

**Ann Arbor Downtown Development Authority Meeting Minutes
Wednesday, April 2, 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, Rene Greff, Jennifer Hall, Roger Hewitt, John Hieftje, Joan Lowenstein, John Mouat, Sandi Smith

Absent: Dave DeVarti, Leah Gunn, John Mouat

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

Audience: Fran Alexander, Alexander Resources
Tony Bisesi, Republic Parking System
Ray Detter, Downtown Area Citizens Advisory Council
Mary Fales, City Attorney's Office
Ray Fullerton, Downtown Area Citizens Advisory Council
Adrian Iraola, Washtenaw Engineering
Ethel Potts, Citizen
Wendy Rampson, City Systems Planning
Nancy Shore, getDowntown

2. AUDIENCE PARTICIPATION

Mr. Detter reported that the CAC is supports the Village Green project at 1st/Washington; suggests that the City/Courts building be evaluated at the Planning review level to make sure it meets the city's A2D2 requirements and is in compliance with the residential/historically designated neighborhood; does not believe 250 parking spaces is adequate for the 1400 bed University Village project; is concerned about the impact of towers 20 and 15 stories high at SU/Forest and encourages the Planning Commission to address the issues as to how the buildings would impact the nearby two-story residential neighborhoods.

3. MINUTES

Mr. Splitt moved and Mr. Collins seconded approval of the March 5, 2008 DDA meeting minutes.

A vote on the motion to approve the minutes showed:

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

NAYES: None

Absent: DeVarti, Gunn, Mouat

The motion carried.

Mr. Splitt moved and Ms. Lowenstein seconded approval of the March 12, 2008 Special DDA meeting minutes.

A vote on the motion to approve the minutes showed:

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

NAYES: None

Absent: DeVarti, Gunn, Mouat

The motion carried.

4. STATUS OF CITY TASKFORCE EFFORTS

A2D2: Mr. Hewitt said that recommendations for the Downtown Plan, Zoning Ordinances, and Historic District Guidelines will be presented to the Steering Committee on April 8, and are scheduled to come to City Council in June/July. Property owners will be advised of impending changes and a survey of the Old West Side will be conducted.

Taskforce on Sustainable Revenue for Supportive Housing Services for Ending Homelessness: Ms. Smith reported that the taskforce has formed subgroups to explore ideas: existing funding, public entities and private entities. The most immediate action will be a study of how to meet immediate needs, followed by creating short-term and long-term plans. WHA set forward a sustainable revenue stream need of approximately \$5,000/person/year, the group has a phenomenal goal of creating a \$100 Million endowment and will be looking at all possibilities including a possible millage.

5. CAPITAL IMPROVEMENTS COMMITTEE

Underground S. Fifth Avenue structure: Mr. Ortleib presented the preliminary project schedule that show DDA committee and board meetings. Ms. Alexander presented an overview of the public engagement plan. She said that the project schedule is aggressive and she will work to ensure that the design of the parking structure will be guided by the informed input of the stakeholders.

Mr. DeVarti enters.

Former YMCA building: Mr. Splitt said that asbestos abatement is on-going. A fence protecting the AATA area was installed over the weekend, and the gas line will be disconnected on Friday. Demolition will begin as soon as the Frost Laws are lifted. Mr. Iraola said that found what they think is a time capsule; Ms. Pollay will contact Ms. Duchon of the YMCA so that she can help decide how and when to open the capsule and what to do with the items that may be found inside.

6. RESEARCH AND OPPORTUNITY COMMITTEE

Wayfinding Status: Mr. Collins reported that two mock-up signs were installed at Miller/First and at Main/Madison and the public has been invited to share their comments. ROC will review responses and frame a recommendation for implementation of the full wayfinding plan at its next meeting.

Spark Membership Dues: Mr. Guenzel and Mr. Finney met with ROC. Spark provides many resources to encourage reinvestment and new economic growth, including: helping entrepreneurs launch new businesses/grow existing businesses; business recruitment; business retention; and, promoting Washtenaw County on a national and international basis. Mr. Collins said that the Resolution to Approve Membership Dues to Spark would not be moved, as some City Council members want to discuss the issue and they will be invited to the next ROC meeting to provide input. Mr. Hieftje said that some members of City Council have stated that the City belongs to Spark and they thought it would be redundant if the DDA were to also join. Ms. Greff stated that the DDA funds are not the same as City funds and she looks forward to hearing about the concerns that some may have regarding the issue.

2008 Spring Clean-up: Mr. Collins moved and Ms. Greff seconded the following resolution:

Resolution to Support the 2008 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 remove handbills from light poles;

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

Whereas, The DDA has financially contributed to this event for nearly a dozen years, including a \$7,500 grant each in 2006 and 2007;

Whereas, DDA funds are used to purchase flowers, mulch, paint, and other materials;

Whereas, The DDA ROC Committee recommends DDA approval of this grant, and asks that the DDA modify its budget to show an annual cost of \$7,500 for this activity;

RESOLVED, The DDA will contribute \$7,500 toward the 2008 Downtown Spring Cleanup and will modify its future budgets to reflect this amount as an annual expense.

Mr. Collins said that ROC recommends approval and because this grant has been issued annually, the Committee also recommends that the DDA establish \$7,500 annually in its budget for this event.

A vote on the motion to showed:

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

NAYES: None

Absent: Gunn, Mouat

The motion carried.

DDA "Green/Sustainability" grants: Mr. Collins said that ROC has been exploring the possibility of a "green" grant program. The City Energy Coordinator attended the last meeting and provided ideas. At this time it appears that the future grant program may have three phases: 1) The DDA would provide up to \$2,000 for an energy audit of a downtown building; 2) The DDA would provide funding to help a downtown business/building owner hire a consultant to develop an implementation plan; and 3) The DDA would provide matching funds up to a certain amount to enable the business/building owner to implement improvements. It is anticipated that each grant may be approximately \$20,000, and with \$250,000 set aside this coming year for grants, the DDA could potentially give up to 10 sustainability grants. The remaining \$50,000 in the grants budget would be set aside for other types of grant requests. Mr. Hieftje suggested that ROC may also consider a pay back program where the recipient of the grant could pay back the DDA from the savings on energy bills as a result of the improvements.

Washtenaw Livingston Rail Line [Wally]: Mr. Collins reported that last year the DDA approved a grant of \$250,000/year for 3 years for this project. The communities and counties supporting the project are joining forces to undertake a technical review/feasibility study, which will provide greater specificity for the amount of estimated ridership, operational cost, and start-up costs. The study will cost \$160,000. The DDA was asked for \$15,000. The Committee resolved to use \$15,000 of the grant money we approved last year as our contribution toward this study.

7. PARTNERSHIPS COMMITTEE

City Request to the DDA for the new Court/Police Building: Ms. Smith reported that the DDA has been asked for \$8 million for the new court/police building with a possible addition of \$200,000 for LEEDs certification. The committee discussed how this project helps the DDA accomplish its mission, including 1) its Gold LEED certification sets an example for future downtown buildings; 2) an improved city hall communicates the City's confidence in the downtown; and 3) it maintains important government services in the downtown and not in locations outside downtown. The DDA State Statute sets forward that a DDA Board may participate in the construction of a public facility if the board believes that it aids in the economic growth of the downtown. Ms. Smith said that the Committee will continue its discussion at the next meeting and may bring a recommendation to the May DDA meeting for action.

8. OPERATIONS COMMITTEE

Financials: Mr. Hewitt reported that TIF Income is 3% above budget; TIF Operating expenses are 17% over budget due to the LED Light grant that was not budgeted; TIF Maintenance expenses are 119% under budget due to project timing, as most of the work is done in the spring and summer months; Parking income is 4% over budget; Direct parking expenses are 4% over budget;; and Parking maintenance expenses are 13% over budget due to project timing; Housing income fund is 51% over

budget due to reclassification of prior years former YMCA Purchase Costs; and the Housing operating expenses are 67% over budget due to an unanticipated grant to Avalon Housing. **The February 2008 financial reports were moved by Mr. Collins, seconded by Mr. Splitt and unanimously approved.**

Transportation Demand - Implementation Plan: Mr. Hewitt indicated that Republic is working to install equipment to support an AVI system, including the purchase of new equipment to speed data transfer to customer entries/exits go faster. New accounts receivable software has also been purchased that will reduce staff time necessary to manage the current parking permits and allow for automated credit card billings. Staff is currently working on an RFP for pay-by-space machines to replace the parking meters.

Future Financial Commitments: Mr. Hewitt announced that there will be a DDA mini-retreat scheduled in the next two weeks to provide time for the Board to discuss its financial commitments and to strategize for ways to meet these commitments.

10. OTHER DDA BUSINESS MATTERS

East/West Rail: Mr. Hewitt announced that Representative Kilpatrick is scheduled to meet in Ann Arbor soon on this project. A study will be conducted in the near future in the high usage corridor. After the study results are in, the major stakeholders, including the U/M, the City, AATA, DDA, etc., will be invited to a meeting to discuss ways to improve the service along the corridor in the short and long term.

11. OTHER AUDIENCE PARTICIPATION

None.

12. ADJOURNMENT

As there was no further discussion Mr. Hieftje moved and Ms. Lowenstein seconded adjournment of the meeting at 1:05 PM.

Respectfully submitted,
Susan Pollay, Executive Director