

**Ann Arbor Downtown Development Authority Meeting Minutes
Wednesday, March 7, 2007**

Place: DDA Office, 150 S. Fifth Avenue, Suite 301, Ann Arbor, 48104
Time: DDA Chair Sandi Smith called the meeting to order at 12:05 p.m.

1. ROLL CALL

Present: Rob Aldrich, Fred Beal, Gary Boren, Dave DeVarti, Leah Gunn, Roger Hewitt, John Hieftje, Sandi Smith, John Splitt

Absent: Russ Collins, Rene Greff, Jennifer Hall

Staff Present: Susan Pollay, Executive Director
Joe Morehouse, Deputy Director
Lindsay-Jean Hard, DDA Intern
Joan Lyke, Management Assistant

Audience: Tony Bisesi, Republic Parking System
Erica Briggs, getDowntown!
Ray Detter, Downtown Area Citizens Advisory Council
Frank Nagy, Republic Parking System
Ethel Potts, Citizen
Pam Smith, Ann Arbor Hands-on-Museum/Main Street Area Association

2. AUDIENCE PARTICIPATION

Mr. Detter reported that the CAC strongly supports the development of a comprehensive parking and integrated transportation plan that will provide necessary parking while working toward a future that is less dependent on cars. The CAC supports efforts by the Arts Alliance group and the Art Center group to develop the 415 W. Washington site into a cultural facility. The CAC believes the time is right to move forward on the Fifth and Division improvements project as a total package not just in phases. They feel the project will have a positive impact upon the future of downtown.

3. APPROVAL OF MINUTES

Ms. Gunn moved and Mr. Beal seconded approval of the February 7, 2007 DDA meeting minutes.

A vote on the motion showed:

AYES: Aldrich, Beal, Boren, DeVarti, Gunn, Hieftje, Hewitt, Smith, Splitt

NAYES: None

Absent: Collins, Greff, Hall

The motion carried.

4. STATUS OF CITY TASKFORCE EFFORTS

Percent for Art Taskforce: Mr. Collins was out sick. No report from the taskforce.

The Allen Creek Greenway Taskforce: Ms. Smith reported that the Taskforce report was presented to the City Council and will be distributed to the City in the next few weeks.

A2D2: Mr. Hewitt said that the Steering Committee would meet tonight. He said that he was impressed with the firm that was hired to write the design guidelines, and the committee made a wise choice.

5. CAPITAL IMPROVEMENTS

Huron Street: Mr. Beal reported that an additional traffic analysis of Huron Street will be conducted using MDOT's recommended 2% rate of growth, after which a meeting will be held to discuss what if any changes might need to be made.

Fifth and Division: Mr. Beal said that the committee would like to review the project further and evaluate the most cost effective way to take on Phase I construction.

Fourth and William Garage: Construction continues. Three out of seven scheduled pours were completed. The contractor anticipates concrete placement though early April. Completion of this project is anticipated in Mid-June.

Alley Repairs: Mr. Beal moved and Ms. Gunn supported the following resolution

RESOLUTION AUTHORIZING THE CAPITAL IMPROVEMENTS COMMITTEE TO UNDERTAKE ALLEY REPAIRS AND IMPROVEMENTS IN 2007

Whereas, At its 2002 and 2003 retreats, DDA determined that it would undertake repairs and improvements to the downtown alleys and in 2004 authorized its Capital Improvements Committee to undertake an alley assessment from Washtenaw Engineering Company (WEC) to rank alleys by condition and estimated costs for repairs;

Whereas, The five highest ranking public alleys on this list were selected for repairs in 2005 at a repair cost of \$750,000;

Whereas, Using the WEC assessment, the Capital Improvements Committee recommended the next four alleys to be repaired in the 2006 construction season which was approved by the DDA in October 2006;

- (#15) William, Fourth, Liberty and Main
- (#1) Miller, Main, Kingsley and Ashley
- (#12) Thayer, State, N. University and E. Washington (inner courtyard)
- (#7) Washington, Fourth, Huron, and S. Main
- (#16) William, State, Liberty and Maynard

Whereas, Alleys #15 and #7 were completed during the 2006 construction season, but #1, #12 and #16 were not begun, due to several factors, including the schedule of adjacent private construction and alley ownership questions;

Whereas, In 2006 the DDA also repaired the alley west of the Liberty Square parking structure (#9), and the alley located within the block of Washington, Fourth, Huron, and Fifth (#7);

Whereas, The DDA repair costs for 2006 was \$461,014 out of the \$1.1 million project budget approved by the DDA;

Whereas, The DDA Capital Improvements Committee has reviewed the WEC assessment and recommends that the following alleys be approved for repairs in 2007:

- (#16) William, State, Liberty and Maynard (\$273,000)
- (#12) Washington, Thayer, N. U., State (100% private alley/walkway to the Thayer Structure) (\$60,000)
- (#13) Ashley, Liberty, Main, William (northern portion only) (\$52,000)
- (#15) Main, Liberty, Fourth, William (southern portion only) (\$52,000)

Whereas, The following alleys are recommended for repair in 2008, because adjacent construction will disrupt the area until that time:

- (#1) Miller, Main, Kingsley and Ashley
- (#8) Liberty, Ashley, Washington, First

Whereas, The WEC assessment has estimated the cost for recommended alley repairs in 2007 to be \$437,000;

Whereas, The DDA Capital Improvements Committee recommends that the DDA approve \$437,000 as its construction budget for 2007 with a 12% contingency amount of \$52,440, for a total project cost of \$489,440;

Whereas, The Capital Improvements Committee recommends that Doan Construction, its alley contractor in 2005 and 2006, be retained for the 2007 construction season as it has offered to extend its 2005 construction prices to the 2007 season, and implemented very high quality work over the past two construction seasons;

RESOLVED, The DDA approves repairs to the alleys recommended by its Capital Improvements Committee in the amount of \$489,440;

RESOLVED, The DDA approves the retention of Doan Construction as its contractor for the 2007 construction season.

Mr. Beal pointed out the summary of the alleys that have been completed. Mr. Hewitt asked if alley repairs should move at a slower pace than they have been. Mr. DeVarti noted that the contractor is doing much more than paving, i.e., improving infrastructure, drainage, lighting, etc. He said for a limited cost the city is getting a significant result. Ms. Smith asked for a special meeting of the DDA with Mr. Morehouse so DDA members could become more comfortable using the Ten Year Plan. Mr. Hieftje said that once the alleys have been repaired they should be cleaned regularly. Ms. Gunn encouraged citizens and business owners to report unsightly conditions to the Clean Communities hot line.

A vote on the motion showed:

AYES: Aldrich, Beal, Boren, DeVarti, Gunn, Hieftje, Hewitt, Smith, Splitt

NAYES: None

Absent: Collins, Greff, Hall

The motion carried.

Wayfinding: Mr. Beal reported that Corbin Design would meet with Capital Improvements March 19.

Additions to Parking Structures: Carl Walker is exploring options for adding levels to existing parking structures. A preliminary report was included in the packet.

6.

OPERATIONS COMMITTEE

Financial Reports: Mr. Hewitt reported that the January 2007 financials were as anticipated. Parking revenues are up but that is likely due to individuals paying the hourly rate because they couldn't secure a parking permit. Mr. Beal asked if the construction at 4th & William has impacted the revenue at that site. Mr. Morehouse explained that the contractor is working to minimize the number of patrons displaced by the construction. **The January 2007 financial reports were moved by Mr. Hewitt, seconded by Ms. Gunn and unanimously approved.**

Mr. Beal indicated he has heard some discussion about several parcels downtown. Mr. Hieftje said he had received a letter from First Martin letting the city know they are exploring options for development on the Brown Block. Should that site be developed, there is a potential loss of 165 public parking spaces.

Maintenance of Parking Structures: Mr. Hewitt stated that Carl Walker has been asked to revise the long term parking structure maintenance program using current costs. The committee will review the report in the near future.

Mr. Hewitt moved and Ms. Gunn seconded the following resolution:

**RESOLUTION TO APPROVE THE DDA BUDGET FOR FISCAL YEARS
2007/2008 AND 2008/2009**

Whereas, The DDA has developed a Ten-Year Financial Plan, including projected income and expenses for its TIF, TIF Maintenance Reserve, Housing, Parking and Parking Maintenance Reserve Funds, including calculations for debt service, capital improvements projects and parking operations;

Whereas, The City of Ann Arbor Administration will present a FY 2007/2008 and 2008/2009 budget to City Council this Spring;

Whereas, The DDA Operations Committee has developed a detailed FY 2007/2008 and 2008/09 budget for the DDA based on the DDA Ten-Year Plan;

Whereas, The Operations Committee recommends approval of these DDA budgets by the DDA;

RESOLVED, The DDA approves its FY 2007/2008 and 2008/09 budgets.

In light of the projects being talked about Mr. DeVarti asked if the \$4 million in Capital Costs should be increased to \$6 million. Mr. Hewitt accepted the amendment as friendly.

A vote on the motion showed:

AYES: Aldrich, Beal, Boren, DeVarti, Gunn, Hieftje, Hewitt, Smith, Splitt

NAYES: None

Absent: Collins, Greff, Hall

The motion carried.

Alternative Payment Options: Mr. Hewitt discussed the pilot credit card payment program that began at the Farmer's Market. The next phase will take place at Maynard. By July 1 all the parking meters will be equipped to accept a cash value card. Staff continues to explore other alternative payment options. Mr. Hewitt acknowledged Mr. Morehouse, Mr. Bisesi and Mr. Nagy for their efforts to research and bring the alternative payment plans to the daily operations. Mr. DeVarti suggested that ROC plan an educational event/party to roll out the cash cards perhaps in conjunction with another downtown activity.

7. RESEARCH AND OPPORTUNITY

Communication Plan: Mr. Boren reported that the committee brought examples of websites that they liked and Inner Circle will use the information to help frame the new DDA website. The committee spent considerable time discussing how to make the website user friendly while also expressing the DDA's unique character/culture. Mr. Boren invited all Board members to the next meeting to ensure that the website will meet everyone's goals for the site.

Grant Requests: Mr. Boren said that the committee reviewed four grant requests: 1) CAPP asked for funds to relocate a sculpture to Liberty Plaza; the committee asked CAPP to contact groups who use the park to ensure they had no concerns about the sculpture. No response to date. 2) Think Local First request to support Buy Local Week activities in December; unfortunately the Guidelines were not in place in time; the group was encouraged to submit future requests using the new Guidelines. 3) MSAA request to support a secret shopper program; matching funds are not available. 4) The KDA asked support for area promotions; they were asked to reframe their request to demonstrate greater financial sustainability. No response as yet.

8. PARTNERSHIPS COMMITTEE

Ann Arbor District Library: Ms. Parker met with Partnerships to report on the AADL's space needs study. She said that everything is being looked at, including an examination of the current building and whether it can be expanded vertically or horizontally, a service assessment of patron use to examine where demand may be greatest (e.g. more meetings). The project will also include interviews with community members and policy makers and the DDA will be one of the groups contacted for input. The final report will be completed and presented to the AADL board at the end of June.

1st & Washington: The Committee was asked to provide feedback on some questions; e.g., the RFP has the developer responsible to build his/her own parking with the DDA providing public parking on this site. The Committee was asked if it would support the DDA paying for all spaces, and leasing back spaces to Village Green in a contract. Staff has been directed to create a spreadsheet examining potential revenues and expenses over 30 years to help the Committee frame its recommendation. The Committee also discussed the question whether there could be cost sharing for spaces that were both above and below grade (i.e. on a slope), as the RFP set forward that the DDA would pay \$35,000/car space for above grade spaces; \$45,000/car space for below grade spaces. The Committee sent back the message that no, the amount per space was fixed.

Storm Water Flow Study: The Committee met with Cresson Slotten, City Systems Planning, re: a possible DDA grant to monitor downtown storm water flow which will help the City determine if programs are needed to abate conditions especially to the Allen Creek drain, e.g. storm water disconnects. A resolution will be brought to Council at the March 19th meeting to hire a consultant for this project, and the Committee was asked about a possible 50/50 cost sharing with the City; Total project cost is estimated to be \$190,000, so the possible request to the DDA would be \$95,000.

Partnerships Guidelines: The Committee continues its work. The committee is considering dropping much of the existing text about parking since this has not proven to be needed and overemphasizes the importance of this single element. It is also developing text for a companion guideline program which will set forward when the DDA might consider assisting projects that have been determined not to meet our Partnerships Guidelines, but where DDA assistance may benefit the community. An example was the provision of a construction staging area in the S. Fifth Avenue lot for the E. Liberty development to minimize the construction impact on pedestrians on Liberty. Another example was the recent grant to the Mayer Schairer building to support the installation of a new fire hydrant on S. Main Street.

9. OTHER DDA BUSINESS MATTERS

10 Year Plan: Ms. Smith said that all DDA members would be invited to explore the Ten Year Plan in the near future.

Farmers Market Solar Energy Panels: Ms. Smith reported that Mr. Konkle, Energy Coordinator met with Ops Committee members to ascertain potential support for a solar energy project at the Farmers Market. ROC will consider the request when it receives a resolution from City Council.

St. Patrick's Day Celebration: Mr. Hieftje said that there would be an effort to promote responsible drinking in conjunction with City Council's approval of a beer tent on Washington Street on St. Patrick's day. An area has been designated for breath-alyzer tests with a vehicle damaged in a drunk driving accident used to remind those who celebrate to drink responsibly.

10. OTHER AUDIENCE PARTICIPATION

None.

11. ADJOURNMENT

As there was no further discussion the meeting was adjourned at 1:40 P.M.

Respectfully submitted,
Susan Pollay, Executive Director