

**ANN ARBOR DOWNTOWN DEVELOPMENT AUTHORITY MEETING MINUTES
November 4, 2009**

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

1. ROLL CALL

Present: Gary Boren, Russ Collins, Leah Gunn, Jennifer Hall, Roger Hewitt, John Hieftje, Joan Lowenstein, John Mouat, Keith Orr, Sandi Smith, John Splitt

Absent: Newcombe Clark

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

Audience: Dave Askins, *Ann Arbor Chronicle*
Jim Blum, The Christman Company
Moiria Brenigan, getDowntown
Ray Detter, Downtown Area Citizens Advisory Council
Judy Foy, Judy Foy Communications
Alan Haber, A2C2 Ann Arbor Committee for the Commons
Adrian Iraola, Park Avenue Consultants
Mark Lyons, Republic Parking
Oscar Notz, Turner Construction
Mike Ortlieb, Carl Walker, Inc.
Dave Pezda, Luckenbach/Ziegelman Architects
Pat Podges, The Christman Company
Ibraheem Shunnar, Ann Arbor Citizen
Robert Washington, Devon Industrial Group

2. AUDIENCE PARTICIPATION

Mr. Haber introduced himself as a member of the Ann Arbor Committee for the Commons, and said that the group is interested in building a small community center on top of the new underground parking structure.

3. REPORTS FROM CITY BOARDS AND COMMISSIONS

Downtown Area Citizens Advisory Council: Mr. Detter said that the CAC has been active throughout the A2D2 process, and as a group they want a Design Review Board and mandatory design review process, although there isn't consensus on voluntary or mandatory compliance. He said that CAC has worked on the Downtown Historical Street Exhibit Program for over 20 years, and they were pleased to see the program continue to grow. Without the \$50,000 DDA grant this project might not have happened.

4. STATUS OF TASKFORCE EFFORTS WITH DDA MEMBERSHIP

A2D2 Steering Committee: Mr. Hewitt reported the A2D2 Downtown Zoning Plan and Guidelines have been sent to City Council for action. The steering committee is scheduled to meet later this month to continue to draft the next phase of its work.

Mutually Beneficial Committee: Ms. Smith said there is nothing to report.

5. MINUTES

Ms. Gunn moved and Mr. Hieftje seconded approval of the October 7 DDA meeting minutes. Ms. Hall said that she had incorrectly been shown as the maker of a motion on page 5; this correction was noted.

A vote on the motion to approve the minutes as corrected showed:

AYES: Boren, Collins, Gunn, Hall, Hewitt, Hieftje, Lowenstein, Mouat, Orr, Smith, Splitt

NAYS: None

Absent: Clark

The motion carried.

6. CAPITAL IMPROVEMENTS COMMITTEE
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Mr. Hewitt moved and Ms. Gunn seconded the following resolution:

**RESOLUTION TO APPROVE SELECTION OF THE CHRISTMAN COMPANY FOR
CONSTRUCTION MANAGEMENT SERVICES FOR THE CONSTRUCTION OF THE S.
FIFTH AVENUE PARKING STRUCTURE PROJECT**

Whereas, In February 2008 City Council authorized the DDA to design and construct an underground parking garage at the S. Fifth Avenue lot and in February 2009 City Council approved the site plan for this project;

Whereas, The DDA's design team for the S. Fifth Avenue Parking Structure Project completed work on its Design Development Report, Drawings and Specifications and distributed a Request For Qualifications in June 2009, which received fourteen responses, from which four firms were selected to be interviewed with the requirement that they respond to a follow-up Request For Proposals;

Whereas, Following the interviews and review of the RFP responses the DDA Capital Improvements Committee recommended The Christman Company as the firm to provide the DDA with construction management services for the pre-construction phase of the S. Fifth Avenue project, and on August 19, 2009 the DDA voted to approve The Christman Company as recommended by its Capital Improvements Committee;

Whereas, The DDA Capital Improvements Committee and project design team have reviewed the work performed by Christman during the preconstruction phase of the project, including the development of a construction phasing plan, pedestrian traffic plan and a Guaranteed Maximum Price (GMP), and are satisfied with the quality of this work and that it meets all the requirements set forward in the DDA's RFP;

Whereas, The Christman Company established in its RFP response its cost to provide construction management services, and this cost has not changed;

Whereas, The Christman Company has established the GMP for the project to be \$44,381,573.00 which includes their fees as stated above, plus all major project items that will be bid out including concrete, earth retention, earth excavation, and more;

Whereas, The Capital Improvements Committee reviewed in detail The Christman Company's GMP and is satisfied that the GMP is thorough, detailed and well thought out;

Whereas, The DDA Capital Improvements Committee recommends approval of The Christman Company as construction manager for the DDA's S. Fifth Avenue parking structure project;

RESOLVED, The DDA approves the selection of The Christman Co. as construction manager for the DDA's S. Fifth Avenue parking structure project with a guaranteed maximum price of \$44,381,573.00 which includes the Christman Company's fees and labor costs, with the understanding that all major project items will be bid out and the price savings conveyed to the DDA.

RESOLVED, The DDA Chair, Capital Improvements Committee Chair and Executive Director are authorized to sign a contract based on an AIA standard agreement, and to take the necessary administrative actions to implement this resolution.

Mr. Splitt said Christman did good work during preconstruction, including providing a construction phasing plan and a Guaranteed Maximum Price. The Committee went through this GMP in detail and is satisfied with its thoroughness. Nearly the entire project will be bid out including concrete, electric, shoring, mechanicals, and more. Mr. Splitt said that he had no hesitation going forward with this resolution; Ms. Gunn stated her support.

A vote on the motion to approve the resolution showed:

AYES: Boren, Collins, Gunn, Hewitt, Hieftje, Lowenstein, Mouat, Orr, Smith, Splitt

NAYS: Hall

Absent: Clark

The motion carried.

Fifth & Division: Mr. Splitt reported brick installation continues on Division. He anticipates the water main installation will be completed by the end of the month.

Wayfinding: Mr. Splitt said that nearly all signs have been installed, including on MDOT streets and at the freeway exits. Minor tweaking is being done where necessary, and maps will be installed soon.

7.

TRANSPORTATION COMMITTEE

LINK Discussion: Mr. Mouat said that the committee thanked Ms. Miller for her report on successful downtown circulators in other cities. Mr. Ford and Mr. White attended the meeting and provided valuable insights into circulators. The committee set the following as the goal for a downtown circulator: "To increase downtown retail, restaurant and residential activity; as a development authority, the DDA will use the LINK circulator to make it easier for people to live,

work or shop/dine in the downtown.” A partnership with AATA is needed if a circulator is to be successful. Mr. Mouat moved and Mr. Orr seconded the following resolution:

RESOLUTION SEEKING A DDA/AATA PARTNERSHIP FOR A DOWNTOWN CIRCULATOR

Whereas, The 2003 DDA Renewal Plan encourages the DDA to support alternative transportation initiatives with the goal to make downtown more viable;

Whereas, The LINK was introduced as a downtown circulator beginning in 2003 utilizing a Congestion Mitigation Air Quality (CMAQ) grant, and in 2004 the DDA began providing annual grants to support the LINK from September to April during the weekdays;

Whereas, The DDA Transportation Committee has determined that there is benefit to having a downtown circulator if the service is designed well to meet important downtown goals including encouraging greater downtown residential and commercial success;

Whereas, The DDA Transportation Committee recognizes the valuable expertise AATA has with transportation initiatives and seeks to create a partnership between AATA and the DDA to develop such a downtown circulator;

RESOLVED, The DDA asserts its support for the development of a downtown circulator that is designed to encourage greater downtown residential and commercial success; and

RESOLVED, The DDA asks to partner with the AATA board and staff to develop the elements of a successful downtown circulator.

Mr. Orr explained this resolution didn't involve funding, but rather was an official request by the DDA to the AATA board asking for a partnership with which to develop a successful downtown circulator. Mr. White will pass this resolution on to the AATA Board for their action. Ms. Hall stated the committee spent a lot of time discussing the LINK and she acknowledged the thoroughness of the report provided by Ms. Miller. Ms. Hall said there is some confusion in the community about why the LINK stopped. She proposed the following amendment, that was accepted as friendly by Mr. Orr, to be inserted between the 3rd and 4th Whereas: *“Whereas, The DDA Transportation Committee decided against providing an annual grant to support the LINK for 2009-2010 in order to continue examining the concept of a downtown circulator;”*

Mr. Collins suggested Transportation add supporting arts and entertainment to its goals for the LINK and he reported that previous circulator attempts have failed. He said he strongly encouraged the committee to allow the professionals to design LINK route and service, but did not see the need for a resolution. Mr. Mouat explained the resolution is a formal way to ask the AATA Board for its partnership regarding the LINK. Mr. Orr noted the 5th Whereas that mentions the valuable expertise AATA has to offer.

Ms. Gunn called the question, and Mr. Hewitt seconded this. Mr. Hieftje asked if he could first make a comment before the question was called, and Ms. Gunn agreed. Mr. Hieftje said that

he knew there wasn't a funding request before the DDA at this time, but he asked the committee to examine if the LINK was the best use of DDA transportation dollars.

A vote on the motion to approve the resolution as amended showed:

AYES: Boren, Collins, Gunn, Hall, Hewitt, Hieftje, Lowenstein, Mouat, Orr, Smith, Splitt

NAYS: None

Absent: Clark

The motion carried.

getDowntown: Mr. Mouat reported that the committee gave Ms. Pollay general support to fund an office sublet for getDowntown for a year to allow time for the program partners to develop a longer term plan. For instance, Ms. Pollay will report back to the committee with the pro's/con's for whether getDowntown should become a quasi-governmental organization, a nonprofit, or an arm of one of the partner organizations.

Pedestrian Improvements: Mr. Mouat said the committee continued its discussion of how the downtown could become even more attractive to pedestrians. Staff distilled committee ideas into a series of matrixes to help the group determine future projects. Ms. Gunn expressed an interest in more countdown signals. Mr. Hieftje said the committee work is very timely, as he is working with Eli Cooper, Council member Hohnke and the Washtenaw Biking and Walking Coalition to improve pedestrian safety. Ideas being considered by the group include possibly banning bicycle riding on downtown sidewalks and increasing police assistance at various crosswalk locations.

8. PARTNERSHIPS COMMITTEE

DDA Energy Saving Grant Program: Ms. Smith reported that of the 44 applications approved in 2008/9, 34 energy audits have been completed, recommending \$882,841 worth of energy saving upgrades for an annual energy savings of \$178,313. Measures are predicted to have a payback of 5 years and with DDA contributions, a payback of only 3.5 years. Seven of these participants have completed Phase II, and invested \$71,051 in energy saving measures with a DDA contribution of \$26,578. For the 2009/10 program 50 applications were accepted for 52 buildings/businesses for a total of 691,737 sq feet.

Near North request for DDA Housing Funds: Mr. Collins said Mr. Appel/Avalon presented information on the project. The total project cost is \$11 million and the request to the DDA is \$500,000. The Committee has asked Mr. Appel for additional information.

Ms. Smith moved and Ms. Gunn seconded the following resolution:

**RESOLUTION PROVIDING A GRANT TO THE SHELTER ASSOCIATION OF
WASHTENAW COUNTY (\$20,000)**

Whereas, The Shelter Association of Washtenaw County is an important downtown anchor and service provider, providing temporary shelter and supportive services at the Delonis Center to meet the needs of individual adults who are homeless;

Whereas, The Shelter Association has developed a plan to add 25 year-round beds to the Delonis Center and an additional 25 bed rotating shelter for winter 2009/10 in response to the increased number of people who are homeless and seeking assistance;

Whereas, This plan has been developed in partnership with the City of Ann Arbor and Washtenaw County, and will require acquisition of new beds in addition to an increase in case management services;

Whereas, The DDA Partnerships Committee reviewed a \$20,000 request from the Shelter Association to purchase new beds as part of this plan, and strongly recommend that the DDA approve this grant request;

RESOLVED, The DDA approves a grant in the amount of \$20,000 to the Shelter Association of Washtenaw County for the purchase of beds, with funds to be taken from the DDA's 2009/10 Housing Fund.

Ms. Smith said the City, County and Shelter plan to add 25 year-round beds at Delonis and an additional 25 beds in a rotating shelter for winter 2009/10 in response to the increased number of people who are homeless and seeking assistance. Mr. Hewitt asked the location of the rotating shelters; Ms. Smith said that churches have been asked to assist. Ms. Smith explained that City funds are being sought for case management services whereas the DDA funds would be used to purchase beds.

A vote on the motion to approve the resolution showed:

AYES: Boren, Collins, Gunn, Hall, Hewitt, Hieftje, Lowenstein, Mouat, Orr, Smith, Splitt

NAYS: None

Absent: Clark

The motion carried.

Ann Arbor Arts Alliance funding request for an Arts Web Portal: Mr. Collins said the committee discussed the request and asked Ms. Real for additional information.

Committee Work Plan: Ms. Smith said that the Committee will set aside time at each meeting for Planning Commission, City Council, and DDA updates on items of shared interest.

10. OPERATIONS COMMITTEE

Financial Reports: Mr. Hewitt reported that first quarter reports show that Parking Maintenance expenses are over budget as the DDA awaits its bond reimbursement, Housing is over budget due to the timing of two grants to Avalon Housing, and Parking Fund has a net excess of revenue over expenditures. The September and First Quarter parking reports show an increase in revenues and numbers of patrons, despite the bad regional economic reports.

Ms. Hall suggested adding a column that reflects the number of spaces available at each location and footnoting significant events that could provide historical perspective for totals. Mr. Collins said as Treasurer he would work with staff to add this extra information. He invited all interested Board members to participate in Operations Committee meetings.

Demand Management: Mr. Hewitt said that in addition to monthly committee updates, staff have been regularly updating a progress report on Nelson/Nygaard recommendations. This update is available on the DDA website and it was noted that every recommendation has either been completed or progress is well-underway. A second set of TDM-related action steps has been drafted by staff for the next 18 months. Mr. Hewitt reinforced that the DDA's two goals with its TDM efforts are to: 1) encourage even greater use of sustainable transportation choices to and through downtown, and 2) to gain even greater efficiency from the parking system by spreading demand with a more varied price structure based on time of day, location, and other factors.

Operations has asked the Transportation Committee to share the next phase of work, which will include projects in three areas: 1) support the creation of new attractive sustainable commuter options, 2) provide parking patrons with more information about their parking use, and 3) use discounted and premium pricing as a tool to provide more parking choices.

Mr. Hewitt said that Operations will continue to monitor the impact of new strategies to ensure that funds for debt service and parking operations are not endangered. Further, it will work to ensure that parking rate changes do not make downtown unattractive to prospective office tenants, customers, residents and small independent businesses.

11. OTHER DDA BUSINESS MATTERS

None.

12. OTHER AUDIENCE PARTICIPATION

None.

13. ADJOURNMENT

Mr. Hewitt moved and Mr. Collins seconded adjournment of the meeting at 1:15PM.

Respectfully submitted,
Susan Pollay, Executive Director