

**Ann Arbor Downtown Development Authority Meeting Minutes
Wednesday, April 4, 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
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Present: Rob Aldrich, Russ Collins, Dave DeVarti, Rene Greff, Leah Gunn, Roger Hewitt, Jennifer Hall, John Hieftje, Sandi Smith, John Splitt

Absent: Fred Beal, Gary Boren

Staff Present: Susan Pollay, Executive Director
Joe Morehouse, Deputy Director
Joan Lyke, Management Assistant

Audience: Douglas Allen, Peter Allen & Associates
Peter Allen, Peter Allen & Associates
Tony Bisesi, Republic Parking System
Erica Briggs, get!Downtown
Michael Campbell, Nederveld
Benecia Cousin, U-M Ford School
Tracy Davis, Ann Arbor News
Ray Detter, Downtown Area Citizens Advisory Council
Miles River Hall, Citizen
Adrian Iraola, Washtenaw Engineering
Kristen Schleick, AIA/Hobbs & Black
Frank Nagy, Republic Parking System
Brad Perry, SGI Publications
Ethel Potts, Citizen
Ellie Serras, MSA
Ed Shaffran, Shaffran Development

2.	AUDIENCE PARTICIPATION
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Peter Allen presented a plan with a retail space on the first floor of Ann Ashley, and asked that the DDA build out the Ashley Street area so that firms like his could respond to an RFP to rent the space. Ms. Smith invited him to the next Partnerships Committee meeting.

Mr. Detter said that UM representatives attended their meeting the night before to provide details of the new North Quad dormitory. The CAC generally supports the new design, while acknowledging there are still issues to be addressed. The CAC was pleased to learn that several artifacts will be saved from the former Frieze Building to be placed somewhere on the grounds of the new dormitory. Mr. Detter announced that next year the Ann Arbor Historical Street Exhibit Program will place 14 new porcelain enamel wall images in the State Street and S. University area. He also announced that June 16 will be the next dedication and celebration of the installation of 4 more enamel wall images in the Kerrytown area. The CAC continues its efforts to attend the various A2D2 committee meetings.

3.	APPROVAL OF MINUTES
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Ms. Gunn moved and Ms. Hall seconded approval of the March 7, 2007 DDA meeting minutes.

A vote on the motion showed:

AYES: Aldrich, Collins, DeVarti, Greff, Gunn, Hall, Hewitt, Hieftje, Smith, Splitt

NAYES: None

Absent: Beal, Boren

The motion carried.

4. STATUS OF CITY TASKFORCE EFFORTS
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Percent for Art Taskforce: Mr. Collins said that an ordinance has been drafted that would assess 1% on City capital improvement projects with a maximum amount. The first reading of the draft ordinance will take place in early May.

Allen Creek Greenway Taskforce: Ms. Smith reported that the Taskforce report was presented to City Council in early April and will be available on the City web-site in the immediate future.

A2D2: Mr. Hewitt said that several Parking Strategies focus groups met the previous week, and a follow-up meeting will be held with these same groups in early May. All final A2D2 reports will be presented to City Council at the second meeting in June.

Mr. Beal enters.

5. RESEARCH AND OPPORTUNITY

Mr. Hieftje gave a power point presentation on the solar energy project to be installed at the Farmers Market. Following the presentation, Ms. Hall moved and Mr. Hewitt supported the following resolution:

RESOLUTION TO APPROVE A GRANT TO THE CITY FOR THE INSTALLATION OF A SOLAR ELECTRIC SYSTEM AT THE FARMERS MARKET

Whereas, In 2006 the Mayor announced a 30% renewable energy goal for all City facilities;

Whereas, The Michigan Department of Labor and Economic Growth Energy Office has advertised the availability of \$50,000 in funding for a "Large Scale Photovoltaic Grant" to demonstrate solar energy use to educate people on the value of solar energy;

Whereas, United Solar Ovonics, Michigan's largest solar collector manufacturer has agreed to partner with the City on this project and will assist in the design of a system, provide solar collectors at a discounted price and help write the grant application;

Whereas, The Farmer's Market has been selected as an excellent site to demonstrate solar electric generation in Ann Arbor, and electricity from the solar collector system will help reduce electric costs at the Farmer's Market;

Whereas, City Council approved an application from the City's Ann Arbor Energy Office for a \$50,000 "Large Scale Photovoltaic Grant" from the State of Michigan in partnership with United Solar Ovonics;

Whereas, As part of this resolution City Council requested that the DDA be a partner in this project by providing the \$50,000 match for this grant;

Whereas, The DDA Research & Opportunity Committee recommends that the DDA provide this matching grant to enable this application to be submitted, contingent on the DDA receiving significant publicity for its support for this project;

RESOLVED, The DDA approves a grant in the amount of \$50,000 to provide the match for a "Large Scale Photovoltaic Grant" which would fund a solar energy demonstration project in the Farmer's Market to educate people on the value of solar energy.

RESOLVED, This action is taken contingent on the DDA receiving considerable visibility for its grant.

Ms. Gunn said that she thought this was an excellent project and was very pleased that the DDA identity would be highly visible as part of this project. Ms. Greff asked what the City contribution was to create the "partnership" referenced in the City Council resolution; Mr. Hieftje said that the City Energy Coordinator would coordinate the grant application.

A vote on the motion showed:

AYES: Aldrich, Beal, Collins, DeVarti, Greff, Gunn, Hall, Hieftje, Hewitt, Smith, Splitt

NAYES: None

Absent: Boren

The motion carried.

Website Redesign: The basic structure of the front page has been established. The Convention & Visitors Bureau has agreed to allow the use of some of their professional-quality downtown photos. It was decided that the website would include interesting urban planning, urban design, and other downtown quotes throughout the website, and all were asked to contribute notable quotes.

Grant Requests: Ms. Smith said that the Commission on Art in Public Places had withdrawn their request for funds as they have decided not to install the McKinley sculpture in Liberty Plaza Park. The Committee reviewed a joint request from three of the downtown associations for a \$25,000 grant to pay for watering planters this summer, including the services of a supervisor, a manager, and a watering service. After consideration, the Committee decided not to support it because there was no matching funds, and the Main Street Area Association had just held a fund raiser which generated funds for summer watering, demonstrating that there are alternate funding sources available for this purpose.

6.

PARTNERSHIPS COMMITTEE

Partnership Guidelines: Ms. Gunn moved and Mr. Hewitt supported the following resolution:

**RESOLUTION TO EXTEND THE DDA "PRINCIPLES GUIDING PARTNERSHIP DECISIONS"
GUIDELINES TO DECEMBER 31, 2008**

Whereas, On December 21, 1999 the DDA approved interim guidelines to enable its Partnerships Committee to consider ways that the Authority could work with private developers to encourage new development in the downtown area, particularly those that would include parking on-site as part of their projects;

Whereas, These principles were to be considered as guidelines and not as fixed rules requiring DDA action in support of or in opposition to any specific development proposal;

Whereas, These guidelines were extended by the DDA until January 31, 2002, and then again through December 31, 2004 and December 31, 2006;

Whereas, The DDA Partnerships Committee has reviewed these Guidelines;

Whereas, The DDA Partnerships Committee has developed a façade loan program and has developed a conceptual framework by which premium parking spaces could be provided to assist downtown developments and the Partnerships Guidelines complement these other efforts;

RESOLVED, The DDA shall adopt the attached revised "Principles Guiding Partnership Guidelines" as its new guidelines, effective immediately;

BE IT FURTHER RESOLVED, These Guidelines shall remain in effect until amended or repealed by the DDA Board or until December 31, 2008, whichever comes first;

PRINCIPLES GUIDING PARTNERSHIP DECISIONS

The overriding premise is that DDA should only expend public resources to further specific City and DDA goals-- a "public purpose". Our partnership ventures must be seen as furthering downtown development goals, building the tax base, furthering our parking program, etc. This program must not be seen as an entitlement to developers or as a give away program.

In our discussions to date, this general rule was articulated through several more specific statements.

1. The project must make a significant net financial contribution to the DDA. Specifically, a new development must make a significant ongoing annual contribution to the TIF fund, after any DDA assistance is deducted, as this annual TIF capture will be used by the DDA to fund public improvements throughout the DDA District. The payments to the developer should, in general, be timed so that the development is never in a "negative TIF" situation.
2. DDA assistance should be limited to what is necessary to make a project happen and should be used to support project elements which benefit the community, such as new sidewalks or storm water capture.
3. A project must be deemed to be an exceptional project to receive DDA support, one that could serve as a catalyst to encourage similar future downtown projects. Important community benefits that will be considered by the DDA will include:
 - Historic preservation
 - Construction of a significant number of new residential units
 - Provision of affordable housing on site, or a contribution to community affordable housing goals
 - Pedestrian improvements, including alley and sidewalk enhancements, as well as an attractive, pedestrian-friendly design
 - Parking for the project is completely or predominantly on site
 - Parking for the project is principally situated below grade

- Provision of sustainable architectural elements, such as a green roof or solar heating system
4. The Partnerships Guidelines set forward by the DDA determine that the amount of a DDA Partnerships Grant shall not exceed 25% of the projected ten year TIF revenue captured by the DDA from the project. The degree of DDA support will vary between 0 and 25% of the ten year TIF depending on the public benefits as defined in this policy.
 5. In considering how it may assist new developments, the DDA must think of the variety of ways it might provide assistance-- e.g., parking partnerships, use of the DDA housing fund, pedestrian improvements, low interest historic façade loans, grants equal to the costs for sidewalk closure permit and parking meter bag fees, where it has been determined that developers worked as expediently as possible to restore public access to sidewalks and parking, etc.
 6. The DDA has negotiated occasional parking permit arrangements with new developments in the past. In general, this practice should continue as a way to support new development. The determination as to whether to support developer-created parking versus to allocate permits within a DDA structure (or to build a new public parking structure in a given area) should be made in light of parking needs studies.
 7. Since the purpose of this policy is to foster new development (and new TIF revenue), the committee recommends that the DDA not consider any requests for "retroactive assistance".

Mr. Aldrich asked what amendments had been made since the last version; Ms. Smith said that much parking-related text had been removed and language was made more specific about the DDA's interest in supporting only extraordinary, catalyst projects. Mr. DeVarti said he supported the resolution but wanted to make sure the DDA did not provide developers cut rates for parking permits. He wanted assurances that the DDA would charge market rate and/or above for any parking spaces negotiated with developers. **Mr. Aldrich proposed and Ms. Gunn accepted a friendly amendment to change the last sentence in #6"should be made in light of the need for additional downtown parking."**

A vote on the motion as amended showed:

AYES: Aldrich, Beal, Collins, DeVarti, Greff, Gunn, Hall, Hieftje, Hewitt, Smith, Splitt

NAYES: None

Absent: Boren

The motion carried.

Ms. Gunn moved and Ms. Hall supported the following resolution:

RESOLUTION TO PROVIDE ASSISTANCE TO DOWNTOWN DEVELOPMENTS

Whereas, The DDA mission is to undertake public improvements that have the greatest impact in strengthening the downtown area and attracting new private investments, and an important strategy to meet this mission is to work with downtown developers to facilitate new development;

Whereas, The DDA has established Partnerships Guidelines by which it provides DDA Partnerships Grants to support exceptional downtown projects;

Whereas, The DDA has also developed a low interest façade loan program to encourage the restoration of downtown's beautiful historic buildings;

Whereas, The DDA Partnerships Committee has determined the need to establish guiding principles by which it may assist downtown developments which do not qualify for DDA Partnerships Grants or historic façade loans;

Whereas, These principles include the following:

- Construction for downtown development should take place in such a way as to minimize inconvenience to pedestrians and other downtown stakeholders
- Whenever possible, downtown developments should be encouraged to improve and or expand infrastructure which is utilized by a larger neighborhood or district, as this benefits the larger community

Whereas, These principles should be considered as guidelines and not as fixed rules requiring DDA action in support of or in opposition to any specific development proposal;

Whereas, The overriding premise is that DDA will only expend public resources to further specific City and DDA downtown development goals, for instance, building the tax base, expanding the number of downtown residents and businesses, providing greater capacity for future downtown development, etc. No DDA program should be seen as an entitlement to developers or as a give away program;

Whereas, The DDA has tools available to it to assist new downtown projects constructing in tight downtown infill locations, such as waiving meter bag fees or making parking lots space available for construction staging, particularly when the use of these development tools can minimize the inconvenience to pedestrians;

Whereas, The DDA may elect to provide grants to reimburse projects for actual costs (verified by construction invoice) for public infrastructure, when these improvements have been determined to benefit the downtown and larger community;

Whereas, The DDA Partnerships Committee has reviewed these principles and recommends that they be adopted immediately;

RESOLVED, The DDA shall adopt the principles as proposed by its Partnerships Committee effective immediately;

RESOLVED, These principles shall remain in effect until amended or repealed by the DDA Board;

Ms. Hall said that in the past the DDA has elected to assist projects through its Partnerships Grants, other times with project support such as construction staging areas, and sometimes with both. **She suggested the following amendment in the fourth Whereas clause which Ms. Gunn accepted as friendly:**

Whereas, The DDA Partnerships Committee has determined the need to establish guiding principles by which it may assist downtown developments which **merit support in addition to or instead of** ~~do not qualify for~~ DDA Partnerships Grants or historic façade loans;

A vote on the motion as amended showed:

AYES: Aldrich, Beal, Collins, DeVarti, Greff, Gunn, Hall, Hieftje, Hewitt, Smith, Splitt

NAYES: None

Absent: Boren

The motion carried.

Mr. Collins moved and Mr. Hewitt supported the following resolution:

RESOLUTION TO SPONSOR DDA AND CITY COUNCIL MEMBERS TO THE 2007 IDA ANNUAL CONFERENCE

Whereas, The International Downtown Association annual conference provides an important opportunity to learn about best practices and innovative downtown programs from around the country and the world;

Whereas, This year the IDA Annual Conference will take place in New York City;

Whereas, New York City will provide an important opportunity to understand important downtown issues, including what elements contributed to successful and active open spaces and how 55 Business Improvement Districts were created to address downtown cleaning and ambassador services which are issues of increasing issues to City Council and DDA members;

Whereas, The DDA Partnerships Committee recommends that the DDA sponsor up to six DDA members and up to five City Council members to attend the 2007 IDA conference in New York City, with the DDA providing a predetermined amount for conference enrollment, hotel and travel costs;

RESOLVED, The DDA will sponsor up to six members of the DDA and up to five City Council members to attend the 2007 IDA conference in New York City, with the DDA providing a predetermined amount for conference enrollment, hotel and travel costs.

Ms. Hall said that the IDA conference had been valuable to her when she attended as a representative of the Planning Commission. **Ms. Hall suggested a friendly amendment and Mr. Collins accepted the following new RESOLVE clause:**

RESOLVED, if there aren't six DDA members or five City Council members interested in attending the conference, the DDA will shift these sponsored positions to member(s) of other City Boards or Commissions.

A vote on the motion as amended showed:

AYES: Aldrich, Beal, Collins, DeVarti, Greff, Gunn, Hall, Hieftje, Hewitt, Smith, Splitt

NAYES: None

Absent: Boren

The motion carried.

Mr. DeVarti moved and Ms. Greff seconded the following resolution:

RESOLUTION TO APPROVE A GRANT TO THE CITY TO SUPPORT A DOWNTOWN SANITARY SEWER FLOW MONITORING AND CAPACITY ANALYSIS

Whereas, In July 2006 City Council adopted Resolution R-332-7-06 to approve the work plans for the high priority projects of the Downtown Development Strategies (Calthorpe) Final Report implementation plan;

Whereas, The high priority projects includes the creation of special overlay zoning to encourage greater density in the core area;

Whereas, Increased density will place demands on the existing downtown sanitary sewer system capacity, and calculating future impacts will require detailed flow monitoring to establish the parameters for the City's sanitary sewer hydraulic model;

Whereas, On March 19, 2007 City Council voted to approve a contract between the City and CDM Michigan, Inc. for sanitary sewer flow monitoring and capacity analysis in the DDA District and established a project budget of \$190,000 which included a project contingency;

Whereas, As part of this resolution City Council requested that the DDA support this initiative by providing reimbursement to the City's Sewage Disposal Fund of up to 50% of the cost of the project, to a maximum of \$95,000;

Whereas, The DDA Partnerships Committee recommends DDA approval of a grant to the City for this project not to exceed \$95,000;

RESOLVED, The DDA approves a grant to the City for a sanitary sewer flow monitoring and capacity analysis project in the DDA District in the amount not to exceed \$95,000.

Ms. Smith said that the project would provide new information about sewer capacity. Mr. Aldrich said that he could not support the resolution because he felt that this was a City function for which they had recently increased their tap fees to pay for. Mr. Collins asked what line item the money would come from; Mr. Hewitt explained it will be paid for out of TIF. Ms. Gunn said that she supported the resolution because it would have a direct impact on development in the downtown. Mr. DeVarti said he supported the resolution as the study will provide vital information to the DDA as it makes future decisions. Mr. Splitt agreed, saying that this information would be vital

Ms. Hall said that speaking as a former Planning Commissioner, the study may provide benefit as projects could be approved much faster with better information about capacity at the beginning of the approval process. Mr. Beal expressed concern about what the city would do with the information once the report is finalized. He also said that developers have found the City's increased tap fees onerous, and that part of the justification for raising tap fees so significantly was to cover studies such as this. Mr. Hieftje said the funds generated in the system, stays in the system since it is an enterprise fund.

Mr. DeVarti proposed an amendment in the last Resolved clause as follows:

RESOLVED, The DDA approves ~~a grant to~~ **partnering with** the City for a sanitary sewer flow monitoring and capacity analysis project in the DDA District in the amount not to exceed \$95,000.

A vote on the motion as amended showed:

AYES: DeVarti, Greff, Gunn, Hall, Hieftje, Hewitt, Smith, Splitt

NAYES: Aldrich, Beal, Collins

Absent: Boren
The motion carried.

1st & Washington Redevelopment. The committee provided feedback on questions that have arisen through negotiations. One, the committee analyzed and determined that it would be in the City's best long-term interest to own all 205 spaces and lease back 57 to Village Green, rather than pay for only 148. The committee also analyzed data and determined that it would be beneficial if the structure could be larger than 205 spaces, with as much parking as possible built on this site.

7. CAPITAL IMPROVEMENTS

Huron. A meeting between MDOT, WATS, City and DDA staff was held to discuss future traffic growth projections. It was a very positive meeting, and there will be a subsequent meeting in two months to come to conclusion on this question so the Huron plan can be submitted to MDOT for approval.

4th & William Addition. Work on the north elevator shaft has started so the elevator has been removed from service for approximately 12 weeks. The project is estimated to be complete in late June.

Alley Repairs. Preparation is underway and construction is anticipated to start at the end of April.

Mr. Beal moved and Mr. Aldrich supported the following resolution:

RESOLUTION TO SUPPORT THE 2007 DOWNTOWN SPRING CLEANUP (\$7,500)

Whereas, The Downtown Spring Cleanup annually draws 100-250 volunteers, including children and their parents to downtown Ann Arbor to plant flowers, paint over graffiti, and sweep sidewalks;

Whereas, The City of Ann Arbor, downtown associations, and other sponsoring organizations provide a number of contributions to this event;

Whereas, The DDA has contributed annually to this event for several years, including a \$7,500 grant in 2006;

Whereas, Funds are used to pay for flowers, mulch and other materials, as well as costs associated with preparing the flower beds, advertising and promotional materials;

Whereas, The DDA Capital Improvements Committee recommends DDA approval;

RESOLVED, The DDA will contribute \$7,500 toward the 2007 Downtown Spring Cleanup.

A vote on the motion showed:

AYES: Aldrich, Beal, Collins, DeVarti, Greff, Gunn, Hall, Hieftje, Hewitt, Smith, Splitt

NAYES: None

Absent: Boren

The motion carried.

Mr. Beal moved and Ms. Greff supported the following resolution:

RESOLUTION TO APPROVE A PROJECT BUDGET FOR PHASE I IMPLEMENTATION OF THE FIFTH & DIVISION STREET IMPROVEMENT PROJECT (\$4 MILLION)

Whereas, The Ann Arbor DDA strongly embraces the goal of a pedestrian and bicycle-friendly downtown;

Whereas, In 2003, the DDA approved "Resolution Approving Improvement Projects Along Huron, Fifth, and Division Streets" as these corridors have car-centric designs that are unattractive, and act as barriers to pedestrians traveling between the State Street, Main Street, and Kerrytown Areas;

Whereas, In December 2003 the DDA commissioned Pollack Design Associates to develop an Urban Design Workbook for the corridors, which was compiled following exhaustive research and numerous public workshops, and presented to the DDA and Planning Commission in July 2004;

Whereas; In March 2005 Beckett & Raeder was selected to develop the conceptual plan for Fifth & Division based on this Workbook, and after conducting numerous focus group and individual meetings, the plan was presented to the DDA and approved at its October 2006 meeting;

Whereas, Beckett & Raeder analyzed the costs to install the comprehensive improvement plan and estimated them to be \$10.3 million, including extensive brick street repairs in the Kerrytown area;

Whereas, This comprehensive plan is an ambitious undertaking that will need to be phased, and a Phase I project has been recommended by the DDA Capital Improvements Committee that will include the following:

1. Widen Division between Washington and Catherine Street - this must be included in Phase I, as Division currently operates below recommended traffic efficiency. Widening the road width by burying utility lines and adjusting curb lines will accommodate the necessary amount of traffic while creating road capacity for the new bike lane.
2. Installing gateway improvements at Division/Packard and Fifth/Beakes to reduce the width of pavement and establish the "culture" of pedestrian/bike friendly streets.
3. Striping bike lanes and installing parking meters.
4. Installing bump outs and stamped asphalt (or other material) crosswalks at Division/Liberty and Division/Washington and at the intersection of Fifth at Liberty (to encourage more Main to State Street Area pedestrian movements).

Whereas, The estimated cost for this Phase I is \$4 million;

Whereas, It is anticipated that an off-shoot benefit to installing the Fifth and Division improvements would be the creation of approximately 110 new on-street metered spaces, and at its mid-year retreat the DDA determined that adding these spaces would be a strategic solution to increase the amount of parking downtown to benefit retail along the corridors, serve as a traffic calming measure that would improve pedestrian conditions, and would generate approximately \$250,000/year;

Whereas, Last fall Beckett & Raeder and DDA staff met with MDOT representatives who reported that this project is well suited for TE (Transportation Enhancement grant) funding, which asks a minimum 20%/80% match, although a proposed 50%/50% match is generally more favorably reviewed;

Whereas, The DDA Capital Improvements Committee has discussed the Phase I elements for this project at length and recommends that a project budget for Phase I be established as \$4 million;

RESOLVED, The DDA establishes a project budget for the Phase I portion of the Fifth and Division Improvement Project as \$4 million;

RESOLVED, The DDA will submit a TE grant application in hopes of supplementing \$2 million in DDA funds with approximately \$2 million in grant funds, with the knowledge that this will delay the start of construction until early spring 2008.

RESOLVED, The DDA reserves the opportunity to approve the selection of the contractor for this project and thus reserves the opportunity to approve the expenditure of these funds at a later date.

Mr. Beal said that following the March board meeting, the Committee rewrote the resolution to emphasize the DDA's commitment to secure other funding for this project. He said that the Phase I portion would work to accomplish major goals of the project. Mr. Hewitt said that he opposed the resolution because it was unknown how much money will be needed to build additional parking downtown, and funds shouldn't be committed to other projects until this is decided. Mr. Aldrich asked if the new parking would be built with TIF or parking funds; Mr. Hewitt said that he felt this was an open question.

Mr. Collins said that he thought the resolution was appealing because the DDA could leverage as much as \$2 million in grant dollars. Ms. Hall said that she was in favor of resolution as the DDA was not actually spending funds at this time, but rather, would have another opportunity to approve project costs when construction bids and grant notification was secured. Ms. Greff said that she felt the DDA was becoming paralyzed, holding off on projects because of speculative, undefined future projects that "might" or might not require DDA funds. She said that she felt that it was important that the DDA reaffirm that it does more than just parking. This project is an element of the City's Non-Motorized Plan. Mr. DeVarti said that there were many aspects of the project he liked, but he was fearful of the overall cost of the comprehensive project and that this was just the beginning of a \$10 million commitment. He said that he would vote against the resolution, although he commended the committee on its hard work and he indicated his support for the overall goals of the project.

Mr. DeVarti proposed and Mr. Hieftje supported an amendment to the resolution in the last resolved clause..."portion of the Fifth and Division Improvement Project as \$4 million; DDA portion not to exceed \$2 million.

A vote on the amendment showed:

AYES: DeVarti, Hieftje, Splitt

NAYES: Aldrich, Beal, Collins, Greff, Gunn, Hall, Hewitt, Smith

Absent: Boren

The motion failed.

Mr. Hieftje said this is not the time to move forward with this project. He said that he doesn't like the DDA improvement project that was done in the State Street Area, and couldn't explain to community members why funds were spent as they were. Ms. Gunn said that with this resolution the DDA was applying for grant funds, and that it still had choices it could make in the future about the scale of its funding. Ms. Smith said that the project would install bike lanes that connect to the Packard Street bike lanes and to the Broadway Bridges, as well as bulb outs that encourage more pedestrian movement, and a commitment of public funds in an area that supports private reinvestment. She

said that if the concern is about finances, the new parking spaces in this project will generate enough funds that they will pay for construction in eight years, which is justification alone. She said that she felt that the money is well spent. Mr. Collins said that he shares the concern about where we spend our money in this time of pressing needs. The committee knows that the DDA can't do the entire \$10 million project, but approving this construction phase gives direction to developers and does a good job responding to the concerns raised by the DDA previously.

A vote on the original motion showed:

AYES: Aldrich, Beal, Collins, Greff, Gunn, Hall, Smith

NAYES: DeVarti, Hewitt, Hieftje, Splitt

Absent: Boren

The motion carried.

Mr. Beal moved and Ms. Greff supported the following resolution:

RESOLUTION TO EXPAND THE ANN ASHLEY PARKING STRUCTURE

Whereas, The DDA Renewal Plan sets forward the strategy that the DDA should "regularly review the number of parking spaces available to determine if additional parking is needed";

Whereas, The DDA recently received the results of a comprehensive downtown parking study which determined that there is an average daytime demand of 84% across the entire downtown which indicates that the existing parking supply is being optimally used, and that monthly parking permits are "extremely constrained, with significant future demand growth projected";

Whereas, This study further stated that the facilities with the greatest demand and longest monthly permit wait lists include Ann Ashley;

Whereas, At its mid-year retreat there was a consensus among DDA members that additional public parking should be added downtown and that the most expedient way to accomplish this would be to add parking to existing parking structures where possible;

Whereas, The DDA Capital Improvements Committee reviewed feasibility information prepared for the DDA by its consultants at Carl Walker, Inc. which included the following information:

- The structure currently provides 824 parking spaces.
- The structure was designed for three additional levels of parking, with approximately 130 spaces per level.
- Construction costs for a vertical addition are estimated to be \$25,000 to \$30,000/space plus an additional 25% factor for soft costs, including design fees, testing, and contingency for a total of \$31,250 to \$37,500/space. The larger the addition, the less cost per car space.
- The structure has a double-thread configuration and an addition should not create significant ramping capacity concerns.
- It is estimated that construction documents will take up to 4 months to prepare and construction will take approximately 12 months

Whereas, The DDA Capital Improvements Committee recommends that the DDA pursue building three additional floors to Ann Ashley at an estimated project cost of \$12.2 million;

RESOLVED, The DDA requests authorization from City Council to pursue the expansion of the Ann

Ashley parking structure;

RESOLVED, The DDA shall establish a \$12.2 million project budget for the construction of three additional floors to the Ann Ashley parking structure;

RESOLVED, The DDA Chair, Capital Improvements Committee Chair, and Executive Director are authorized to issue bid documents and contract with Carl Walker Inc. to prepare construction drawings for this project;

RESOLVED, The DDA shall have the opportunity to approve the selection of contractor for this project once bids have been received and a recommendation put forward by the Capital Improvement Committee.

Mr. Beal reported that engineering analysis showed that the cost to provide additional spaces at Ann Ashley was the least expensive option of several alternatives, and spaces could be provided in a relatively short time frame. Mr. Hewitt said that he felt the DDA should wait to take action because City Council had approved a resolution the night before, asking the DDA for information about the potential to add additional parking at four downtown locations. Mr. Beal said that if the DDA approved today's resolution, construction drawings would be commissioned and the discussion with City Council could take place while these drawings were still underway. Mr. Hewitt asked if delaying action for a month would have an impact; Mr. Beal said that delaying a month would push the process back a month and would ultimately affect when construction would take place by a month. Mr. DeVarti said he supported moving ahead with construction drawings because there is a serious parking crunch downtown, and the DDA spent time at its retreat a couple months ago coming to consensus where additional parking should be built, which included Ann Ashley. It is possible that City Council may ultimately select more than one site to add additional public parking, and Ann Ashley would certainly be on the short list if not the top site.

Ms. Hall said that she supported the resolution but at the same time there is a need to discuss moving county and city staff out of the structures. She would also strongly support the build out of retail space on the first floor as part of the addition. Ms. Smith agreed, saying that accommodating a retail use should be included by the Capital Improvements Committee in its planning for construction at this site. Mr. Beal agreed to that suggestion.

Mr. Collins said he supported the resolution but asked if DDA action on this resolution would be perceived as provocative, given the recent Council resolution. **He suggested that the Resolved clause seeking authorization from Council be dropped and incorporated into new text explaining that the City Council resolution was received, DDA priorities have been established, and a report will be provided to City Council as requested, which will include information on expanding Ann Ashley:**

~~RESOLVED, The DDA requests authorization from City Council to pursue the expansion of the Ann Ashley parking structure;~~

Whereas, A City Council resolution dated April 3, 2007 requests that the DDA prepare a report on the feasibility of constructing additional parking at four downtown sites, and the DDA has established priorities for where it feels additional parking could be accomplished;

RESOLVED, The DDA will prepare a report for City Council as requested, which will include information on expanding Ann Ashley;

RESOLVED, The DDA shall establish a \$12.2 million project budget for the construction of three additional floors to the Ann Ashley parking structure;

RESOLVED, The DDA Chair, Capital Improvements Committee Chair, and Executive Director are authorized to issue bid documents and contract with Carl Walker Inc. to prepare construction drawings for this project;

RESOLVED, The DDA shall have the opportunity to approve the selection of contractor for this project once bids have been received and a recommendation put forward by the Capital Improvement Committee.

A vote on the resolution as amended showed:

AYES: Aldrich, Beal, Collins, DeVarti, Greff, Gunn, Hall, Smith, Splitt

NAYES: Hewitt, Hieftje

Absent: Boren

The motion carried.

8. OPERATIONS COMMITTEE

Financial Reports: Mr. Hewitt reported that the February 2007 financials were as anticipated. TIF expenses are less than anticipated because much alley repair expenses will be shifted to next year; Parking revenues are currently over budget 7%; The 4th & William bond has been authorized and the funds will be reimbursed in the near future. The number of hourly patrons in February were down against last year, particularly due to the construction at 4th & William. **The February 2007 financial reports were moved by Mr. Hewitt, seconded by Ms. Gunn and unanimously approved.**

9. OTHER DDA BUSINESS MATTERS

10 Year Plan: Ms. Smith stated that all members of the Board are invited to an educational overview of the Ten Year Plan on April 5th at 3pm.

10. OTHER AUDIENCE PARTICIPATION

None.

11. ADJOURNMENT

As there was no further discussion the meeting was adjourned at 1:45 P.M.

Respectfully submitted,
Susan Pollay, Executive Director