

**City of Charlevoix**  
**Downtown Development Authority Meeting Minutes**  
**Tuesday, January 7, 2025 - 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: Sam Bingham, Liam Dreyer, Mayor Lyle Gennett, Anne Oosthuizen, Danielle Scheller, Ron Way

Members Absent: Paul Silva

Staff Present: Mark Heydlauff, City Manager/DDA Executive Director

**4. Inquiry Regarding Conflicts of Interest**

Member Bingham questioned if the Match on Main Grant Application item is actionable. Director Heydlauff stated the Board will be providing guidance to the Chair and Vice Chair who will then meet with the Chair and Vice Chair of the Planning Commission for a final recommendation of submitting only two grant applications. The MEDC changed their policy and stated only two applications can be submitted whereas it was the City's understanding the grant would allow for a total of four applications.

**5. Consent Agenda**

A. Minutes from October 28, 2024

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

**Motion carried by unanimous voice vote.**

**6. Reports**

A. Director's Report

Director Heydlauff referenced the written report included in the agenda packet and discussed the Michigan Economic Development Corporation's Revitalization and Placemaking (MEDC RAP) Grant. The fee for the grant application is \$5,000 and the expectation, at a minimum would be if the grant was awarded it would be a \$500,000 grant with an equal match from the City. Mr. Heydlauff stated the City is looking at the Downtown Alley Corridor Vision Plan due to the underground work that has already been done in the stretch between Clinton and Park Streets, which makes the area the least expensive because there is little need for additional underground work. Mr. Heydlauff stated the primary focus for the grant would be continuing with pavers and other aesthetic improvements that ties in well with the Historical Society project of the grant (mural on the back of the North Seas Gallery), and a possible opportunity to

include the restroom project or at least the foundation for that along with dumpster enclosures in the area specifically in the DeWitt Lot. However, depending on how the project works out and if the funding allows, they would look at the area between Hoop Skirt Alley and Clinton Street as well.

Mr. Heydlauff stated he had discussed with Prein & Newhof some of the efforts the DDA has had in the past to activate the rear entrances of buildings and he also discussed with them the more technical issue of moving the water line connections to the rear of buildings to allow for less disruptions on Bridge Street.

Mr. Heydlauff reported they had about 3,800 tickets that were collected for the Gift Local raffle, 3,800 times \$50 each was a great return on the campaign.

**B. Chamber of Commerce Report**

Sarah Van Horn

President- Charlevoix Area Chamber of Commerce

Chair Owens stated the Chamber of Commerce's written report was provided in the packet and Sarah Van Horn, President of the Charlevoix Chamber of Commerce, was present if there were any questions.

President Van Horn stated regarding the the Gift Local Program, the Chamber was not going to charge any fees to the DDA.

**7. Old Business**

**8. New Business**

**A. Seasonal Rent Adjustment Request- 109 Bridge Park Drive**

Mark Heydlauff, City Manager

Director Heydlauff stated J. Bird Provisions had requested an arrangement for seasonally adjusted rent which would result in the same amount of rent due with the ability to pay less in the winter and more in the summer.

Motion by Mayor Gennett, seconded by Member Dreyer to approve the adjusted proposal as presented and to authorize the Director to modify the lease accordingly and permit the Chair to sign on behalf of the Board.

**Motion carried by unanimous voice vote.**

**B. Match on Main Grant Applications**

Mark Heydlauff, City Manager

Director Heydlauff referenced the three applications (Dockside Books, Happy Troll and Stiggs Brewery) received for the Match on Main Grant and provided background information on the grant program.

Member Dreyer questioned if the scoresheet was made by the City or a standardized form for Match on Main. Mr. Heydlauff responded that it was created by the City. Mr. Heydlauff stated the idea of Match on Main was that the applicants help fill an economic void in the community, provide goods and services that are needed in the community, or align with the goals of the

community. Mr. Heydlauff stated the policy that was drafted and approved by Council was to give guidance to the DDA and the Planning Commission on how to choose the applicants. The policy focused on items like the City's Master Plan, the Economic Development Strategy Plan, and the goals of the program.

Discussion followed regarding specifics of the three (3) applications with the result being the Board concurred that Dockside Books and Happy Troll were the two applicants with the highest scores. Chair Owens stated that based on the Boards' comments, she and the Vice Chair have a clear direction on the DDA's perspective and will share with the Planning Commission.

C. FY 2026 Budget

Mark Heydlauff, City Manager

Director Heydlauff stated the City implemented new financial software this past fall. Mr. Heydlauff stated the paper draft that the Board had in front of them was the latest version of the proposed budget for FY 2025/26. Mr. Heydlauff stated the revenue from the TIF has increased about \$50,000 and the DDA had not been paying for the Director's position and benefits from July 2024 forward. In addition, the Board had approved at the last meeting paying off the library obligation between the current year and the upcoming fiscal year (\$110,000 in FY 25 and \$75,000 in FY 26).

Mr. Heydlauff stated in the current fiscal year with all the changes, they do project a deficit of \$47,770 based on current projections and the DDA's cash on hand at the moment is approximately \$177,000. For next year's budget they were projecting a surplus revenue in the amount of \$77,315. Mr. Heydlauff stated there was a category entitled sponsorships in the amount of \$10,000 which he did not know what programs needed sponsorships. Mr. Heydlauff further explained details of the proposed budget for FY 2025/26. Mr. Heydlauff explained the methodology used to determine the cost for the administrative services provided by the City Manager, City Clerk & City Treasurer to the Board in the absence of a full-time director at \$15,000 for the year.

Chair Owens stated the Board would like to remove the expense for the Historic District signage. Mr. Heydlauff asked the Board to include \$5,000 in the contractual services line for the current fiscal year to pay Prein & Newhof for their services for the MEDC RAP Grant application.

Mr. Heydlauff stated it was not feasible to expect any of the potential alley improvements to occur prior to the summer of 2026 thus the revenue/expenditures for that project were not included in the proposed FY 25/26 budget. Mr. Heydlauff stated any surplus revenue from FY 25/26 would be used in FY 26/27 to help fund the alley improvements.

Motion by Mayor Gennett, seconded by Member Way to approve the FY 25/26 budget as amended.

**Motion carried by unanimous voice vote.**

D. 2025 Meeting Dates

Mark Heydlauff, City Manager

Director Heydlauff stated the Open Meetings Act requires the Board set their meeting schedule for the year at the first meeting of the year and he explained the proposed meeting schedule provided to the Board.

Motion by Member Bingham, seconded by Member Scheller to set the 2025 meeting dates as presented.

**Motion carried by unanimous voice vote.**

E. Election of Vice Chair

Mark Heydlauff, City Manager

Chair Owens stated with Vice Chair Dipert retiring at the conclusion of last month, the Board would need to elect a Vice Chair and she explained her reasons for recommending Member Oosthuizen.

Motion by Mayor Gennett, seconded by Member Scheller to appoint Member Oosthuizen as Vice Chair.

**Motion carried by unanimous voice vote.**

**9. Public Comment**

**10. Request for Future Agenda Items**

**11. Board Comments**

**12. Adjourn**

Chair Owens adjourned the meeting at 6:31 p.m.

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Sarah J. Dvoracek/fgm      City Clerk

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Maureen Owens      Chair