

**ANN ARBOR DOWNTOWN DEVELOPMENT AUTHORITY MEETING MINUTES  
June 3, 2009**

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

<b>1. ROLL CALL</b>
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Present: Gary Boren, Russ Collins, Rene Greff, Leah Gunn, Jennifer Hall, Roger Hewitt, John Hieftje, John Mouat, Sandi Smith, John Splitt

Absent: Joan Lowenstein, Keith Orr

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

Audience: Peter Allen, Peter Allen & Associates  
Dave Askins, Ann Arbor Chronicle  
Steve Bean, Self  
LuAnne Bullington, Self  
Eli Cooper, City of Ann Arbor  
Ray Detter, Downtown Area Citizens Advisory Council  
Ray Fullerton, Downtown Area Citizens Advisory Council  
Adrian Iraola, Park Avenue Consultants  
Heidi Kaplan, Ann Arbor Chamber of Commerce  
Neal Morton, Barton Malow Company  
Chad Nieuhuis, Spence Brothers  
Wendy Rampson, City of Ann Arbor  
Thomas Partridge, Self  
Bonnie Valentine, The Whole Brain Group  
Chris White, AATA

<b>2. CLOSED SESSION</b>
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Ms. Greff moved and Mr. Hewitt seconded a motion to adjourn the DDA meeting to go into a closed session to discuss pending litigation and attorney/client privileged communication. Ms. Hall stated she was going to recuse herself from the closed session because of personal relationship with an individual involved in the issue to be discussed.

**A roll call vote on the motion to adjourn to closed session at 12:05 PM showed:**

AYES: Boren, Collins, Greff, Gunn, Hewitt, Hieftje, Mouat, Smith, Splitt  
NAYS: none  
Absent: Orr, Lowenstein  
Abstain: Hall  
The motion carried.

Ms. Smith moved and Ms. Gunn seconded the motion to reconvene the Board meeting at 12:30 PM.

**A vote on the motion to reconvene the meeting showed:**

AYES: Boren, Collins, Greff, Gunn, Hall, Hewitt, Hieftje, Mouat, Smith, Splitt  
NAYS: none  
Absent: Orr, Lowenstein  
The motion carried.

**3. AUDIENCE PARTICIPATION**

Ms. Valentine said she is an advocate of alternative transportation and supports working from home, public transportation, biking, walking, etc. She said individuals can make a difference one person at a time to reduce their carbon footprint. She encouraged the DDA to approve the \$12,000 grant request in the packet for the getDowntown program.

Mr. Partridge spoke in favor of city, regional and state efforts for public transportation. He said that DDAs from other cities, regions and states should unify their efforts. He encouraged the DDA to continue funding LINK service.

**4. REPORTS FROM CITY BOARDS AND COMMISSIONS**

Downtown Area Citizens Advisory Council: Mr. Detter extended an invitation to the Old Fourth Ward & Downtown Neighbors Spring Potluck Party, 120 & 126 N. Division, on June 4<sup>th</sup>.

The CAC is looking for a clear process with clear standards, when the Downtown Plan is presented to City Council; CAC is not in favor of parking meters being installed in residential neighborhoods; CAC continues to be concerned with deteriorating building and safety issues at Courthouse Square; CAC encourages the City and the DDA to find ways to maintain diversity of housing in downtown; and, would like to see a task force appointed to begin to address the issues related to Courthouse Square.

**5. PRESENTATIONS**

Ms. Miller gave a presentation on transportation hubs, which work to strengthen transportation systems as connectivity enables users to shift from one mode to another. [A copy of her power point presentation is available on the DDA Website, Resources, Reports section].

**6. STATUS OF CITY TASKFORCE EFFORTS WITH DDA MEMBERSHIP**

A2D2 Steering Committee: Mr. Hewitt reported the committee will now take on the task of overseeing the completion of the urban design guidelines, with a public review of these guidelines tentatively scheduled for fall.

415 W. Washington: Mr. Mouat asked Ms. Rampson to provide an update. She said informal discussions continue, however, the project has not moved forward due to the slow economy.

Mutually Beneficial Committee: Ms. Greff reported that City Council has still not selected its members. Ms. Hall said that for personal reasons she was removing herself from the DDA Mutually Beneficial committee, and Mr. Collins would serve in her stead. She said that since she was stepping down she expected that Council would appoint its committee soon so the work of the groups could begin.

**7. MINUTES**

Ms. Gunn moved and Mr. Mouat seconded approval of the May 6, 2009 DDA meeting minutes.

**A vote on the motion to approve the minutes showed:**

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

NAYS: None

Absent: Lowenstein, Orr

The motion carried.

**8. TRANSPORTATION COMMITTEE**

Connector Alternatives Study: Mr. Mouat moved and Ms. Gunn seconded the following resolution:

**RESOLUTION TO INCREASE THE DDA'S CONTRIBUTION TO THE ANN ARBOR CONNECTOR ALTERNATIVES STUDY FROM \$50,000 TO \$80,000**

Whereas, In July 2008 the DDA approved a resolution providing \$50,000 to support the Ann Arbor Connector Study which will look at the feasibility of implementing a Connector as proposed in the City of Ann Arbor's Model for Mobility, which would connect to the future east/west and north/south commuter rail stations as well as the various UM campuses, downtown and Briarwood area;

Whereas, This project has been proposed as a partnership between AATA, UM, City and DDA;

Whereas, An RFP was distributed for this study and the lowest responsible response was provided by URS at a total cost of \$640,000;

Whereas, AATA has received federal grant dollars and has agreed to increase their financial commitment to this study, as has the University as follows:

	<u>Previous Commitment</u>	<u>Requested Commitment</u>
AATA	\$100,000	\$320,000 (confirmed)
UM	\$50,000	\$160,000 (confirmed)
City of Ann Arbor	\$50,000	\$ 80,000
DDA	\$50,000	\$ 80,000

Whereas The Transportation Committee recommends DDA approval of an additional \$30,000 for this study, for a total of \$80,000;

RESOLVED, The DDA will provide an additional \$30,000 for a total grant of \$80,000 to support the Ann Arbor Connector Alternatives Study in partnership with the AATA, UM, and City of Ann Arbor;

RESOLVED, That these grant funds will be taken from 063 Parking Fund Grants, with \$50,000 to be spent in FY 09/10 and \$30,000 in FY 10/11.

Mr. Mouat reported that the DDA approved a \$50,000 grant in July 2008 for a study that would examine the feasibility of implementing a Connector as proposed in the City of Ann Arbor's Model for Mobility using a bus or light rail along Plymouth Road to the hospitals and down State Street to Briarwood, connecting future rail stations for the north/south commuter rail and east/west commuter rails and the various UM campuses. The study was originally estimated to cost \$250,000; however, the lowest responsible bid came in three times higher = \$640,000.

Mr. Hewitt said the study will generate valuable deliverables including a market analysis that will be useful for the DDA. Mr. Mouat stated AATA has resolved to use \$320,000 of its Stimulus funds toward this study and the UM will spend \$160,000. The City and the DDA are being asked to contribute \$80,000 each.

Ms. Smith said that though the incremental increase was relatively small she was reluctant to support this because the study will mostly demonstrate the feasibility of a transportation connection between the various UM campuses, and very little of the proposed route crossed through downtown. She said she would support this resolution today but noted that this study was being done in order to pursue Phase II which would entail purchase of expensive infrastructure, and she wanted it made clear that there should be no assumptions made about proportionate financial involvement by the partners based on the ratio of expenditure with Phase I.

Ms. Gunn said that UM employees and students are members of this community. Ms. Greff stated she too would support the resolution, but she also emphasized that this would not establish the proportionate level of commitment from the DDA for any future funding requests. Mr. Hieftje said the

City also let the University know that it may not be able to go forward as an equal partner in the future and the University is proceeding with that knowledge.

**A vote to approve the resolution showed:**

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

NAYS: None

Absent: Lowenstein, Orr

The motion carried.

getDowntown Program: Mr. Mouat moved and Ms. Smith seconded the following Resolution:

**RESOLUTION TO PROVIDE \$12,000 FOR AN EVALUATION OF THE GETDOWNTOWN PROGRAM**

Whereas, The getDowntown program was established in 1999 as a partnership between the DDA, Chamber, AATA, and City, and in the past decade the program has worked to encourage the use of transit, bicycling, walking, carpools and other transportation alternatives to single-passenger automobile commuting;

Whereas, There is an interest in evaluating current downtown employee commuting behavior as compared against the findings from previous studies to determine how visible the getDowntown program has become, and the impact of various getDowntown programs and special events to help affect commuting choices;

Whereas, This study will also reveal important information about transportation needs that can be used by the DDA as it assesses investment in various transportation programs;

Whereas, The cost for this study will be \$24,000 and the DDA has been asked to pay for 50% of this cost or \$12,000;

Whereas, The DDA Transportation Committee reviewed this request and determined that it would be a valuable use of DDA dollars and recommends approval of this grant by the DDA;

RESOLVED, The DDA approves a grant in the amount of \$12,000 to the getDowntown Program to help fund a comprehensive evaluation of the getDowntown program.

Mr. Mouat said the getDowntown program hired a firm to assess its relative impact and the study will also reveal important information about downtown employee transportation needs that can be used by the DDA as it assesses its investment in various transportation programs.

**A vote to approve the resolution showed:**

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

NAYS: None

Absent: Lowenstein, Orr

The motion carried.

The LINK: Mr. Mouat reported that the committee has been discussing the LINK for several months and are struggling with several key issues, such as defining its purpose and how this benefits downtown. Mr. White, AATA has provided the committee with various alternative routes which have been examined but more work remains to be done to determine the best way to provide transportation within downtown. Ms. Smith said that she came to the conversation committed to add funds to the LINK for expanded service, and after many meetings and a LINK ride, she has come to a new position

that it isn't clear how the LINK is serving downtown goals. She thought it an unfortunate but wise decision not to continue funding this service until more pieces come together. Mr. Hewitt stated the LINK was not accomplishing what the DDA wanted it to do and by taking a step back the DDA will be provided with an opportunity to explore the question of how a larger integrated system would look. Ms. Gunn said she supported the decision not to continue funding the LINK. Mr. Hieftje said that he thought the points that had been raised for not continuing LINK funding are good ones. SEMCOG has set October 2010 for the East West Rail service and there will be a new connector service at that time in some form to move passengers throughout the city as they exit the trains.

WALLY grant: Mr. Mouat said that the DDA resolution establishing a two year limit to DDA grants would affect the DDA's three year grant for the WALLY commuter rail service. The first year of the three year grant will automatically go away on June 30<sup>th</sup>. The committee discussed and decided not to take action to forestall this, as the DDA's remaining commitment is \$500,000 (\$250,000/yr X 2 years) which remains the single largest grant for the program.

<b>9. OPERATIONS COMMITTEE</b>
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Mr. Hewitt moved and Ms. Gunn seconded the following resolution:

**RESOLUTION TO APPROVE THE REVISED DDA BUDGET FOR FISCAL YEAR 2008/2009**

Whereas, The DDA Board passed a FY 2008/09 budget for the DDA on February 6, 2008;

Whereas, The DDA Board has approved items not anticipated in its FY 2008/09 budget, thus necessitating a budget revision so that expenditures will not have exceeded the budget;

Whereas, The Operations Committee recommends approval of this budget revision by the DDA;

RESOLVED, The DDA approves this amendment to its FY 2008/09 budget.

Mr. Hewitt explained that the State requires budgets to be adjusted to reflect actual figures. He went through the budget explaining why various revisions were being made including actual taxes received, the unanticipated cost of the DDA's grant to the City for the court/police building and LEED certification, and lower than anticipated interest rates on investments.

**A vote to approve the resolution showed:**

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

NAYS: None

Absent: Lowenstein, Orr

The motion carried.

Transition to Demand Management: Mr. Hewitt reported the committee decided to suspend the pilot Maynard valet program for the summer and will re-evaluate it in the fall; the pilot AVI program is still being evaluated, and the parking pay stations are scheduled to be installed this month. Mr. Hewitt said that very few communities are undertaking some of these initiatives. In some instances, staff had to create systems and procedures which are taking significant time and funding. He commended staff and Republic Parking for their efforts to move these projects along.

Parking Revenue: Mr. Hewitt noted 2009 parking revenues and hourly patrons show a 1% increase from the same period last year. The demand for parking seems to be holding steady despite the difficult economy.

A2D2: Mr. Hewitt moved and Mr. Mouat seconded the following resolution:

## RESOLUTION TO SUPPORT APPROVAL OF A2D2 ZONING ORDINANCE AMENDMENTS WITH RECOMMENDED EDITS FOLLOWING THE DECISION TO IMPOSE DOWNTOWN BUILDING HEIGHT LIMITS

Whereas, The City established the Downtown Residential Taskforce in October 2003 to uncover barriers to downtown residential development, and in May 2005 hired Calthorpe Associates to work with the community to develop a vision for the downtown, as well as recommendations to realize this vision;

Whereas, in March 2006, City Council approved the Downtown Development Strategies Final Report Implementation Plan and in September 2006 City Council approved the A2D2: Ann Arbor Discovering Downtown name to refer to the next steps in the Downtown Development Strategies Project;

Whereas, A2D2 zoning ordinance amendments have undergone a first reading by City Council at which time some changes were made including the decision to institute a building height limit;

Whereas, The DDA approved a resolution at its April 1, 2009 meeting congratulating the City and the community for developing excellent recommendations to improve downtown zoning, and as part of this resolution respectfully provided some recommended changes which were accepted as part of the public input for this project;

Whereas, City Council is anticipated to approve the A2D2 zoning changes at second reading in early July and members of the DDA seek to provide some remaining recommendations which include:

- Given that City Council has resolved to impose building height limits in D1 and D2, the DDA respectfully recommends that if 33% or more of a floor of structured parking required by the zoning ordinance is being constructed within a development, the remaining parking needed to complete a floor of parking should not be calculated as part of the building's FAR.
- We recommend that the ratio for residential premiums be restored to a 1 to 1 proportion as is current zoning.
- Now that a height limit has been established in the D1, we recommend that the by right zoning in the D1 be increased to 500%.
- Further, to increase the community benefits of new buildings, we recommend that the FAR with premiums be increased to 900%, and with affordable housing to 1,100%.

RESOLVED, Once again the DDA warmly congratulates the City of Ann Arbor, its staff, Planning Commission members, A2D2 committee members and other members of the public for developing excellent recommendations to change downtown zoning to encourage community goals such as increased numbers of downtown residents;

RESOLVED, The DDA formally requests that City Council adopt the recommendations for changes to the A2D2 downtown zoning ordinance amendments as set forward above.

Mr. Hewitt said that interested DDA members met to talk about the impact a building height limit may have on the proposed A2D2 changes. The group developed this advisory resolution for City Council's consideration. Ms. Smith asked if the changes would have to go to the Planning Unit for review before going to Council. She said if the changes aren't done now, another opportunity will be provided next year. Ms. Rampson said the parking amendments could be incorporated into the premiums. She is waiting for a response from the City Attorney's office as to whether or not the Council has to review

these amendments. Mr. Hieftje stated that he was not concerned about the possibility of a review by Council. He said the resolution is worthy of a discussion and he would support it.

**A vote to approve the resolution showed:**

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

NAYS: None

Absent: Lowenstein, Orr

The motion carried.

**10. CAPITAL IMPROVEMENTS COMMITTEE**

Wavfinding: Mr. Splitt reported that Fairmont Sign Company has applied for MDOT permits and he expects sign installation to begin in August. A preconstruction meeting will take place later this month.

5th & Division: Mr. Splitt said that bids are due June 30, and the board will be asked to approve a contractor the next day at its July 1<sup>st</sup> DDA meeting. It is anticipated construction will begin after Art Fair.

Underground Parking Structure: Mr. Splitt indicated that Ms. Pollay and Mr. Iraola will meet with City staff this Friday to continue discussions about transporting soils from the construction site to the airport. An RFQ will soon be distributed as the first step toward selecting a contractor. It is anticipated that the ground breaking for the project will take place in September 2009.

**11. OTHER DDA BUSINESS MATTERS**

Communications: Ms. Greff reported that interested DDA members met and discussed a variety of topics including how to increase transparency for the public and data management. Immediate action steps include posting more information on the website for use by the public including creating a DDA meeting calendar and posting the entire DDA Board packet not just the agenda and resolutions. Discussion also included the possibility of contracting with an individual to help the DDA with its communications, including posting information on social networking sites (e.g. Facebook & Twitter), and helping the DDA hear ideas and concerns from the community.

Meeting with the Ann Arbor Public Arts Committee: Mr. Splitt reported that several DDA members met with the Public Arts Commission. The discussion included maintenance (e.g. ceramic piece at the 4<sup>th</sup> & Washington structure), and opportunities to work together to commission new art (e.g. underground parking structure). Mr. Splitt said it was good for everyone to meet. The Commissioners conveyed how city restricts their ability to assist the DDA with its Percent for Art commissions and how they have been spending their time working to develop guidelines, plans and processes. DDA members conveyed their eagerness to see more public art installed downtown, and made clear that they recognize that they don't have the expertise to select artists; but they can establish parameters for art that uses DDA funds. Ms. Gunn said that she informed the Commission that the artwork honoring the former DDA Executive Director, Reuben Bergman, at the Fourth & Washington structure needs repair.

**10. OTHER DDA BUSINESS MATTERS**

August Meeting: Ms. Smith moved and Mr. Hewitt seconded a motion to cancel the August 5, 2009 DDA meeting.

**A vote to approve the motion showed:**

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

NAYS: None

Absent: Lowenstein, Orr

The motion carried.

Top of the Park: Mr. Orr said that several DDA members asked for an opportunity to get together socially and to that end a tent has been reserved at AASF. All are welcomed to drop by.

Power Point Presentation: Ms. Greff announced that the power point presented at the DDA midyear retreat will be presented at the next Chamber of Commerce Public Policy Board meeting.

Downtown Redevelopment. Ms. Smith said she will be bringing a resolution to Council asking that an RFQ be developed for the top of the new underground parking structure on the S. Fifth Avenue lot.

11.

**OTHER AUDIENCE PARTICIPATION**

Ms. Bullington said the state is in a severe deficit and she was not in favor of spending funds for a commuter rail system.

Mr. Partridge questioned the DDA Board's integrity because there are several public elected officials on the Board.

12.

**ADJOURNMENT**

Ms. Gunn moved and Mr. Hewitt seconded adjournment of the meeting at 2:05 PM.

Respectfully submitted,  
Susan Pollay, Executive Director