐ Registered Mail™ ☒ Certified Mail® ☐ Registered Mail Restricted Delivery ☐ Certified Mail Restricted Delivery ☐ Signature Confirmation™ ☐ Collect on Delivery ☐ Signature Confirmation Restricted Delivery ☐ Collect on Delivery Restricted Delivery		Domestic Return Receipt	

PS Form 3811, July 2020 PSN 7530-02-000-9053

DAVID L. CAMPBELL, P.C.

Attorney

309 Petoskey Ave.
Charlevoix, Michigan 49720

Direct: 231-590-3758
CharlevoixAttorney@gmail.com

July 30, 2024

VIA CERTIFIED MAIL/RETURN RECEIPT

Aaron Hagen
Round Lake Group, LLC
PO Box 28
Charlevoix, Michigan 49720

**RE: Lake Charlevoix Brewing Company
Class C Resort Liquor License**

Dear Mr. Hagen:

I have a client that is looking to purchase a Charlevoix County Class C Liquor License.

Please call me at (231) 590-3758, if you have any interest in selling your license.

This is a serious inquiry. Thank you.

Sincerely,



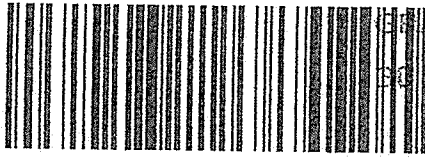
David L. Campbell
Attorney at Law

DLC/jlm
Enclosures

CERTIFIED MAIL

Campbell PC
kev Ave.

MI 49720



7020 3160 0001 7063 8190

AND RAPIDS, MI 493

30 JUL 2024 PM 5 L

US POSTAGE & FEES PAID

ZIP 49720

02 7H

0006122965

JUL 30 2024

AARON HAGEN

ROUND LAKE GROUP, LLC

PO BOX 28

CHARLEVOIX, MICHIGAN 49720

NIXIE

48Z DE 1

0009/09/24

RETURN TO SENDER

UNCLAIMED

UNABLE TO FORWARD

UNC

BC: 49720116509

*2907-03811-30-46

49720-000165

USPS TRACKING#



9590 9402 6285 0274 7533 97

United States
Postal Service

First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

• Sender: Please print your name, address, and ZIP+4® in this box®

David L. Campbell, Esq.
David L. Campbell PC
309 Petoskey Avenue
Charlevoix, Michigan 49720

MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
FILING ENDORSEMENT

This is to Certify that the ARTICLES OF ORGANIZATION

for

IRENE VENTURES, LLC

ID Number: 803277450

received by electronic transmission on September 24, 2024 , ***is hereby endorsed.***

Filed on September 27, 2024 , ***by the Administrator.***

The document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.



In testimony whereof, I have hereunto set my hand and affixed the Seal of the Department, in the City of Lansing, this 27th day of September, 2024.

Linda Clegg

Linda Clegg, Director
Corporations, Securities & Commercial Licensing Bureau

LARA Corporations
Online Filing System
Department of Licensing and Regulatory Affairs

Form Revision Date 02/2017

ARTICLES OF ORGANIZATION
For use by DOMESTIC LIMITED LIABILITY COMPANY

Pursuant to the provisions of Act 23, Public Acts of 1993, the undersigned executes the following Articles:

Article I

The name of the limited liability company is:

IRENE VENTURES, LLC

Article II

Unless the articles of organization otherwise provide, all limited liability companies formed pursuant to 1993 PA 23 have the purpose of engaging in any activity within the purposes for which a limited liability company may be formed under the Limited Liability Company Act of Michigan. You may provide a more specific purpose:

Article III

The duration of the limited liability company if other than perpetual is:

Article IV

The street address of the registered office of the limited liability company and the name of the resident agent at the registered office (P.O. Boxes are not acceptable):

1. Agent Name: JOHN PAUL SILVA

2. Street Address: 1005 N STEPHENSON HWY

Apt/Suite/Other:

City: ROYAL OAK

State: MI

Zip Code: 48067

3. Registered Office Mailing Address:

P.O. Box or Street Address: 1005 N STEPHENSON HWY

Apt/Suite/Other:

City: ROYAL OAK

State: MI

Zip Code: 48067

Signed this 24th Day of September, 2024 by the organizer(s):

Signature	Title	Title if "Other" was selected
David L. Campbell, Esq.	Organizer	

By selecting ACCEPT, I hereby acknowledge that this electronic document is being signed in accordance with the Act. I further certify that to the best of my knowledge the information provided is true, accurate, and in compliance with the Act.

☐ Decline

☒ Accept

OPERATING AGREEMENT FOR IRENE VENTURES, LLC

A Michigan Limited Liability Company

This Operating Agreement is made to be effective as of the 27th day of September, 2024, among **Irene Ventures, LLC**, a Michigan limited liability company (the "Company"); and John Paul Silva, as the initial member of the Company; and all of those who shall later be admitted as members (individually "Member" and collectively "Members"), who agree as follows:

Article 1 Organization

1.1 Formation. The Company has been organized as a Michigan limited liability company pursuant to the Michigan Limited Liability Company Act, 1993 PA 23 (the "Act") by the filing of Articles of Organization ("Articles") with the Department of Commerce of the State of Michigan as required by the Act.

1.2 Name. The name of the Company is **Irene Ventures, LLC**. The Company may also conduct its business under one or more assumed names.

1.3 Purposes. The purpose of the Company is to engage in any activity for which limited liability companies may be formed under the Act. The Company shall have all the powers necessary or convenient to effect any purpose for which it is formed, including all powers granted by the Act.

1.4 Duration. The Company shall continue in existence for perpetual duration or until the Company dissolves and its affairs are wound up in accordance with the Act or this Operating Agreement.

1.5 Registered Office and Resident Agent. The Company's Registered Office and Resident Agent shall be as designated in the initial or amended Articles. The Registered Office and/or Resident Agent may be changed from time to time. Any such change shall be made in accordance with the Act. If the Resident Agent resigns, the Company shall promptly appoint a successor.

1.6 Intention for Company. The Members have formed the Company as a limited liability company under the Act. The Members specifically intend and agree that the Company not be a partnership (including a limited partnership) or any other venture, but a limited liability company under and pursuant to the Act. No Member shall be construed to be a partner in the Company or a partner of any other Member or person, and the Articles, this Operating Agreement, and the relationships created by and arising from them shall not be construed to suggest otherwise.

Article 2 Books, Records, and Accounting

2.1 Books and Records. The Company shall maintain complete and accurate books and records of the Company's business and affairs as required by the Act. Such books and records shall be kept at the Company's Registered Office.

2.2 Fiscal Year; Accounting. The Company's fiscal year shall be the calendar year. The particular accounting methods and principles to be followed by the Company shall be selected by the Members from time to time.

2.3 Reports. The Members shall prepare, in the time, manner, and form that the Members determine, reports concerning the financial condition and results of operation of the Company and the Members' Capital Accounts. Such reports shall be provided at least annually, as soon as practicable after the end of each calendar year, and shall include a statement of each Member's share of profits and other items of income, gain, loss, deduction, and credit.

2.4 Members' Accounts. The Company shall maintain separate Capital Accounts for each Member. Each Member's Capital Account shall reflect the Member's capital contributions and increases for the Member's share of any of the Company's net income or gain. Each Member's Capital Account shall also reflect decreases for distributions made to the Member and the Member's share of any of the Company's losses and deductions.

Article 3 Capital Contributions

3.1 Initial Commitments and Contributions. By executing this Operating Agreement, the initial Member agrees to make the capital contributions set forth below. The Members' interests in the total capital of the Company (the Members' "Sharing Ratios," adjusted from time to time to reflect changes in the Capital Accounts of the Members and the total capital in the Company) is also set forth below. Any additional Member (other than an assignee of a membership interest who has been admitted as a Member) shall make the capital contribution set forth in an Admission Agreement. No interest shall accrue on any capital contribution and no Member shall have any right to withdraw or to be repaid any capital contribution except as provided in this Operating Agreement.

<u>Member</u>	<u>Initial Capital Contribution</u>	<u>Interest in Capital</u>
John Paul Silva	\$1,000.00	100%

3.2 Additional Contributions. In addition to the initial capital contributions, the Members may determine from time to time that additional capital contributions are needed to enable the Company to conduct its business and affairs. After making such a determination, notice of it shall be given to all Members in writing at least 10 business days before the date on which the additional contributions are due. The notice shall describe in reasonable detail the purposes and uses of the additional capital, the amounts of additional capital required, and the date by which payment of the additional capital is due. Each Member shall be obligated to make additional capital contributions to the extent of any unfulfilled commitment. Any Member who has fulfilled the Member's commitment has the right, but not the obligation, to make any additional capital contributions needed, according to that Member's Sharing Ratio.

3.3 Failure to Contribute. If a Member fails to make a capital contribution when required, the Company may, in addition to pursuing any other rights and remedies the Company may have under the Act or applicable law, take any enforcement action (including the commencement and prosecution of court proceedings) against the Member that the Members consider appropriate. Moreover, the remaining Members may elect to contribute the required capital themselves, according to their respective Sharing

Ratios. The Members who make such contributions shall be entitled to treat these amounts as an extension of credit to the defaulting Member, payable on demand, with interest accruing on the extension at the rate of 8 percent (8%) per annum until paid. This extension of credit shall be secured by the defaulting Member's interest in the Company. Each Member who defaults grants to each Member who may later grant an extension of credit a security interest in the defaulting Member's interest in the Company.

Article 4 **Allocations and Distributions**

4.1 Allocations. Except as may be required by the Internal Revenue Code of 1986, as amended, or by this Operating Agreement, the Company's net profits, net losses, and other items of income, gain, loss, deduction, and credit shall be allocated among the Members in accordance with each Member's Sharing Ratio.

4.2 Distributions. The Members may take distributions from time to time. Distributions may be made only after the Members determine, in their reasonable judgment, that the Company has cash on hand exceeding the Company's current and anticipated needs (including operating expenses, debt service, acquisitions, reserves, and mandatory distributions, if any). All distributions shall be made to the Members in accordance with each Member's Sharing Ratio. Distributions shall be in cash or property, or both, as the Members determine. No distribution shall be declared or made if, after giving it effect, (a) the Company would not be able to pay its debts as they became due in the usual course of business; or (b) the Company's total assets would be less than the sum of its total liabilities plus the amount that would be needed, if the Company were to be dissolved at the time of the distribution, to satisfy on dissolution the preferential rights of other Members that are superior to the rights of the Members receiving the distribution.

Article 5 **Disposition of Membership Interests**

5.1 General. Every sale, assignment, transfer, exchange, mortgage, pledge, grant, hypothecation, or other disposition of any membership interest shall be made only in compliance with this Article. No membership interest shall be disposed of if (a) the disposition would cause a termination of the Company under the Internal Revenue Code of 1986, as amended; (b) the disposition would not comply with all applicable state and federal securities laws and regulations; or (c) the assignee of the membership interest fails to provide the Company with the information and agreements that the Members may require in connection with such a disposition. Any attempted disposition of a membership interest in violation of this Article is void.

5.2 Permitted Dispositions. Subject to the provisions of this Article, a Member may assign the Member's membership interest in the Company in whole or in part. The assignment of a membership interest does not itself entitle the assignee to participate in the management and affairs of the Company or to become a Member. The assignee is entitled to receive, to the extent assigned, only the distributions to which the assigning Member would otherwise be entitled.

5.3 Admission of Substitute Members. An assignee of a membership interest shall be admitted as a substitute Member and shall be entitled to all the assignor's rights and powers only if the other Members unanimously consent. If admitted, the substitute Member has, to the extent assigned, all of the rights, powers, restrictions, and liabilities of a Member.

Article 6

Meetings of Members

6.1 Voting. All Members shall be entitled to vote on any matter submitted to a vote of the Members. The Members shall have the right to vote on all of the following: (a) the dissolution of the Company pursuant to paragraph 9.1(c) of this Operating Agreement, (b) the merger of the Company, (c) a transaction involving an actual or potential conflict of interest between a Member and the Company, (d) an amendment to the Articles (e) the sale, exchange, lease, or other transfer of all or substantially all of the Company's assets other than in the ordinary course of business and (f) any expenditures, purchases, sale, activity or decision with a value in excess of \$250.00.

6.2 Required Vote. Unless a greater vote is required by the Act or the Articles, the affirmative vote or consent of a majority of the Sharing Ratios of all the Members entitled to vote or consent on the matter is required.

6.3 Meetings. An annual meeting of Members for the transaction of such business as may properly come before the meeting shall be held at the time, date, and place that the Members shall determine. Special meetings of Members for any proper purpose or purposes may be called at any time by the holders of at least 10% of the Sharing Ratios of all Members. The Company shall deliver or mail written notice stating the date, time, place, and purpose(s) of any meeting to each Member entitled to vote at the meeting. The notice shall be given not less than 10 or more than 60 days before the meeting date. All meetings of Members shall be presided over by a Chairperson, designated by the Members from amongst themselves.

6.4 Consent. Any action required or permitted to be taken at an annual or special meeting of the Members may be taken by consent without a meeting, prior notice, or a vote. The consent must be in writing, set forth the action taken, and be signed by the Members having at least the minimum number of votes necessary to authorize or take such an action at a meeting at which all membership interests entitled to vote on the action are present and voting. Every written consent shall also bear the date signifying when each Member signed the consent. Prompt notice of the taking of action without a meeting by less than unanimous written consent shall be given to all Members who did not consent in writing to the action.

Article 7

Management

7.1 Management Vested with Members. The Company's business and affairs shall be managed by the Members in proportion to their capital contributions as adjusted from time to time to reflect any additional contributions to or withdrawals from the Company's capital made by the Members. With the written concurrence of a majority in interest of the Members, each Member has the power on behalf of the Company to do all things necessary or convenient to carry out the Company's business and affairs, including the power to (a) purchase, lease, or otherwise acquire any real or personal property; (b) sell, convey, mortgage, grant a security interest in, pledge, lease, exchange, or otherwise dispose of or encumber any real or personal property; (c) open one or more depository accounts and make deposits into, write checks against, and make withdrawals against such accounts; (d) borrow money and incur liabilities and other obligations; (e) enter into any and all agreements and execute any and all contracts, documents, and instruments; (f) engage employees and agents, define their respective duties, and establish their compensation or remuneration; (g) establish pension plans, trusts, profit-sharing plans, and

other benefit and incentive plans for Company Members, employees, and agents; (h) obtain insurance covering the Company's business and affairs, its property, and the lives and well-being of its Members, employees, and agents; and (i) begin, prosecute, or defend any proceeding in the Company's name.

7.2 Standard of Care; Liability. Every Member shall discharge his or her management duties as a member in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances and in a manner the Member reasonably believes to be in the Company's best interests. A Member shall not be liable for monetary damages to the Company for any breach of management duties except for (a) receipt of a financial benefit to which the Member is not entitled, (b) voting for or assenting to a distribution to Members in violation of this Operating Agreement or the Act, or (c) a knowing violation of the law.

7.3 Reimbursement. Members shall be entitled to reimbursement from the Company for all Company expenses reasonably incurred and paid for by the Member on the Company's behalf.

Article 8

Exculpation of Liability: Indemnification

8.1 Exculpation of Liability. Unless otherwise provided by law or expressly assumed, a person who is a Member shall not be liable for the acts, debts, or liabilities of the Company.

8.2 Indemnification. Except as otherwise provided in this Article, the Company shall indemnify any Member and may indemnify any employee or agent of the Company who was or is a party, or is threatened to be made a party, to a threatened, pending, or completed action, suit, or proceeding (whether civil, criminal, administrative, or investigative and whether formal or informal), other than an action by or in the right of the Company, where such person is a party because the person is or was a Member, employee, or agent of the Company. The Company shall indemnify the Member, employee, or agent against expenses, including attorney fees, judgments, penalties, fines, and amounts paid in settlement, actually and reasonably incurred by that person in connection with the action, suit, or proceeding. The Company shall indemnify the Member, employee, or agent if the person acted in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner that the person reasonably believed to be in the Company's best interests. With respect to a criminal action or proceeding, the person must have had no reasonable cause to believe that his or her conduct was unlawful. To the extent that a Member, employee, or agent of the Company has been successful on the merits or otherwise in defense of an action, suit, or proceeding, or in defense of any claim, issue, or other matter in the action, suit, or proceeding, that person shall be indemnified against actual and reasonable expenses, including attorney fees, he or she incurs in connection with the action, suit, or proceeding and any action, suit, or proceeding brought to enforce this mandatory indemnification. Unless ordered by a court, any indemnification permitted under this Article shall be made by the Company only as the Company authorizes in the specific case after (a) determining that the indemnification is proper under the circumstances because the person to be indemnified has met the applicable standard of conduct and (b) evaluating the reasonableness of the expenses and of the amounts paid in settlement. This determination and evaluation shall be made by a majority vote of the Members who are not parties or threatened to be made parties to the action, suit, or proceeding. However, no indemnification shall be provided to any Member, employee, or agent of the Company for or in connection with (a) the receipt of a financial benefit to which the person is not entitled; (b) voting for or assenting to a distribution to Members in violation of this Operating Agreement or the Act; (c) a knowing violation of the law; or (d) an action brought by or in the name of the Company.

Article 9

Dissolution and Winding Up

9.1 Dissolution. The Company shall dissolve and its affairs shall be wound up on the first to occur of the following events: (a) at any time specified in the Articles or this Operating Agreement; (b) on the occurrence of any event specified in the Articles or this Operating Agreement; (c) on the unanimous consent of all the Members; (d) on the death, withdrawal, expulsion, bankruptcy, or dissolution of a Member or the occurrence of any other event that terminates the continued membership of a Member in the Company unless within 90 days after the disassociation of membership as provided in subparagraph (d), a majority of the remaining Members consent to continue the business of the Company and to the admission of one or more Members as necessary.

9.2 Winding Up. On dissolution, the Company shall cease carrying on its business and affairs and shall begin to wind them up. The Company shall complete the winding up as soon as practicable. On the winding up of the Company, its assets shall be distributed first to creditors, to the extent permitted by law, in order to satisfy Company debts, liabilities, and obligations, and then to Members and former Members. Distributions to Members and former Members shall be made first to satisfy liabilities for distributions and then in accordance with the Members' Sharing Ratios. The proceeds shall be paid to the Members within 90 days after the date of the winding up.

Article 10

Miscellaneous Provisions

10.1 Terms. Nouns and pronouns will be deemed to refer to the masculine, feminine, neuter, singular, and plural, as the identity of the person or persons, firm, or corporation may in the context require.

10.2 Article Headings. The article headings contained in this Operating Agreement have been inserted only as a matter of convenience and for reference and in no way shall be construed to define, limit, or describe the scope or intent of any provision of this Operating Agreement.

10.3 Entire Agreement. This Operating Agreement constitutes the entire agreement among the parties and contains all of the agreements between the parties with respect to the subject matter. This Operating Agreement supersedes any and all other agreements, either oral or written, between the parties with respect to the subject matter.

10.4 Severability. The invalidity or unenforceability of any particular provision of this Operating Agreement shall not affect the other provisions, and this Operating Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

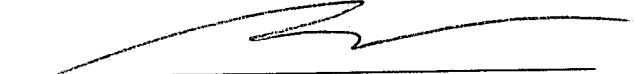
10.5 Amendment. This Operating Agreement may be amended or revoked at any time by a written agreement executed by all of the parties to this Operating Agreement. No change or modification to this Operating Agreement shall be valid unless made in writing and signed by all the parties to this Operating Agreement.

10.6 Notices. Any notice permitted or required under this Operating Agreement shall be conveyed to the party at the address reflected in this Operating Agreement and will be deemed to have been given when deposited in the United States mail, postage paid, or when delivered in person, by courier, or by facsimile transmission.

10.7 Binding Effect. Subject to the provisions of this Operating Agreement relating to transferability, this Operating Agreement shall be binding on and shall inure to the benefit of the parties and their respective distributees, heirs, successors, and assigns.

10.8 Governing Law. This Operating Agreement has been executed and delivered in the State of Michigan and shall be governed by, construed, and enforced in accordance with the laws of the State of Michigan.

IN WITNESS WHEREOF, the parties have executed this Operating Agreement to be effective as of the date set forth above.



**John Paul Silva, individually and as a
Member for and on behalf of the Company**



Report of Stockholders, Members, or Partners (LCC-301)

Part 1 - Licensee Information

Please state your name as it is filed with the State of Michigan Corporation Division.

Licensee name(s): IRENE VENTURES, LLC		
Address: 104 State Street		
City: Charlevoix	State: Michigan	Zip Code: 49720

Part 2a - Corporations - Please complete this section and attach more copies of this page if more room is needed.

Print name and address of all stockholders:	No. of Shares Issued:	Date Issued/Acquired:
N/A		
Print name and address of Corporate Officers and Directors, pursuant to administrative rule R 436.1109:		
N/A		

Part 2b - Limited Liability Companies - Please complete this section and attach more copies of this page if more room is needed.

Print name and address of all members:	Percent % Issued:	Date Issued/Acquired:
John Paul Silva, 1005 N Stephenson Hwy, Royal Oak, MI 48067	100%	May 13, 2024
Print name and address of Managers and Assignees, pursuant to administrative rule R 436.1110:		
John Paul Silva, 1005 N Stephenson Hwy, Royal Oak, MI 48067		



Report of Stockholders, Members, or Partners (LCC-301) - Continued

Part 2c - Limited Partnerships - Please complete this section and attach more copies of this page if more room is needed.

Print name and address of all partners:	Percent % Issued:	Date Issued/Acquired:
N/A		
Print name and address of Managers, pursuant to administrative rule R 436.1111:		
N/A		
N/A		
N/A		
N/A		
N/A		

Part 3 - Authorized Signers (Authorized in compliance with R 436.1109(1)(c) for a corporation or R 436.1110(1)(g) for a limited liability company)

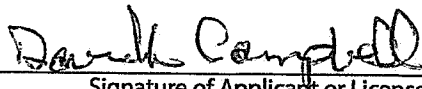
Print Name & Title:	John Paul Silva, Managing member
Print Name & Title:	David L Campbell, Assistant Secretary
Print Name & Title:	
Print Name & Title:	
Print Name & Title:	

I certify that the authorized signers under Part 3 of this form have been authorized in compliance with R 436.1109(1)(c) for a corporation or R 436.1110(1)(g) for a limited liability company.

I certify that the information contained in this form is true and accurate to the best of my knowledge and belief. I agree to comply with all requirements of the Michigan Liquor Control Code and Administrative Rules. I also understand that providing **false** or **fraudulent** information is a violation of the Liquor Control Code pursuant to MCL 436.2003.

The person signing this form has demonstrated that they have authorization to do so and have attached appropriate documentation as proof.

David L Campbell, Assistant Secretary
Print Name of Applicant or Licensee & Title


Signature of Applicant or Licensee

10/20/2024
Date

Please return this completed form to:
Michigan Liquor Control Commission
Mailing address: P.O. Box 30005, Lansing, MI 48909
Overnight packages: 2407 N. Grand River, Lansing, MI 48906
Fax to: 517-763-0059

LARA is an equal opportunity employer/program. Auxiliary aids, services and other reasonable accommodations are available upon request to individuals with disabilities

COMMERCIAL REAL ESTATE LEASE
For: 104 State Street, Charlevoix, Michigan 49720

IT IS HEREBY AGREED between **104 State Street, LLC**, a Michigan limited liability company, whose registered office address is 1005 N. Stephenson Hwy., Royal Oak, Michigan 48067 ("Landlord"), and **Irene Ventures, LLC d/b/a "The Irene"**, a Michigan limited liability company, whose registered office address is 1005 N. Stephenson Hwy., Royal Oak, Michigan 48067 ("Tenant"), as follows:

1. The Landlord, in consideration of the rents and covenants herein specified, does hereby **LET AND LEASE** to Tenant the following described premises being located in the City of Charlevoix, Charlevoix County, Michigan, is sometimes commonly identified as:

First Floor (Main Lebel) of 104 State Street, Charlevoix, Michigan 49720

and more particularly described in attached Exhibit "A"

for the term of five (5) years, commencing on October 1, 2024, on the terms and conditions hereinafter mentioned, with a leasehold interest in and to said real property.

2. Tenant does thus hereby hire the said premises for the term of five (5) years as above mentioned, and does covenant and promise to pay during said term equal monthly installments of \$1,500.00 each, due on the first (1st) day of each month, commencing October 1, 2024, and a like payment due on the first (1st) day of each subsequent month during the term of this Lease.

3. This is a triple net lease, Tenant agrees to pay all of the subject property taxes, personal property taxes, insurance and all utilities.

4. In case any rent shall be due and unpaid, or if default shall be made in any of the covenants herein contained, then it shall be lawful for Landlord, its certain attorney, heirs, representatives and assigns, to re-enter into and re-possess the said premises, and Tenant, and each and every other occupant, to remove and put out.

5. Tenant covenants that it will not assign nor transfer this Lease, nor sub-let said premises, or any part thereof, without the written consent of Landlord.

6. Landlord does covenant that Tenant, on paying the rental installments and performing all the covenants described, shall and may peacefully and quietly have, hold and enjoy the said demised premises for the term stated.

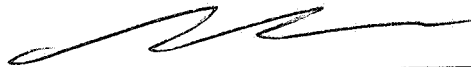
7. Tenant shall obtain and maintain in full force general liability insurance with coverage of not less than \$1,000,000.00 each occurrence, with respect to the limits of liability afforded for bodily injury, death or property damage. The Tenant shall give the Landlord customary insurance certifications evidencing that the insurance is in effect during the term of the Lease. All policies must also provide for notice by the insurance company to the Landlord of any termination or cancellation of a policy at least 30 days in advance.

8. The covenants, conditions and agreements, made and entered into by the several parties hereto are declared binding on their respective heirs, representatives and assigns.

WITNESS our hands and seals the dates listed below.

LANDLORD:

**104 State Street, LLC,
a Michigan limited liability company**



**By: John Paul Silva
Its: Managing Member**

DATED: September 30, 2024

TENANT:

**Irene Ventures, LLC d/b/a "The Irene,"
a Michigan limited liability company**



**By: John Paul Silva
Its: Member**

DATED: September 30, 2024

EXHIBIT "A"

LEGAL DESCRIPTION

Tax Parcel Code # 15-052-246-008-00

Lots 8 and 9, Block 6, Village (now City) of Charlevoix, according to the Plat thereof recorded in Liber 1 of Plats, Page 20, Charlevoix County Records.

[illegible]

CLINTON STREET

MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
FILING ENDORSEMENT

This is to Certify that the ARTICLES OF ORGANIZATION
for

104 STATE STREET, LLC

ID Number: 803098634

received by electronic transmission on September 15, 2023 , ***is hereby endorsed.***

Filed on September 15, 2023 ***by the Administrator.***

The document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.



In testimony whereof, I have hereunto set my hand and affixed the Seal of the Department, in the City of Lansing, this 15th day of September, 2023.

Linda Clegg

Linda Clegg, Director
Corporations, Securities & Commercial Licensing Bureau

LARA Corporations
Online Filing System
Department of Licensing and Regulatory Affairs

Form Revision Date 02/2017

ARTICLES OF ORGANIZATION
For use by DOMESTIC LIMITED LIABILITY COMPANY

Pursuant to the provisions of Act 23, Public Acts of 1993, the undersigned executes the following Articles:

Article I

The name of the limited liability company is:

104 STATE STREET, LLC

Article II

Unless the articles of organization otherwise provide, all limited liability companies formed pursuant to 1993 PA 23 have the purpose of engaging in any activity within the purposes for which a limited liability company may be formed under the Limited Liability Company Act of Michigan. You may provide a more specific purpose:

Article III

The duration of the limited liability company if other than perpetual is:

Article IV

The street address of the registered office of the limited liability company and the name of the resident agent at the registered office (P.O. Boxes are not acceptable):

1. Agent Name: JOHN PAUL SILVA
2. Street Address: 1005 N. STEPHENSON HIGHWAY
Apt/Suite/Other: ATTN: LEASING OFFICE
City: ROYAL OAK
State: MI Zip Code: 48067

3. Registered Office Mailing Address:
- P.O. Box or Street Address: 1005 N. STEPHENSON HIGHWAY
Apt/Suite/Other: ATTN: LEASING OFFICE
City: ROYAL OAK
State: MI Zip Code: 48067

Signed this 15th Day of September, 2023 by the organizer(s):

Signature	Title	Title if "Other" was selected
John Paul Silva	Organizer	

By selecting ACCEPT, I hereby acknowledge that this electronic document is being signed in accordance with the Act. I further certify that to the best of my knowledge the information provided is true, accurate, and in compliance with the Act.

☐ Decline ☒ Accept



Report of Stockholders, Members, or Partners (LCC-301)

Part 1 - Licensee Information

Please state your name as it is filed with the State of Michigan Corporation Division.

Licensee name(s): 104 State Street, LLC		
Address: 104 State Street		
City: Charlevoix	State: Michigan	Zip Code: 49720

Part 2a - Corporations - Please complete this section and attach more copies of this page if more room is needed.

Print name and address of all stockholders:	No. of Shares Issued:	Date Issued/Acquired:
N/A		

Print name and address of Corporate Officers and Directors, pursuant to administrative rule R 436.1109:

Part 2b - Limited Liability Companies - Please complete this section and attach more copies of this page if more room is needed.

Print name and address of all members:	Percent % Issued:	Date Issued/Acquired:
John Paul Silva and Jennifer Silva, 1005 N Stephenson Hwy, Royal Oak, MI, 48067	50%	9/12/2023
(as tenants by the entireties)		
Todd A. Wyett 1995 Trust, 808 E Dixon Ave., Charlevoix, MI 49720	50%	9/12/2023

Print name and address of Managers and Assignees, pursuant to administrative rule R 436.1110:

John Paul Silva, 1005 N Stephenson Hwy, Royal Oak, MI, 48067



Report of Stockholders, Members, or Partners (LCC-301) - Continued

Part 2c - Limited Partnerships - Please complete this section and attach more copies of this page if more room is needed.

Print name and address of all partners:	Percent % Issued:	Date Issued/Acquired:
N/A		

Print name and address of Managers, pursuant to administrative rule R 436.1111:

Part 3 - Authorized Signers (Authorized in compliance with R 436.1109(1)(c) for a corporation or R 436.1110(1)(g) for a limited liability company)

Print Name & Title: John Paul Silva, Managing Member

Print Name & Title: Todd A Wyett, Member

Print Name & Title: David L Campbell, Assistant Secretary

Print Name & Title:

Print Name & Title:

I certify that the authorized signers under Part 3 of this form have been authorized in compliance with R 436.1109(1)(c) for a corporation or R 436.1110(1)(g) for a limited liability company.

I certify that the information contained in this form is true and accurate to the best of my knowledge and belief. I agree to comply with all requirements of the Michigan Liquor Control Code and Administrative Rules. I also understand that providing **false** or **fraudulent** information is a violation of the Liquor Control Code pursuant to MCL 436.2003.

The person signing this form has demonstrated that they have authorization to do so and have attached appropriate documentation as proof.

David L Campbell, Assistant Secretary

Print Name of Applicant or Licensee & Title

David L Campbell

Signature of Applicant or Licensee

10/31/2024

Date

Please return this completed form to:
Michigan Liquor Control Commission
Mailing address: P.O. Box 30005, Lansing, MI 48909
Overnight packages: 2407 N. Grand River, Lansing, MI 48906
Fax to: 517-763-0059

OPERATING AGREEMENT

OF

104 State Street, LLC

THE MEMBERSHIP INTERESTS REPRESENTED BY THIS OPERATING AGREEMENT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, THE MICHIGAN UNIFORM SECURITIES ACT OR THE SECURITIES LAWS OF ANY OTHER STATE. TRANSFER OF SUCH MEMBERSHIP INTERESTS IS RESTRICTED BY THE TERMS OF THIS OPERATING AGREEMENT.

OPERATING AGREEMENT

OF

104 STATE STREET, LLC

This Operating Agreement of 104 STATE STREET, LLC a Michigan limited liability company, is made and entered into as of September 12, 2023, by and among the parties listed on the attached Exhibit A, as Members, but shall be effective as of the date on which Articles of Organization for 104 STATE STREET, LLC were filed with the Department of Licensing and Regulatory Affairs. Certain capitalized terms used in this Operating Agreement are defined in Section 10 below.

RECITALS:

A. The parties to this Operating Agreement have caused a limited liability company, known as 104 STATE STREET, LLC, to be formed under the laws of the State of Michigan by filing Articles of Organization with the Department of Licensing and Regulatory Affairs.

B. The parties desire to set forth in this Operating Agreement their entire agreement and understanding with respect to the constitution and operation of 104 STATE STREET, LLC as a Michigan limited liability company.

NOW, THEREFORE, for and in consideration of the Recitals set forth above and other good and valuable consideration, the receipt and adequacy of which are acknowledged, the parties to this Operating Agreement agree as follows:

1. FORMATION AND PURPOSE

1.1 **Formation.** The Company was organized by filing Articles of Organization with the Department of Licensing and Regulatory Affairs on September 12, 2023.

1.2 **Purpose.** The Company was organized for the purpose of engaging in any activity within the purposes for which limited liability companies may be formed under the Michigan Act, including, without limitation, the following:

- (a) acquiring that certain apartment complex having a street address of (“Property” and owning it for investment and appreciation;
 - (b) developing, owning, operating, managing and ultimately selling or otherwise disposing of all or any part of the Property; and
 - (c) doing any and all things incidental to any of the activities described above.
- 1.3 **Name.** The name of the Company shall be 104 STATE STREET, LLC. The Company may conduct its business under one or more assumed names, if so authorized by a vote of a Majority Interest.
- 1.4 **Principal Place of Business.** The Company's principal place of business shall be located at 104 STATE STREET, LLC. The Company may establish additional places of business, and may change the location of its principal place of business or any additional place of business, if so authorized by a vote of a Majority Interest.
- 1.5 **Registered Office and Resident Agent.** The Company's registered office shall be, and its resident agent at such registered office shall be 104 STATE STREET, LLC. Any change in either the Company's registered office or its resident agent or both shall be approved by a vote of a Majority Interest, in which event any Member, acting alone, shall have the authority to amend this Operating Agreement and the Articles of Organization (Act) to reflect any change in the Company’s registered office or resident agent, no matter how effected.
- 1.6 **Duration.** The Company's duration shall be as is specified in the Articles of Organization, subject to earlier dissolution in accordance with either the other provisions of this Operating Agreement or the provisions of the Michigan Act.
- 1.7 **Intention for Limited Liability Company.** The Members have formed the Company as a limited liability company under and pursuant to the Michigan Act. The Members specifically intend and agree that the Company not be a partnership (including, but not necessarily limited to, a limited partnership) or any other venture, but a limited liability company under and pursuant to the Michigan Act. No Member shall be construed to be a partner in the Company or a partner of any other Member or person, and the Articles of Organization, this Operating Agreement and the relationships created pursuant to and arising from those documents shall not be construed to suggest otherwise.
- 1.8 **Taxation as a Partnership.** The Members intend that the Company shall be taxed as a partnership, pursuant to Subchapter K of the Code, for federal and state income tax purposes, and agree to report all Company items of income, gain, loss, deduction and credit in accordance with that Subchapter.

2. **CAPITAL CONTRIBUTIONS, COMPANY PERCENTAGES AND RELATED MATTERS**

- 2.1 **Initial Capital Contributions.** Simultaneously with the execution of this Operating Agreement, each Member has made, in the form of cash, the initial Capital Contribution, if any, set forth opposite his, her or its name below:

<u>Member</u>	<u>Initial Capital Contribution</u>
John Paul Silva and Jennifer Silva as tenancy by the entireties	\$110,000.00
Todd A. Wyett 1995 Trust	\$110,000.00

- 2.2 **Company Percentages.** The names and addresses of the Members, and their respective Company Percentages, are set forth on the attached Exhibit A.

2.3 **Additional Capital Contributions.**

- (a) *Additional Capital Calls.* If a Majority Interest determines, at any time or from time to time, that Capital Contributions other than the Members' initial Capital Contributions ("Additional Capital") are required in order to enable the Company to pay its operating expenses, to meet its obligations in a timely fashion, to maintain sufficient working capital, to make any other expenditures necessary or desirable to carry out its purpose or for any other purpose whatsoever, any Member, on behalf of the Company, shall call for such Additional Capital by written notice to all Members. Each Member shall be required to deliver his, her or its Share (defined below) of such Additional Capital to the Company within fifteen (15) days after the giving of such notice, and on the receipt of such Share, each Member's Capital Account shall be increased by the amount of his, her or its Share. Each Member's "Share" of the Additional Capital shall equal the product of the Additional Capital and such Member's Company Percentage.
- (b) *Dilution.* If any Member (a "Defaulting Member") fails to advance all or any portion of his, her or its Share of any Additional Capital called for by the Company within the time period described in Section 2.3(a) above, another Member (a "Contributing Member") may contribute all of the amount which such Defaulting Member failed to advance. In such event, and following such contributions, the Defaulting and Contributing Members' respective Company Percentages shall be adjusted as follows: each Member's Company Percentage shall be adjusted to equal the product of 100% multiplied by a fraction, the numerator of which shall equal the total Capital Contributions such Member has made to the Company, and the denominator of which shall

equal the aggregate Capital Contributions of all of the Members. In the event that more than one Member desires to contribute a Defaulting Member's Share of Additional Capital, such Members may do so pro rata, in accordance with their relative Company Percentages.

- 2.4 **No Third Party Beneficiaries.** The obligations undertaken by the Members in this Operating Agreement, including their obligations, if any, to make Capital Contributions, loans and reimbursements, are for the benefit of the Company and the Members only, and no other party (other than a successor in interest to the Company or the Members) or creditor of the Company shall have the right to rely on or enforce the provisions of this Operating Agreement as a third-party beneficiary or otherwise. Without limiting the generality of the foregoing, the Members, to the extent provided in Section 2.3 above only, shall have the sole discretion whether to make capital calls, and no other party or creditor of the Company may compel a capital call, regardless of whether the Company's assets are sufficient to provide for its liabilities. In addition, the discretions granted to the Members in this Operating Agreement are personal to them, and no receiver, trustee or liquidator of the Company's business shall have the right or power to exercise any such discretions.

3. **DISTRIBUTIONS, PROFITS AND LOSSES**

- 3.1 **Distributions of Excess Cash.** The Tax Matters Partner may distribute the Excess Cash to the Members pro rata, at such times as the Tax Matters Partner may determine in his, her or its sole discretion, provided that such distributions are in proportion to the Members' Company Percentages. Distributions may be made from any source, provided they do not violate any agreement that the Company may have with any of its creditors or any provision of the Michigan Act.

3.2 **Allocation of Profits and Losses.**

- (a) *Profits.* Subject to the special allocations described in Section 8.12(a) below, all Profits shall be allocated:
- (i) First, to the Members pro rata, in proportion to, and to the extent of, any Losses previously allocated to them pursuant to Section 3.2(b)(ii) below; and
 - (ii) Then, to the Members pro rata, in proportion to their respective Company Percentages.
- (b) *Losses.* Subject to the special allocations described in Section 8.12(a) below, all Losses shall be allocated:
- (i) First, to the Members pro rata, in proportion to, and to the extent of, any Profits allocated to them pursuant to Section 3.2(a)(ii) above; and

- (ii) Then, to the Members pro rata, in proportion to their respective Company Percentages.

4. **MANAGEMENT OF THE COMPANY; RIGHTS AND DUTIES OF MEMBERS**

4.1 **Management Vested with Members.** The Company shall be managed jointly by its Members, each of whom shall have full and complete power, authority and discretion to manage and control the Company and its business and to make all incidental decisions, subject only to Section 4.2 below and any power and authority which this Operating Agreement or the Michigan Act expressly vests in all of the Members, acting together, or a Majority Interest. Without limiting the generality of the immediately preceding sentence, but subject to Section 4.2 below and any power and authority which this Operating Agreement or the Michigan Act expressly vests in all of the Members, acting together, or a Majority Interest, each Member, acting alone, shall have the power, authority and discretion, for and on behalf of the Company:

- (a) To purchase, in the ordinary course of the Company's business, any interest in any real or personal property for use in connection with the Company's business and, to the extent such purchases are for supplies to be used in connection with the Company's business, to incur unsecured debts owed to the Company's vendors;
- (b) To purchase any interest in any real or personal property, to hold such interest, if appropriate, for investment and appreciation and to ultimately sell, transfer, assign, convey, exchange or otherwise dispose of all or any portion of such interest;
- (c) To make, in the ordinary course of the Company's business, capital expenditures for the acquisition of or addition to any machinery, equipment, fixtures, furniture or other property;
- (d) To sell, transfer, assign, convey, exchange or otherwise dispose, in the ordinary course of the Company's business, any real or personal property of the Company, or any interest in such property;
- (e) To lease, in the ordinary course of the Company's business, real or personal property, whether the term of such leases (or any renewals of such leases) extend beyond the Company's duration;
- (f) To demand, sue for, settle, collect, receive and give releases and discharges for all monies, debts, accounts, interest, dividends, securities and other tangible or intangible personal or real property which now is due or belongs, or in the future shall be due or belong, to the Company;

- (g) To borrow money, in the ordinary course of the Company's business, and to secure such loans by security interests in or liens or other encumbrances on, property of the Company;
- (h) To settle and pay the Company's debts and obligations;
- (i) To engage, employ and dismiss employees, independent contractors, attorneys, accountants and other persons to perform management, administrative, sales or other services, and to define such persons' respective duties and establish their compensation or remuneration;
- (j) To make temporary advances to employees, representatives or agents of the Company for business travel and other similar purposes in the ordinary course of the Company's business;
- (k) To procure and maintain insurance policies for the protection of or for any purpose beneficial to the Company;
- (l) To purchase and maintain insurance on behalf of any Member against any liability or expense asserted against or incurred by him, her or it in any such capacity or arising out of his or her status as a Member, whether or not the Company has or could indemnify him, her or it against such liability or expense;
- (m) To open, maintain, deposit into and withdraw from bank accounts, and, if desired, to designate other persons to execute checks or drafts on such accounts;
- (n) To invest Company funds temporarily in (by way of example but not limitation) time deposits, short-term governmental obligations, commercial paper or other investments;
- (o) To negotiate, prepare, modify, execute, deliver and amend any and all contracts, agreements and documents to which the Company is or proposes to become a party, including, without limitation, loan agreements, notes, mortgages, security agreements and other loan documents and instruments;
- (p) To commence, prosecute and defend all actions and other proceedings affecting the Company in any way;
- (q) Generally, to carry on the Company's business in the ordinary course, to manage the Company's day-to-day operations and to carry out the development and expansion of the Company and its business in the ordinary course;

- (r) To delegate any of the powers and authority granted to him, her or it pursuant to this Article 4 to any officer of the Company; provided, however, that in no case shall any Member be relieved of his, her or its fiduciary duties to the Company and the other Members as the result of any such delegation;
- (s) To do such other acts as have been authorized by the affirmative vote of a Majority Interest (unless a greater percentage is specifically required pursuant to the Michigan Act, the Articles of Organization or this Operating Agreement); and
- (t) To negotiate, prepare, modify, change, execute, deliver and, if appropriate, file or record any and all documents, agreements, instruments and papers, and to do and perform any and all acts and deeds, which are or become necessary, proper, convenient or desirable in connection with or in furtherance of any of the powers enumerated above or in order to effectuate or carry out the Company's purpose, as described in Section 1.2 above.

4.2 **Major Decisions.**

- (a) Any provision of this Operating Agreement to the contrary notwithstanding, unless such actions have been approved by a vote of the Majority Interest, no Member, acting alone, shall have the power or authority to:
 - (i) Purchase or otherwise acquire any interest in any real or personal property, or enter into contracts for any such purpose, if the aggregate amount of such purchases (not including purchases which were approved by a Majority Interest) exceeds Five Thousand Dollars (\$5,000.00) during any fiscal year of the Company;

For the purposes of Section 4.1 above, the actions described in this Section 4.2(a) shall be deemed not to be in the ordinary course of the Company's business.

- (b) In addition, any provision of this Operating Agreement to the contrary notwithstanding, the Members shall have the right to vote, in accordance with their Company Percentages, on each of the following matters:
 - (i) The dissolution of the Company, as provided in Section 7.1(a)(ii) below;
 - (ii) A merger involving the Company;
 - (iii) A transaction involving an actual or potential conflict of interest between a Member and the Company;

- (iv) An amendment to the Articles of Organization, or an amendment to this Operating Agreement, as provided in Section 8.5 below; and
- (v) Any other matters with respect to which this Operating Agreement expressly contemplates that the Members will have a right to vote.

Unless a greater or lesser vote is expressly required pursuant to any other provision of this Operating Agreement or any provision of the Articles of Organization, any action which the Members are required or permitted to take, including, without limitation, the matters described above, shall require the affirmative vote of a Majority Interest, and any fewer than that number of Members shall have no power whatsoever to take any action for or on behalf of, or to bind, the Company or the Members. Any action by the requisite number of Members, if taken in conformity with this Operating Agreement, shall bind all of the Members, and no Member shall have the right to dissent from such action. Any Member may delegate all or any of his, her or its voting rights or powers to another Member (but only in writing), in which case any act of the other Member shall be the act of the delegating Member.

4.3 **Meetings of the Members; Actions by Written Consent.**

- (a) *Notice of Meeting.* Any Member may call a meeting of the Members by giving written notice to each Member specifying the date (which may not be less than five (5) business days after the notice is given), time, place and purpose of such meeting. Unless all of the Members agree otherwise, all meetings shall be held in the State of Michigan at a place reasonably convenient to the Members.
- (b) *Attendance.* A Member may participate in a meeting by conference telephone or similar communications equipment which enables all persons participating in the meeting to hear each other, and such participation shall constitute personal attendance at such meeting. In addition, a Member may attend and vote by proxy. A Member's attendance at a meeting constitutes waiver of (i) notice of the meeting, unless attendance is for the sole purpose, announced at the beginning of the meeting, of objecting to the transaction of any business because the meeting was not called or convened properly, and (ii) objection to any action taken or consideration of any matter at the meeting which is not within the purposes described in the notice of the meeting, unless the Member objects to such action or consideration when it is first presented at the meeting.
- (c) *Quorum.* A quorum for the conduct of any business at a meeting of the Members consists of a Majority Interest (determined with reference to Members who are entitled to vote at the meeting), except for purposes of adjournment of such meeting. If a quorum is not present, the meeting must

be adjourned until such time as a quorum can be obtained, or postponed (in which event notice of the rescheduled meeting date must be given). Regardless of the number of Members in attendance at a meeting (so long as a quorum is present), any action taken by the Members at such meeting shall be effective, provided that such action was taken in conformity with the other provisions of this Operating Agreement.

- (d) *Voting Requirements.* Only those persons who were Members at the close of business on the last business day prior to the date of the meeting shall be entitled to vote at a meeting of the Members. Voting shall be by voice unless a Member requests a ballot, in which event voting shall be by written ballot. Each ballot shall be signed by the Member who casts it, and shall be preserved with the minutes of the meeting.
- (e) *Adjournment.* A meeting of the Members may be adjourned to another time and place by the affirmative vote of a majority in interest (determined with respect to Company Percentages) of the Members in attendance. If a meeting is adjourned to another day, the Manager shall use reasonable efforts to inform the other Members of the date, time and place on and at which the meeting will reconvene, and if such date is more than five (5) days after the date of the meeting, shall actually notify the other Members of such date, time and place.
- (f) *Minutes.* The Members in attendance at a meeting shall select (by the affirmative vote of a majority in interest determined with respect to Company Percentage of the Members in attendance) a person (who may or may not be a Member) to preside at the meeting, and shall preside at all meetings of Members. The presiding party shall designate a secretary to keep the minutes of the meeting.
- (g) *Action by Written Consent.* Any action which, pursuant to this Operating Agreement or the Michigan Act, is to be taken by all of the Members may be taken, without a meeting of the Members and without a vote, pursuant to a written consent signed by all of the Members. Any action which, pursuant to this Operating Agreement or the Michigan Act, is to be taken by a Majority Interest may be taken, without a meeting of the Members and without a vote, pursuant to a written consent signed by a Majority Interest; provided, however, that such action shall not be effective until the Members who did not consent have been notified of the action (which notice shall include a copy of the written consent).

4.4 **Standard of Care; Liability; Indemnification.**

- (a) *Standard of Care.* Each Member shall discharge his, her or its duties in good faith, with the care that an ordinarily prudent person in a like position would

exercise under similar circumstances, and in a manner he, she or it reasonably believes is in the best interests of the Company and its Members. In discharging his, her or its duties, a Member may rely on information, opinions, reports or statements, including, but not necessarily limited to, financial statements or other financial data, prepared or presented by (i) one or more other Members or employees of the Company whom the Member in question reasonably believes is reliable and competency with respect to the matter prepared or presented, (ii) legal counsel, public accountants, engineers or other persons as to matters the Member in question reasonably believes are within such person's professional or expert competency, or (iii) a committee of the Members (if the appointment of such committee has been authorized pursuant to this Operating Agreement) of which the Member in question is not a member, if the Member in question reasonably believes such committee merits confidence; provided that the Member in question does not have knowledge concerning the matter in question which makes such reliance unwarranted.

(b) *Liability.*

- (i) Each Member shall be liable solely to the Company and, derivatively, to its other Members for his, her or its gross negligence or willful misconduct. A Member's taking of any action or failure to take any action, or a Member's errors in judgment, the effect of which may cause or result in loss or damage to the Company, if done pursuant to the provisions of the Michigan Act, the Articles of Organization and this Operating Agreement, shall be presumed not to constitute gross negligence or willful misconduct on the part of such Member.
 - (ii) Each Member shall look solely to the Company's property for the return of his, her or its Capital Contributions and if the Company's property remaining after payment or discharge of the Company's debts and liabilities is insufficient to return such Capital Contributions, no Member shall have recourse against any other Member, except as provided in Section 4.4(b)(i) above.
- (c) *Indemnification.* The Company shall indemnify, defend and hold harmless each Member (and, if applicable, its officers, directors, shareholders, general or limited partners, members, employees, agents, successors and assigns) from and against any and all losses, damages, liabilities, claims, demands, obligations, fines, penalties, expenses (including reasonable fees and expenses of attorneys engaged by a Member in defense of any act or omission), judgments or amounts paid in settlement by such Member by reason of any act performed, or omitted to be performed, by him, her or it in connection with the Company's business or in furtherance of the Company's

interests, or in connection with any proceeding to which the Member is a party or is threatened to be made a party because he, she or it is or was a Member. The provisions of this Section 4.4(c), however, shall not relieve a Member of any liability which he, she or it may have (i) pursuant to Section 4.4(b) above for gross negligence or willful misconduct, (ii) in connection with the receipt of a financial benefit to which the Member is not entitled, (iii) pursuant to Section 308 of the Michigan Act, or (iv) in connection with a knowing violation of law, and no Member shall be entitled to indemnification with respect to any such matters. The indemnification afforded pursuant to this Section 4.4(c) shall be limited to the Company's assets, and no Member shall have a claim against any other Member by virtue of this Section 4.4(c), nor shall this Section 4.4(c) be construed so as to impose any obligation on any Member to make a Capital Contribution.

4.5 **Self-Dealing.** Any Member and any Affiliate of any Member may deal with the Company, directly or indirectly, as vendor, purchaser, employee, agent or otherwise, if such Member has informed the other Members of the material terms of such dealings, and such dealings were approved, in advance, by a Majority Interest (as determined without regard to the Member in question). No contract or other act of the Company shall be voidable or affected in any manner by the fact that a Member or his, her or its Affiliate is directly or indirectly interested in such contract or other act apart from his, her or its interest as a Member, nor shall such Member or his, her or its Affiliate be accountable to the Company or the other Members with respect to any profits directly or indirectly realized by reason of such contract or other act, if such contract or other act was approved in accordance with this Section 4.5.

4.6 **Devotion of Time to Company.** No Member shall be required to manage the Company as his, her or its sole and exclusive function, and the Members may have other business interests and may engage in other activities in addition to those relating to the Company. Neither the Company nor any Member shall have any right, by virtue of this Operating Agreement, to share or participate in such other interests or activities of a Member or to the income or proceeds derived from such interests or activities. No Member shall incur liability to the Company or to any of the other Members as a result of engaging in any other interests or activities. The provisions of this Section 4.6 shall be subject to those of Section 4.5 above.

4.7 **Compensation and Expenses.**

- (a) No Member shall be entitled to any compensation for managing the affairs of the Company in such capacity. This Section 4.7(a) shall not prohibit, however, the Company from retaining a Member or his, her or its Affiliates to perform services for or supply goods to the Company, and to compensate such Member or Affiliate for such services or goods, in accordance with Section 4.5 above.

- (b) Section 4.7(a) above notwithstanding, the Company shall reimburse each Member for all reasonable costs and expenses incurred by him, her or it on behalf of the Company. Such costs and expenses may include, but shall not necessarily be limited to, legal and accounting fees relating to the organization of the Company, current and recurring legal and accounting expenses and all costs of negotiating financing relating to the Company's business.

4.8 **Withdrawal.** No Member shall be entitled to withdraw from the Company without first obtaining the written consent of all of the other Members. On any withdrawal in violation of this Section 4.8, such Member will forfeit any and all distributions which he may be entitled to receive under the Act or this Operating Agreement.

4.9 **Limited Liability of Members.** No Member shall be personally liable for the Company's acts, debts or obligations, unless the Michigan Act or any other provision of this Operating Agreement expressly provides otherwise.

4.10 **Access to Company Information.** On written request by a Member, the Company shall provide such Member with a copy of the Company's most-recent annual financial statements and federal, state and local income tax returns and reports. On reasonable written request by a Member, (i) the Company shall provide such Member with information regarding the current state of business and financial condition of the Company; (ii) any Member, or his, her or its designated representative, may inspect and copy, at such Member's request, any of the records maintained pursuant to Section 8.2 below; and (c) a Member may obtain such other information regarding the Company's affairs or inspect, personally or through a representative, during ordinary business hours, such other books and records of the Company as is just and reasonable. Any Member may call for a formal accounting of the Company's affairs whenever circumstances render such request just and reasonable.

5. **ASSIGNMENT OF MEMBERSHIP INTERESTS AND ADMISSION OF ADDITIONAL MEMBERS**

5.1 **Compliance with Securities Laws.** Each Member covenants with, and represents and warrants to, the Company and the other Members as follows:

- (a) Such Member has acquired his, her or its Membership Interest for his, her or its own account and for investment purposes only, and not with a view to the assignment of all or any portion of such Membership Interest;
- (b) Such Member shall not assign all or any portion of his, her or its Membership Interest in a manner which violates any federal or state securities law; and

Such Member shall indemnify, defend and hold harmless the other Members, the Company and the Company's employees, agents, successors and assigns from and against any

and all losses, damages, liabilities, claims, demands, obligations, fines, penalties, expenses (including reasonable fees and expenses of attorneys engaged by the indemnitee in defense of any act or omission), judgments or amounts paid in settlement by the indemnitee incurred by the indemnitee as a result of any breach of the covenants, representations and warranties made in this Section 5.1 by such Member.

5.2 **Assignments and Substitute Members.**

- (a) *Effect of Assignments.* Subject to the remaining provisions of this Section 5.2, a Member may assign all or any portion of his, her or its Membership Interest at any time. Notwithstanding the immediately preceding sentence, an assignment of a Membership Interest does not entitle the assignee to participate in the management and affairs of the Company or to become, or exercise any rights of, a Member. An assignment of a Membership Interest merely entitles the assignee to receive, to the extent assigned, distributions to which the assigning Member would be entitled pursuant to this Operating Agreement. In no event shall the Company or any other Member have any obligation whatsoever to recognize an assignment of a Membership Interest unless the assignee has been admitted, in accordance with Section 5.2(b) below, as a substitute Member in place of the assigning Member to the extent of the Membership Interest assigned. Until such time as the assignee has been so admitted, the Company and the other Members shall consider the assigning Member to be the owner of his, her or its Membership Interest for all purposes relevant to the Articles of Organization, this Operating Agreement and the Michigan Act, and all distributions relating to the assigned Membership Interest shall be made to the assigning Member, it being his, her or its responsibility to forward the appropriate portion of such distributions to the assignee.
- (b) *Substitute Members.* An assignee of a Membership Interest shall be admitted as a substitute Member in place of the assigning Member to the extent of the Membership Interest assigned, only on satisfaction of each of the following conditions precedent:
 - (i) All of the Members consent to such admission in writing;
 - (ii) The agreement effecting the assignment is reasonably satisfactory, in form and substance, to the Tax Matters Partner (or, if the Tax Matters Partner is the assigning Member, the Member (other than the Tax Matters Partner) with the largest Company Percentage) (the "Approving Member") and the Company's counsel, and the assigning Member and the assignee have executed and acknowledged such agreement and such other documents, instruments and papers as the

Approving Member and the Company's counsel reasonably deem necessary, proper, convenient or desirable in order to evidence or effect the assignment or the admission of the assignee as a substitute Member in place of the assigning Member to the extent of the Membership Interest assigned;

- (iii) The assignee accepts, adopts and agrees to be bound by all of the terms and provisions of this Operating Agreement, as it may have been amended, from and after the effective date of the assignment, as if the assignee had joined in the original execution of this Operating Agreement (and all subsequent amendments to this Operating Agreement) as a Member. Such acceptance, adoption and agreement shall be set forth in a writing, the form and substance of which shall be reasonably satisfactory to the Approving Member and the Company's counsel; and
- (iv) The assignee has paid, or acknowledged that he, she or it is obligated to pay, all reasonable fees and expenses (including, without limitation, all reasonable attorneys' fees and expenses) incurred by the Company in connection with such admission.

The Approving Member may waive compliance with any or all of the above requirements, except the requirements set forth in clauses (i) and (iii) above, as he, she or it deems appropriate in his, her or its sole discretion.

- (c) *Effect of Assignment.* An assignee who is admitted as a substitute Member in accordance with Section 5.2(b) above has, to the extent assigned, the rights and powers, and is subject to the restrictions and liabilities, of a Member under the Articles of Organization, this Operating Agreement and the Michigan Act. Such an assignee also is liable for any obligations of his, her or its assignor to make Capital Contributions and to return distributions, to the extent provided in the Michigan Act or this Operating Agreement, but shall not be obligated for liabilities unknown to the assignee at the time he, she or it became a Member, unless the liabilities are shown on the Company's financial records.
- (d) *Intent.* The provisions of this Section 5.2 are intended to comply with, and shall be interpreted consistently with, Sections 505 and 506 of the Michigan Act.

5.3 **Section 754 Election.** In the event of the assignment of all or any portion of a Membership Interest voluntarily by way of a sale or exchange (and the subsequent admission of the assignee as a substitute Member pursuant to Section 5.2 above) or by operation of law on the death of a Member, the Company shall elect, pursuant to Code Section 754, to adjust the basis of the Company's property, if the recipient of

the Membership Interest so requests, and if the Tax Matters Partner consents to such adjustment (which consent shall not be unreasonably withheld). Each Member shall provide the Company with all information necessary to make such election. Any provision of this Operating Agreement to the contrary notwithstanding, any change in the amount of depreciation deducted by the Company or any change in the gain or loss of the Company for federal income tax purposes resulting from such election shall be allocated entirely to the recipient of the Membership Interest in question; provided, however, that neither the Company Percentage of any Member, the Capital Contribution obligations of any Member nor the amount of any distributions of Excess Cash shall be affected as a result of such election; and provided, further, that such election shall have no effect except for federal income tax purposes.

- 5.4 **Admission of Additional Members.** In order for a person to be admitted as an additional Member, such admission, and the terms and conditions of such admission, must be unanimously approved by the Members and such person must accept, adopt and agree to be bound by all of the terms and provisions of this Operating Agreement, as the same may have been amended, as if such person had joined in the original execution of this Operating Agreement. Any provision of this Operating Agreement to the contrary notwithstanding, the provisions of this Section 5.4 shall not govern or apply to any admission to be effected in connection with the assignment of a Membership Interest, as contemplated in Section 5.2 above.
- 5.5 **Amendment of Operating Agreement to Reflect Assignment.** Notwithstanding Section 8.5 below, any Member, acting alone, may amend this Operating Agreement to reflect any assignment or admission of a substitute or additional Member accomplished in accordance with this Article 5.
- 5.6 **Definition.** As used in this Article 5, the term “assign” means to sell, transfer, assign, gift, pledge or otherwise dispose of or encumber all or any portion of a Membership Interest. All derivations of the term “assign” shall have similar meanings, as is appropriate.

6. **NOTICES**

- 6.1 **Manner of Delivery.** Any notice, election, demand, request, consent, approval, concurrence or other communication given or made under any provision of this Operating Agreement shall be deemed to have been sufficiently given or made for all purposes only if it is in writing and it is: (a) delivered personally to the party to whom it is directed; (b) sent by first class mail or overnight express mail, postage and charges prepaid, addressed to the party to whom it is directed, at his, her or its address set forth opposite his, her or its name on the attached Exhibit A; or (c) telecopied to the party to whom it is directed, at his, her or its address set forth opposite his, her or its name on the attached Exhibit A.

6.2 **Date.** Unless any other provision of this Operating Agreement expressly provides to the contrary, any notice, election, demand, request, consent, approval, concurrence or other communication (collectively, a “notice”):

- (a) given or made in the manner indicated in Section 6.1(a) above shall be deemed to have been given or made on the day on which such notice was actually delivered to an adult residing or employed at the address of the intended recipient, but if such day was not a business day, such notice shall be deemed to have been given or made on the first business day following such day.
- (b) given or made in the manner indicated in Section 6.1(b) above shall be deemed to have been given or made on the third business day after the day on which it was deposited in a regularly maintained receptacle for the deposit of the United States’ mail, or in the case of overnight express mail, on the business day immediately following the day on which it was deposited in a regularly maintained receptacle for the deposit of overnight express mail, provided that the notice is subsequently delivered by the U.S. Post Office or the courier service to the designated address in the ordinary course of business; and
- (c) given or made in the manner indicated in Section 6.1(c) above shall be deemed to have been given or made on receipt by the transmitting part of printed confirmation that the transmission was received, provided that if the transmission occurs after 4:30 p.m. EST or EDT (as appropriate) or on a non-business day, the notice shall be deemed to have been given or made on the first day to follow such transmission.

Notwithstanding the immediately preceding sentence, if the intended recipient actually receives a notice before the date on which such notice is deemed to have been given or made, as specified above, the date of actual receipt shall be the date on which such notice is deemed to have been given or made for the purposes of this Operating Agreement.

6.3 **Change of Address.** Any Member or the Company may change his, her or its address for purposes of this Operating Agreement by giving all of the Members and the Company notice of such change in the manner provided in Section 6.1 above.

7. **DISSOLUTION**

7.1 **Events of Dissolution.** The Company shall be dissolved and its affairs wound up on the occurrence of any of the following events, whichever occurs first:

- (a) The expiration of the period fixed for the Company's duration set forth in its Articles of Organization;

- (b) The unanimous written agreement of all of the Members;
- (c) The entry of a decree of judicial dissolution; or
- (d) The death, withdrawal, expulsion, bankruptcy or dissolution of a Member, or the occurrence of any other event which terminates the continued membership of a Member in the Company (a "Termination Event"), unless, within ninety (90) days after such Termination Event, a Majority Interest agrees, in writing, to continue the Company's business, provided, however, that if there is only one (1) remaining Member, he, she or it must also admit an additional Member within such period. If the Company's business is continued after the occurrence of any Termination Event other than death, the Member with respect to which the Termination Event occurred shall be deemed to have withdrawn from the Company in violation of Section 4.9 above. If the Company's business is continued after the death of a Member, the deceased Member shall be deemed to have assigned his or her entire Membership Interest to his or her own estate with the effect set forth in Section 5.2(a) above; provided, however, that his or her estate shall not be admitted as a substitute Member except in compliance with Section 5.2(b) above.

Notwithstanding anything to the contrary contained herein, upon the death of a Member, the Member's Membership Interest shall immediately and automatically pass in accordance with the Member's will or other testamentary instruments, or, in the absence of any such instruments, under applicable laws of descent and distribution.

- 7.2 **Winding Up and Liquidating Distributions.** On the dissolution of the Company pursuant to Section 7.1 above or otherwise, the Tax Matters Partner (or, if there no longer is one, the Member with the largest Company Percentage) (the "Distribution Member") shall file a Certificate of Dissolution for the Company with the Corporation, Securities and Land Development Bureau of the Michigan Department of Consumer and Industry Services and shall wind up the Company's affairs in accordance with the provisions of the Michigan Act. Once the Company's affairs have been wound up, the Distribution Member shall proceed with an orderly liquidation of the Company's assets. On completion of such liquidation, the Distribution Member shall file all tax returns and pay all tax obligations required by applicable Michigan law, and within a reasonable time, the Distribution Member shall furnish each Member with a statement prepared by the Company's accountants, which shall set forth the assets and liabilities of the Company as of the date of dissolution and the proceeds and expenses of the Company's liquidation. The Distribution Member shall apply or distribute the proceeds of the liquidation in the following order of priority:

- (a) First, to the Company's creditors, whether they are or are not Members, to the extent permitted by applicable law, in satisfaction of the debts and liabilities of the Company and the expenses of liquidation, other than debts and liabilities for distributions to Members under Section 3.1 above. At the same time, the Distribution Member shall establish such reserves as he, she or it reasonably deems necessary, and in such amounts as he, she or it reasonably deems necessary, for any contingent or unforeseen debts, liabilities or obligations of the Company. The Distribution Member shall pay such reserves over to a bank or other institutional escrow agent to be held, for such period of time as the Distribution Member reasonably deems appropriate, for the purpose of future disbursement in payment of such debts, liabilities and obligations. On the expiration of the period described above, the Distribution Member shall distribute the balance of such reserves in accordance with this Section 7.2;
- (b) Then, to the Members, and to any former Members, in satisfaction of any liabilities for distributions under Section 3.1 above; and
- (c) Finally, to the Members pro rata, in proportion to their positive Capital Account balances; provided, however, that the Members' Capital Accounts first shall be adjusted to reflect the manner in which any unrealized income, gain, loss and deduction inherent in the Company's property, which has not previously been reflected in the Members' Capital Accounts, would be allocated among the Members if there had been a taxable disposition of the Company's assets at fair market value on the date of distribution.

8. **MISCELLANEOUS**

- 8.1 **Fiscal Year.** The Company's fiscal year shall be the calendar year.
- 8.2 **Books and Records.** The Company's books shall be kept on such method of accounting as has been approved by a vote of a Majority Interest. The Company's books shall be maintained in a full and accurate manner at its principal place of business or at such other location or locations as has been approved by a vote of a Majority Interest, and each and every transaction of the Company shall be entered fully and accurately in such books. The Company shall keep the following records at its registered office: (i) a current and accurate list of each Member, including his, her or its full name and last known address; (ii) a copy of the Articles of Organization and this Operating Agreement, including all amendments and restatements; and (iii) copies of the Company's federal, state and local tax returns and financial statements for the Company's last three (3) fiscal years.
- 8.3 **Financial Statements.** At the Company's expense, the Tax Matters Partner shall cause to be prepared and distributed to all of the Members all appropriate information

relating to the Company that is necessary for the preparation of the Members' federal income tax returns.

- 8.4 **Governing Law.** This Operating Agreement shall be deemed to have been entered into within the State of Michigan. This Operating Agreement shall be construed and enforced in accordance with the laws of the State of Michigan, without regard to its conflict of laws principles.
- 8.5 **Amendments.** Except to the extent that another provision of this Operating Agreement expressly provides to the contrary, any amendment to this Operating Agreement must be approved, in writing, by a Majority Interest; provided, however, that any amendment to Sections 2.3, 3.1, 3.2, 4.1, 4.2, 4.5, and 7.2 above, or to this Section 8.5, shall require the approval of all of the Members.
- 8.6 **Binding Effect.** Except to the extent that another provision of this Operating Agreement expressly provides to the contrary, this Operating Agreement shall be binding on and inure to the benefit of the parties to it and their respective estates, personal representatives, executors, administrators, heirs, devisees, successors and permitted assigns.
- 8.7 **Severability.** The provisions of this Operating Agreement shall be severable. Any, section, paragraph, clause or provision of this Operating Agreement which is found to be unenforceable or invalid shall not affect the enforceability or validity of any other section, paragraph, clause or provision of this Operating Agreement.
- 8.8 **Construction.** The parties acknowledge that they each participated in the drafting of this Operating Agreement and the negotiation of its provision. This Operating Agreement shall not be construed for or against any party, regardless of whether some parties had a greater degree of participation than others. This Operating Agreement sets forth the entire understanding and agreement of the parties with respect to its subject matter and supersedes all prior understandings and agreements, whether written or oral, with respect to its subject matter.
- 8.9 **Pronouns.** References in this Operating Agreement to a Member or any other person in the singular or plural or as him, her, it, or other like references, shall also, where the context so requires, be deemed to include the singular or the plural reference, or the masculine, feminine or neuter reference, as the case may be.
- 8.10 **Counterparts and Facsimile Signatures.** This Operating Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute one instrument. Copies (whether facsimile, photostatic or otherwise) of signatures to this Operating Agreement shall be deemed to be originals and may be relied on to the same extent as the originals

- 8.11 **Tax Matter Partner.** 104 STATE STREET, LLC shall serve as the Company's "Tax Matters Partner" for purposes of Code Section 6231(a)(7). The Tax Matters Partner shall have the powers and duties provided for in such Code Section and in the related Treasury Regulations. The Tax Matters Partner shall promptly send the Members copies of any notices received from the Internal Revenue Service with respect to the Company and shall keep them advised as to the status of any Company issues or proceedings before the Internal Revenue Service.
- 8.12 **Tax Allocations.**
- (a) **Special Allocations.** Special allocations of items of income, gain, loss and deduction shall be made in the following order and priority:
 - (i) **Company and Member Minimum Gain Chargebacks.** Any provision of this Operating Agreement to the contrary notwithstanding, if there is a net decrease in either Company or Member Minimum Gain during any taxable year of the Company or other period for which allocations of Profits and Losses are made, and if such decrease is not the result of any of the circumstances described in Treasury Regulations Sections 1.704-2(f)(2) or (3) or 1.704-2(i)(4), then Profits for that period (and, if necessary, subsequent periods) shall be specially and specifically allocated to the Members in an amount equal to each Member's share of the net decrease in Company or Member Minimum Gain, as the case may be. The provisions of this Section 8.12(a) are intended to comply, and shall be interpreted consistently, with Treasury Regulation Sections 1.704-2(f)(1) and 1.704-2(i)(4), respectively.
 - (ii) **Qualified Income Offset.** Profits (including, without limitation, gross income) shall be specially and specifically allocated to any Member who unexpectedly receives any adjustment, allocation or distribution described in Treasury Regulations Sections 1.704-1(b)(2)(ii)(d)(4), (5) or (6) in an amount and manner sufficient to eliminate, to the extent required by the Treasury Regulations, the deficit balance in such Member's Capital Account, if any, as quickly as possible. The provisions of this Section 8.12(a)(ii) are intended to comply with the qualified income offset requirement of, and shall be interpreted consistently with, Treasury Regulations Section 1.704-1(b)(2)(ii)(d).
 - (b) **Curative Allocations.** The allocations set forth in Section 8.12(a)(i) above are intended to comply with certain requirements of Treasury Regulations Sections 1.704-1 and 1.704-2, but may not be consistent with the manner in which the Members intend to share the economic benefits of the Company. To ensure that the Members' economic intentions are not distorted, the Tax

Matters Partner may request a waiver of the minimum gain chargeback rules pursuant to Treasury Regulations Sections 1.704-2(f)(4) and 1.704-2(i)(4), if he, she or it deems it appropriate in his, her or its sole discretion. In addition, the Tax Matters Partner may allocate items not subject to Section 8.12(a)(i) above among the Members in such a manner as is necessary to prevent the allocations described in Section 8.12(a)(i) above from distorting the manner in which Company distributions would be divided among the Members pursuant to Section 3.1 above, if the Tax Matters Partner deems it appropriate in his, her or its sole discretion. The Tax Matters Partner may accomplish this result in any reasonable manner that is consistent with Code Section 704 and the related Treasury Regulations, as the Tax Matters Partner deems appropriate in his, her or its sole discretion.

- (c) Section 704(c) Allocations. Profits and Losses with respect to any property contributed to the Company shall be allocated, solely for tax purposes, among the Members in accordance with the traditional method of making Code '704(c) allocations, described in Treasury Regulations Section 1.704-3(b). Allocations made pursuant to this Section 8.12(c) shall be for federal, state and local tax purposes only, and shall not affect, or in any way be taken into account in computing, any Member's Capital Account or share of distributions under any provision of this Operating Agreement.

8.13 Dispute Resolution. Exhibit B

9. DEFINITIONS

9.1 Definitions. As used in this Operating Agreement, the following terms shall have the following meanings:

- (a) An “Affiliate” of a person is (i) any person who, directly or indirectly, controls, is controlled by or is under common control with such person, (ii) if such person is an entity, any officer, director, manager or trustee, or (iii) any person who is an officer, director, manager or trustee, or who, directly or indirectly, controls, is controlled by or is under common control with any person described in clauses (i) or (ii) of this sentence. For the purposes of this definition, the term “control” means to own or to have power to vote or direct the vote of at least ten percent (10%) of the outstanding voting securities of another person.
- (b) “Articles of Organization” means the Articles of Organization of 104 STATE STREET, LLC filed with the Department of Licensing and Regulatory Affairs in accordance with the Michigan Act, as the same may be amended or restated from time to time.

- (c) “Capital Account” means, with respect to each Member, a single capital account which shall be established for such Member and which shall be maintained for such Member in accordance with the Treasury Regulations Section 1.704-1(b)(2)(iv).
- (d) “Capital Contribution” means the value that a Member contributes to the Company's capital, whether in the form of cash, property (tangible or intangible), services or a promissory note or other binding obligation to contribute cash or property or to perform services, whenever made.
- (e) “Code” means the Internal Revenue Code of 1986, as amended, or corresponding provisions of subsequent superseding federal revenue laws.
- (f) “Company” means 104 STATE STREET, LLC, a limited liability company organized under the laws of the State of Michigan pursuant to the Articles of Organization and this Operating Agreement.
- (g) “Company Minimum Gain” has the meaning assigned to the term *partnership minimum gain* in Treasury Regulations Sections 1.704-2(b)(2) and 1.704-2(d)(1). Generally speaking, Company Minimum Gain equals the excess of the amount by which a nonrecourse liability exceeds the adjusted tax basis of the Company property it encumbers.
- (h) “Company Percentage” means a Member's right to a specified percentage of the Company's capital, Profits, Losses and distributions, as set forth in the attached Exhibit A.
- (i) “Excess Cash” means, at any time, that portion of the cash and cash equivalent assets of the Company which the Company has determined, by way of a vote of a Majority Interest, exceeds the amount of cash needed by the Company to (i) service its debts and obligations in a timely fashion, (ii) maintain adequate working capital and reserves, and (iii) conduct its business and carry out its purposes as described in Section 1.2 above. In making this determination, the Members shall take into account the Company's then current and foreseeable sources of, and needs for, cash.
- (j) “Majority Interest” means one or more Members, the aggregate of the Company Percentages of whom is greater than fifty percent (50%).
- (k) “Member” means each person who has executed this Operating Agreement as a Member and each person who may become a Member by accepting, adopting and agreeing to be bound by all of the terms and provisions of this Operating Agreement, as it may have been amended or restated, as if such person had joined in the original execution of this Operating Agreement (and all amendments and restatements) as a Member.

- (l) “Member Minimum Gain” means an amount, with respect to each Member nonrecourse debt, equal to the Company Minimum Gain that would result if such Member nonrecourse debt were treated as a nonrecourse liability, determined in accordance with Treasury Regulations Section 1.704-2(i)(3).
- (m) “Membership Interest” means, with respect to each Member, such Member's entire rights and interest in the Company and the Company's property, assets, capital and business, including, but not limited to, such Member's right to receive distributions of the Company's assets and any right to participate in the management of the Company's affairs, all as and to the extent provided in this Operating Agreement and the Michigan Act.
- (n) “Michigan Act” means the Michigan Limited Liability Company Act, being Act No. 23, Public Acts of 1993, MCLA §§450.4101 - .5200, as it may be amended from time to time.
- (o) “Operating Agreement” (or “Agreement”) means this Operating Agreement of 104 STATE STREET, LLC, as it may be amended or restated from time to time.
- (p) “Profits” and “Losses” mean, for each taxable year of the Company or other period, an amount equal to the Company's federal taxable income or loss (as is appropriate) for such year or other period, as determined in accordance with Code Section 703(a) (including all items of income, gain, loss or deduction required to be stated separately under Section 703(a)(1) of the Code), with the following adjustments:
 - (q) Any income of the Company which is exempt from federal income tax and not otherwise taken into account in computing Profits or Losses shall be added to taxable income or loss; and
 - (r) Any expenditures of the Company described in Code Section 705(a)(2)(B), and any other items treated as Code Section 705(a)(2)(B) expenditures pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(i), which are not otherwise taken into account in computing Profits or Losses shall be subtracted from taxable income or loss.
- (s) “Treasury Regulations” includes proposed, temporary and final regulations promulgated under the Code in effect as of the date of the filing of the Articles of Organization and the corresponding sections of any regulations subsequently issued that amend or supersede such regulations.

IN WITNESS HEREOF, the undersigned have executed this Operating Agreement of 104 STATE STREET, LLC on or as of September 12, 2023.

MEMBERS:

John Paul Silva & Jennifer M. Silva

Todd A. Wyett 1995 Trust

By 

Todd Wyett / Sep 15, 2023 14:32 EDT
Todd A. Wyett, Trustee

Exhibits: A & B

EXHIBIT A

NAME/ADDRESS

COMPANY OWNERSHIP

John Paul and Jennifer M. Silva
123 Lake Shore Road
Grosse Pointe Farms, MI 48236

50%

Todd A. Wyett 1995 Trust
808 E. Dixon Avenue
Charlevoix, MI 48720

50%



Local Government Approval
(Authorized by MCL 436.1501)

Instructions for Applicants:

- You must obtain a recommendation from the local legislative body for a new on-premises license application, certain types of license classification transfers, and/or a new banquet facility permit.

Instructions for Local Legislative Body:

- Complete this resolution or provide a resolution, along with certification from the clerk or adopted minutes from the meeting at which this request was considered.

At a Regular meeting of the City of Charlevoix council/board
(regular or special) (name of township, city, village)

called to order by _____ on _____ at _____
(date) (time)

the following resolution was offered:

Moved by _____ and supported by _____

that the application from Irene Ventures, LLC
(name of applicant - if a corporation or limited liability company, please state the company name)

for the following license(s): New DDA MLCC liquor license under provisions of MCL 436.1521a(1)(b)
(list specific licenses requested)

to be located at: 104 State Street

and the following permit, if applied for:

☐ Banquet Facility Permit Address of Banquet Facility: _____

It is the consensus of this body that it Recommends this application be considered for
(recommends/does not recommend)

approval by the Michigan Liquor Control Commission.

If disapproved, the reasons for disapproval are _____

Vote

Yeas: _____

Nays: _____

Absent: _____

I hereby certify that the foregoing is true and is a complete copy of the resolution offered and adopted by the City of Charlevoix
council/board at a Regular meeting held on _____
(regular or special) (date) (name of township, city, village)

SARAH DVORACEK

Print Name of Clerk

Signature of Clerk

Date

Under Article IV, Section 40, of the Constitution of Michigan (1963), the Commission shall exercise complete control of the alcoholic beverage traffic within this state, including the retail sales thereof, subject to statutory limitations. Further, the Commission shall have the sole right, power, and duty to control the alcoholic beverage traffic and traffic in other alcoholic liquor within this state, including the licensure of businesses and individuals.

Please return this completed form along with any corresponding documents to:

Michigan Liquor Control Commission
Mailing address: P.O. Box 30005, Lansing, MI 48909
Overnight packages: 2407 N. Grand River, Lansing, MI 48906
Fax to: 517-763-0059

Charlevoix City Council

All Other Actions and Requests

Title: Organizational Meeting

Date: November 18, 2024

Presented By: Sarah Dvoracek, City Clerk

Background:

Section 2.15 of the City Charter requires that Council hold an organizational meeting at the first meeting of the Council after the November General Election. The meeting shall be held for the purpose of organization at the usual place for holding meetings of the legislative body of the City. Council is asked to consider the following items:

Meeting time -- The regular meetings of the Council shall be held at least twice each month. These meetings shall be held at the City Hall unless otherwise provided. The *Rules of Procedure for City Council*, Rule 1c sets the meetings as the first and third Mondays of the month at 6:00 p.m., unless Monday is a legal holiday, at which point the meeting moves to the following Tuesday at 6:00 p.m. The City Charter allows the Council to set the day and time of its meetings. If Council would like to change its meeting dates and times, a resolution would need to be drafted to amend the Rules of Procedure. Any change would not take place until January 2025.

November 4, 2025 Election: I would recommend meeting on Monday, November 3, 2025 at 12 p.m. which allows me ample time to prepare for the election. Council met early for the November election, and it worked out very well. We won't know until later in 2025, whether we will have a May or August election, but Council can always adjust their meeting schedule accordingly if they so choose.

Deputy Mayor -- Section 2.9 of the City Charter requires that the Council elect one of its members to serve as Deputy Mayor at the organizational meeting of the Council. The Deputy Mayor shall serve until the next organizational meeting of the Council or until a successor takes office.

Recommendation:

Motion to set 2025 City Council meetings for the first and third Mondays of the month at 6:00 p.m. except on Monday, November 3, 2025 Council shall meet at 12 p.m. to accommodate for election day.

Motion to appoint Council Member's Name as Deputy Mayor.

Attachments:

None

Charlevoix City Council

All Other Actions and Requests

Title: Council Members Appointment to Board of Review

Date: November 18, 2024

Presented By: Sarah Dvoracek, City Clerk

Background:

Per our City Charter, the Board of Review requires two Council Members to sit on the Board. Previously, Council Member Kalbfell and Council Member Parr sat on the Board of Review representing the Council and their terms have expired. Council will need to appoint two Council Members to the Board of Review for a one-year term.

Recommendation:

Motion to appoint Council Members XXX and XXX to the Board of Review for a term to expire on November 2025.

Attachments:

None

Charlevoix City Council

Reports and Communications

Title: City Manager's Comments

Date: November 18, 2024

Presented By:

Background:

A. Deer Fences

As directed by Council, the Planning and Zoning Administrator presented the request to the Planning Commission for them to review the fence ordinance and consider ways property owners could address deer fencing on their properties if the property owner wished to do so. Instead, the Commission declined to consider it further. It seemed like this was an ordinance change that helped bridge differences on the topic of deer control by placing some of the responsibility for managing wild animals on those who choose to maintain extensive landscape displays. I recall that when Council adopted the International Property Maintenance Code, you also adopted enforcement guidelines to shape how the Director of Planning and Zoning carried out enforcement; perhaps we can enact a similar set of guidelines on fences. I'll research further.

B. New Housing Project

The Planning Commission on Monday approved with conditions the Pinebridge Place, LLC housing project for 1522 Bridge Street. You'll recall Council opted to sell this parcel to Northern Homes Community Development Corporation for \$1 earlier this year. The approval of the site plan with conditions on sidewalks and landscaping will permit this project to continue moving forward for the eventual construction of 6 units of housing based on the occupants' income. This is a small yet achievable project that continues to move forward on our housing goals for the city.

C. New Snowboards

The Recreation Department has been able to secure 25 snowboards from Nubs Nob at a greatly reduced rate of \$60 each. These are the size of boards we don't currently have. Nubs purchased them during Covid but never used them. They will be a great addition to the resources available at McSauba. We funded this purchase mostly from a donation but will be able to add this to our users this winter. We appreciate the generosity of Nubs Nob and John Curtis who donated the funds used for this purchase.

Recommendation:

Attachments:

1. DDA Executive Meeting Minutes 06/19/2024
2. DDA Meeting Minutes from 08/14/2024
3. Police Department October Daily Activity Report
4. Planning Commission Meeting Minutes 10/14/2024

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 Dryer 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.

CITY OF CHARLEVOIX

POLICE ACTIVITY REPORT FOR THE MONTH OF OCTOBER 2024

ITEM	TOTAL THIS MONTH	MONTH YEAR PRIOR	TOTAL THIS YEAR	TOTAL LAST YEAR
TRAFFIC CITATIONS	9	12	243	113
TRAFFIC WARNINGS	75	21	663	463
TRAFFIC CONTACTS	81	33	839	546
MOTORIST/CITIZEN ASSIST	26	19	145	532
POLICE ASSIST	27	52	257	313
MEDICAL RESPONSE	6	4	55	87
PAPER SERVICE	0	1	4	12
RESIDENTIAL/COMMERCIAL	0 / 66	18	237	221
FELONY ARRESTS	0	1	9	12
MISDEMEANOR/NTA ARRESTS	5	4	52	40
WARRANT ARRESTS	4	3	20	37
WARRANT ATTEMPTS	3	0	8	4
TRAFFIC CRASH 9300-1	12	5	70	77
TRAFFIC CRASH 9300-2	4	4	38	60
GENERAL ASSISTS/OTHER	153	106	1,360	2,547
FUNERAL ESCORTS	1	0	4	8
ALARMS	5	6	40	55
SCHOOL PATROL	0	34	86	190
SCHOOL PRESENTATIONS	12	8	12	8
PARKING/SNOW TICKETS	8	0	227	325
PARKING METER TICKETS	268	238	2,007	2,844
LIQUOR INSPECTIONS	6	7	105	119
ORIGINAL COMPLAINTS	52	21	381	321
CLOSED COMPLAINTS	55	12	297	211
FOLLOW-UP/SUPPLEMENTS	39	23	210	157
MENTAL HEALTH INCIDENTS	0	-	6	-
PATROL MILES	7,628	3,285	41,387	39,781

TOTAL MILEAGE #87-1	<u>4,044</u>
TOTAL MILEAGE #87-2	<u>1,283</u>
TOTAL MILEAGE #87-3	<u>2,301</u>

Jill McDonnell

Jill McDonnell
Chief of Police

City of Charlevoix
Planning Commission Regular Meeting Minutes
Monday, October 14, 2024 - 6:00 PM
Council Chambers, 210 State Street, Charlevoix, MI

A. Call to Order/Pledge of Allegiance

The meeting was called to order at 6:00 p.m. by Chair Muladore followed by the Pledge of Allegiance.

B. Roll Call

Chair: Jennifer Muladore

Members Present: Scott Beatty, Shelley Boehmer, Sherm Chamberlain, Toni Felter, John Kurtz, Maureen Radke

Members Absent:

Staff Present: Jonathan Scheel, Director of Planning and Zoning

C. Inquiry into Potential Conflicts of Interest

D. Approval of Agenda

Motion by Member Chamberlain, seconded by Member Felter to approve the agenda as presented.

Motion carried by unanimous voice vote.

E. Approval of the Minutes

1. Approval of Planning Commission minutes from September 9, 2024 meeting

Motion by Member Boehmer, seconded by Member Radke to approve the minutes of September 9, 2024 as presented.

Motion carried by unanimous voice vote.

F. Call for Public Comment Not Related to Agenda Items

G. Public Hearings

1. Mixed Use District Ordinance Amendments

Chair Muladore opened the Public Hearing at 6:02 p.m.

Director Scheel stated the Planning Commission recently approved a Mixed Use Corridor Overlay Ordinance. The new standards made changes to allowed uses, minimum lot sizes and setbacks in the Commercial Mixed Use Zoning District. These proposed Mixed Use District changes will align the district standards to the corridor standards. The other proposed change is to add two additional allowed uses: indoor recreational facilities and public parking.

The public hearing was closed at 6:04 p.m.

Director Scheel reviewed the two additional allowed uses, setbacks in the Commercial Mixed Use Zoning District, landscaping standards, alternative entrance design, and zero lot lines for commercial properties.

Motion by Member Boehmer, seconded by Member Chamberlain to approve the proposed the Mixed Use District Ordinance amendment and to recommend legal review by the City Attorney and then approval by the City Council.

Motion carried by unanimous voice vote.

H. New Business

1. Site Plan Approval for Duplex Condominium Development 1002 May Street

Director Scheel stated that a site condominium duplex is being proposed for a vacant parcel at 1002 May Street. This is a large parcel about three times the size of a minimum R-1 lot. The proposal is for two stacked duplexes (4 units) and one ADU. The development will have one driveway off May Street serving all units. The neighborhood has a mix of single family homes, at least one duplex and multiple large apartment complexes. The R-1 Zoning District allows single family, duplexes and single multifamily homes.

Director Scheel stated this project would not normally come before the Planning Commission, but a site condominium requires Planning Commission review. Mr. Scheel proceeded to review the provided documents for the project. Mr. Scheel stated all the site review standards, height standards, and setbacks have been met. Mr. Scheel further reviewed the Findings of Fact including 153.235 *Standards for Site Plan Approval* and responded to questions from the Commission Members.

Matt Giuliani, Bella Casa Builders, Inc., stated the intent was to build the whole project all at one time and the plan is to reside in one of the units that will have the ADU legally bound to it and to sell the other three (3) units. Discussion followed regarding the trees on the subject and adjacent properties and how many trees would need to be removed for this project. Carrie May, P.E., Boyne Engineering and Design, further described the trees on the subject and adjacent properties and the location of the sewer line.

The public hearing was opened.

Richard B. Cross, 103 Hampton, referenced several questions about the project including proposed patios on the roofs of the buildings, screening, and potential tree removal. Director Scheel explained the difference between a traditional and a site condominium which involved the type of ownership, and these condominium units would be sold with no land except what the buildings would actually be on. The condominium association would own the common areas. Mr. Scheel stated the applicant would have to abide by the rooftop deck ordinance.

Chris Gengle, who lives in a single family home on the south side, stated that she had no objections to how the owner wants to use the property as long as it goes with the City guidelines. Ms. Gengle stated the project would impact her privacy in her backyard with the units being two stories, and in the interest of being good neighbors she wanted to request that the builder put up a privacy fence on the south side of the property line along the three (3)

homes similar to the fence that is located on the back of the property now. Ms. Gengle provided an example of 999 May Street, which has a privacy fence on the north side next to the single family home adjacent to it.

Michelle Putman, 101 Hampton, stated that she was the first house on the south side and she agreed with the previous speaker that they would like to see some type of privacy fence required. Ms. Putman's main concern was the rooftop patios, as she had a tri-level house where all the bedrooms would face the patios, and she asked for some type of privacy screening on the patios.

The public hearing was closed.

Member Beatty stated the project was 200' of solid wall without any architecture detail to break it up. Member Beatty stated that if the project was approved they could condition it upon the privacy fence being installed, appropriate visual barrier on the rooftop patios, and provide some trees along the back lot line.

Director Scheel proceeded to review each of the Standards for Site Plan Approval and the following changes were addressed:

153.235 Standards for Site Plan Approval.

B. Eliminate the word "both" in the third line.

E. Add the "south side of the parcel" as well.

Director Scheel reviewed the recommended conditions directly related to the condominium documents. Chair Muladore stated that the additional conditions would include a privacy fence and/or screening on the south property line, a privacy wall with additional height added to the rooftop decks on the south side, maintenance of the landscaping to be added to the condominium documents, and a survey of the property lines. Director Scheel stated that the landscape maintenance would be in the condominium documents and he would require a survey of the property lines so neither item needed to be a condition of approval. Member Kurtz questioned if they should include a condition that the developer be respectful of the neighbors when lighting their decks.

After discussion, Chair Muladore listed the conditions again including: condo documents provided to Director Scheel for review with street construction, paving and maintenance plan for all the private streets; utility plan with water/sewer lines and easements granted to the appropriate jurisdiction; incorporation of the provisions in the master deed; privacy fence on the south side with plans provided by the applicant for additional landscaping to break up the wall; and a wall on the deck same as the barrier wall in between the two separate properties' decks to shield the south side.

Motion by Member Chamberlain, seconded by Member Radke to approve Project 2024-3 SPA with conditions as outlined by Chair Muladore.

Motion carried by unanimous voice vote.

2. Sign Lighting Discussion

Director Scheel stated the Commission approved sign lighting ordinance changes along with a general lighting ordinance change. Mr. Scheel stated that those changes may have been lost in the larger document, and he provided a document showing the existing sign lighting ordinance language and the newly approved language.

No further action was taken.

3. Rooftop Decks, Ground Decks and Patio Discussion

Director Scheel stated rooftop decks/decks were on the 2024/25 priority list for review. Mr. Scheel stated it has been a few years since the existing rooftop deck ordinance was put in place as a result of the Hotel Earl's new rooftop deck. One residential rooftop deck has been built in the Central Business District since and is currently in use. Mr. Scheel offered one minor change to remove the word patio in the section dealing with decks.

Director Scheel stated that the earlier discussion in the meeting brought to light the issue of screening of rooftop decks from residential to residential or commercial to residential. Mr. Scheel stated the Commission may want to add some additional language that either the Planning Director or the Planning Commission have the authority to require screening as appropriate. Member Boehmer stated that a statement about lighting such as: "lighting shall be shielded and pointed downward and shall not be a nuisance to adjacent properties" should be included.

Director Scheel stated that he will bring the proposed language to the Commission for their consideration at next month's meeting.

Chair Muladore stated that she wanted to discuss a couple of issues about Hotel Earl including that they have a huge string of lights around the deck that shine across the whole City and they are well above the wall height. Chair Muladore referenced the music from the Earl as well and Director Scheel stated that he and the Police Chief have responded to numerous complaints about the noise levels, and they were trying to get the fee schedule in the noise ordinance changed to get people's attention as to the violations.

General discussion followed regarding decks, rooftop decks, patios, noise violations, and lighting.

I. Old Business

J. Staff Updates

1. Zoning Administrator Report

Director Scheel reviewed his report with the Commission. Mr. Scheel stated he now has new code enforcement software through Civic Plus which will allow anyone to submit a complaint through the City's website and it will be directed to him, and it will include tracking of actions. Mr. Scheel stated he is also in training on short-term rental licensing software and business licenses and before January there will be zoning permits online as well.

Director Scheel provided updates on some of the current projects happening in the City.

Member Kurtz stated that he, Member Boehmer, and Director Scheel went to the Planning meeting in Grand Rapids and he'd like to call a meeting of the Housing Sub-Committee to share the housing information that was discussed at the Grand Rapids meeting.

K. Requests For Next Months Agenda or Research Items

Member Boehmer stated she had noted that when looking at the May Street proposal the ADU is as tall as the other buildings and she believed initially when the ADU's were being discussed that height was supposed to be shorter. Director Scheel stated that it used to be that all accessory buildings had a height restriction of 16' to the middle of the roof, but at some point, that height restriction was unintentionally removed. Mr. Scheel stated the ADU height was worth discussion at the next Commission meeting and the Commission concurred.

L. Adjournment by 8:00 p.m. unless extended by a motion

Meeting adjourned at 8:10 p.m.

Sarah J. Dvoracek/fgm City Clerk

Jennifer Muladore Chair

Charlevoix City Council

Reports and Communications

Title: Mayor and Council Comments

Date: November 18, 2024

Presented By:

Background:

Recommendation:

Attachments:

None