

**Ann Arbor Downtown Development Authority Meeting Minutes
Wednesday, March 5, 2008**

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

1. ROLL CALL

Present: Gary Boren, Russ Collins, Dave DeVarti, Leah Gunn, Roger Hewitt, John Hieftje, Joan Lowenstein, John Mouat, Sandi Smith

Absent: Jennifer Hall, Rene Greff, John Splitt

Staff Present: Susan Pollay, Executive Director
Joe Morehouse, Deputy Director
Joan Lyke, Management Assistant
Lindsay-Jean Hard, Special Projects Manager

Audience: Tony Bisesi, Republic Parking System
Ray Detter, Downtown Area Citizens Advisory Council
Ray Fullerton, Downtown Area Citizens Advisory Council
Bob Guenzel, Washtenaw County & SPARK
Alan Haber, Citizen
Adrian Iraola, Washtenaw Engineering
Kristie Martin, A2 Chamber of Commerce
Jonathan Miller, Republic Parking System
Ethel Potts, Citizen
Connie Pulcipher, A2 City Planning & Development
Nancy Shore, getDowntown
Rick Snyder, A2 SPARK
Hal Wolfe, Dexter Ann Arbor Run

2. AUDIENCE PARTICIPATION

Mr. Alan Haber presented a statement, asking that the former Y building be made available for community purposes after the DDA completes the asbestos removal. He asked the DDA to postpone the demolition of the building for a period of time to enable a group of community members to study the feasibility of reclaiming the building. He invited all interested parties to attend the next "Ann Arbor Town Meeting" scheduled for Thursday, March 20, 2008, at 310 S. Ashley, 7:30 PM.

Mr. Splitt enters.

Mr. Hal Wolfe, coordinator of the 35th Annual - Ann Arbor Dexter Run, said that the event would not end in downtown this summer due to road work on Huron River Drive. But he asked the DDA to consider a request for next year to use the premium parking spaces at the Ann Ashley parking structure from Friday evening before the event until after the event Sunday afternoon.

Ms. Hall enters.

Ms. Nancy Shore provided updates on getDowntown activities, including planning for Curb Your Car Month. She thanked the DDA for providing preferential parking for van pool and car pool parking. She announced that commuter bus service is scheduled to begin in May between Chelsea and Ann Arbor. She invited the DDA Board to a special event on April 15th at the Michigan Theater Screening Room, at which information will be presented on commuting options.

Mr. Ray Detter reported that the CAC talked about proposed downtown developments, including the mixed-use, "green" University Village project that will provide approximately 1,400 beds in 421 units on the corner of S. U./S. Forest; and a proposal to rezone the house at 121 N. Division to office. The CAC urges the selection of the Ann Arbor Art Association, Arts Alliance, and Greenway Conservancy as the preferred reuse for the City owned property at 415 W. Washington.

3. NEW BUSINESS

Mr. Bob Guenzel and Mr. Rick Snyder provided a brief overview of Ann Arbor SPARK. Mr. Guenzel said that SPARK's purpose is to encourage economic development in Washtenaw County by providing business retention services, area promotion as a place to start or grow a business, and recruitment. SPARK is a non-profit organization, receives its funding from private and public sources, and works with over 30 organizations in Washtenaw County in addition to partnering with municipalities and cities. Funds are needed to support its work and Mr. Snyder asked the DDA to consider its request to increase its annual membership dues to \$10,000 per year for the next five years. Mr. Collins invited Mr. Guenzel and Mr. Snyder to a future ROC meeting.

4. MINUTES

Ms. Gunn moved and Mr. Mouat seconded approval of the February 6, 2008 DDA meeting minutes.

A vote on the motion to approve the minutes showed:

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

NAYES: None

Absent: Greff

The motion carried.

5. STATUS OF CITY TASKFORCE EFFORTS

A2D2: Mr. Hewitt announced that the next Steering Committee meeting will be March 24. The Committee is focusing on the downtown zoning recommendations and adopting a new design review process. An area of particular interest is seeing how zoning premiums can be used to accomplish affordable housing goals.

Taskforce on Sustainable Revenue for Supportive Housing Services for Ending Homelessness: Ms. Smith reported that the taskforce is charged with finding a revenue stream for approximately \$5,000 annually per person for services. The group has had some early informational meetings.

6. CAPITAL IMPROVEMENTS COMMITTEE

First and Washington alley: Mr. Splitt said that conduit installation will be completed this week. Storm sewer installation will be done in the spring after cables have been relocated.

Sidewalk curb ramps: Work will resume in the spring.

Former YMCA building: Mr. Splitt said that four asbestos abatement bids were received and the committee recommended awarding the contract to Qualified Abatement Services. An unforeseen circumstance was the presence of chemicals left on site, which will cost approximately \$15,000 to remove. Seven demolition bids were also received and the lowest responsible bidder was Adamo Demolition. One bid was not opened due to a missing bid bond. References are being checked prior to approval by the committee.

S. Fifth Underground Garage: Design consultant interviews will be tomorrow, and all are invited to attend.

7. PARTNERSHIPS COMMITTEE

S. Fifth Underground Garage: Three DDA committees will work on this project; the unique role of Partnerships will be to define the larger project goals in terms of the DDA's mission to encourage downtown private reinvestment, and specifically to outline possible partnerships opportunities with this project. The

Committee sees its goals for the project as: public art; energy neutral use (conservation and alternative energy use); low cost/space; quality parking experience; 2+ vehicular entrances/exits ; 75 year durability; creative wayfinding; pedestrian circulation (within the deck & on the surface); new downtown street; and connection (physical connection and through design) to the new Library building, and areas for Republic Parking maintenance/offices to help keep the structure activated/feeling safer. Immediate areas of opportunity include working with the Library's Director to develop the structure design so it maximizes its benefits for the Library. We also have opportunities to strengthen the diagonal pedestrian connection through Liberty Plaza Park to encourage redevelopment of the center city/state street area near Division/Liberty and beyond.

Future Partnerships projects: Ms. Smith said that the Committee has an interest in commissioning reports for the DDA website to support downtown development. These studies might include pedestrian-counts in the various sectors of downtown or holding a focus group meeting with downtown brokers and land owners to find out more about the information prospective tenants need before they can make their choice to locate their business downtown.

Ms. Smith moved and Mr. Collins seconded the following resolution:

RESOLUTION TO ELIMINATE THE DDA PARTNERSHIPS GRANT PROGRAM

Whereas, The DDA established a DDA Partnerships Grant program in 1999 with guidelines that set forward how the Authority could work with private developers to encourage new development in the downtown area;

Whereas, These guidelines have been revised several times by the DDA in the intervening years, most recently in November 2007;

Whereas, The primary goal of this Partnerships Grant program has been to encourage exemplary downtown developments in hopes that these projects could serve as catalysts for similar future projects;

Whereas, In addition to these grants, the DDA has developed several other means to assist downtown development projects, including a low-interest façade loan program, a conceptual framework by which parking could be provided under contract to assist downtown developments, and a program to assist with the expansion of downtown infrastructure or provision of parking to lessen pedestrian impacts during construction;

Whereas, Development interest in the downtown is currently very strong, and the Partnerships Committee no longer believes that DDA Partnerships Grants are needed to foster development;

RESOLVED, The DDA resolves to eliminate its DDA Partnerships Grant Program, but will retain its other economic development tools to support downtown development including its façade loan program, provision of parking contracts, provision of parking assistance to lessen pedestrian impacts during construction and support for public infrastructure expansions.

Ms. Smith said that the Committee felt the Grant program was not needed at this time to spark new development. The market place is clearly encouraging new projects and the work coming from the A2D2 process appears to be encouraging investment, as well.

A vote on the motion to approve the resolution showed:

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

NAYES: None

Absent: Greff

The motion carried.

8. OPERATIONS COMMITTEE

Financials: Mr. Hewitt explained that the DDA's server crashed recently and Operations committee was not able to review the financials at its last meeting. No information was lost when the server went down and financials will be available for the Board's review and approval at the next meeting.

Transportation Demand - Implementation Plan: Mr. Hewitt presented a memo prepared by DDA staff that sets forward a 12-18 month action plan to implement steps that will help the DDA accomplish the TDM recommendations set forward in the Nelson/Nygaard Comprehensive Parking Strategies Report. The Committee will receive monthly progress updates. Mr. DeVarti asked if the transition could be accomplished more quickly; Mr. Hewitt explained that Operations wants to be cautious and pilot some of the changes to see if there are financial impacts before full implementation.

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

RESOLUTION TO CREATE A FLAT PARKING RATE FOR VISITOR PARKING DURING UM COMMENCEMENT

Whereas, The University of Michigan has resolved to move its major 2008 commencement ceremony from its traditional site at Michigan Stadium to the Diag on April 26, 2008;

Whereas, Up to 25,000 people are expected to attend this event, and it will be important to facilitate easy exiting from the parking structures near campus when the event is over;

Whereas, The DDA Operations Committee has considered a concern about potential traffic backups in the structures closest to Central Campus, and recommends that a flat \$5/entry rate be charged so that patrons can exit readily, as is done during Art Fair;

RESOLVED, A flat fee of \$5.00/entry will be assessed on Saturday, April 26th from morning until after University of Michigan commencement has concluded in the following parking structures: Forest, Maynard, and Liberty Square.

RESOLVED, That the City Council shall be notified of this resolution per its Agreement with the DDA, with the expectation that these rates shall go into effect on April 26th although this notification is a few days less than the required 60 day notification period set forward in the City/DDA parking agreement.

Mr. Hewitt said that a flat rate was recommended as a way to help prevent backups in the structures after commencement concludes. Ms. Hall asked if DDA could wait to set a fee until the University sets its rates; Ms. Pollay explained that City Council must be notified of a rate change and time constraints won't allow a postponement. Mr. Collins proposed a friendly amendment to establish a range of rates; Mr. Splitt said that a range would be difficult to communicate. Mr. Collins indicated his support for this.

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

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

NAYES: None

Absent: Greff

The motion carried.

10 Year Plan Review: Mr. Hewitt invited all interested Board members to participate in the meeting to review DDA finances immediately following the Board meeting.

9. R O C COMMITTEE

Ann Arbor area communication. Mr. Collins said that a new on-line magazine was being developed that will be sponsored by a coalition of the A2C&VB, Spark, Chamber, UM, AATA/GetDowntown, and others. The magazine will focus on Ann Arbor-area stories of growth, investment and entrepreneurs. The DDA was asked to contribute \$12,000 toward the total cost for one year and the Committee supported this effort.

Art Fair Grant. The Ann Arbor Art Fairs will collaborate this summer on a patron survey, along with the Chamber, A2C&VB, and three of the area associations. The Committee supported a \$10,000 grant for this project, which has a total cost of \$32,000. When completed, survey data will be provided to the DDA so information can be made available on our website.

Public Art: ROC discussed the public art set aside that will come from the First & Washington parking structure (1% X \$9 million project = \$90,000 less a maintenance reserve = \$63,000 for public art. ROC will not take any action at this time but will work with CAPP when this project moves forward.

Wayfinding: Two mock-up signs will be up by the end of the month to help elicit public comments on the design. The destination list, MDOT plan, and other materials are coming together. It is anticipated that signs will be put out to bid, purchased, and installed by the summer.

Bylaws: Mr. Collins stated that Council Member Greden has provided proposed language changes to the DDA ByLaws and the revision will be reviewed at the next meeting.

DDA grants: Mr. Collins said that ROC is considering grants that are directed to a goal, and for the coming year want to pursue alternative energy/or "green" initiatives. City Energy Coordinator, Dave Konkle will attend the next meeting to help the committee develop its specific recommendation.

10. OTHER DDA BUSINESS MATTERS

LED Lights: Mr. Hieftje reported that the LED project is underway and the installation is approximately 50 lights per week. He anticipates that the project will be completed by the end of the year.

East/West Rail: Mr. Hieftje said that Representative Kilpatrick is scheduled to meet in Ann Arbor soon on this project. Studies show significant economic development potential along the lines which would be a boost to the Michigan economy.

11. OTHER AUDIENCE PARTICIPATION

None.

12. ADJOURNMENT

As there was no further discussion Ms. Gunn moved and Mr. Splitt seconded adjournment of the meeting at 1:40 PM.

Respectfully submitted,
Susan Pollay, Executive Director