

ANN ARBOR DOWNTOWN DEVELOPMENT AUTHORITY MEETING MINUTES
October 7, 2009

Place: DDA Office, 150 S. Fifth Avenue, Suite 301, Ann Arbor, 48104
Time: DDA Chair John Splitt called the meeting to order at 12:00 p.m.

1. ROLL CALL

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

Absent: None

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

Audience: Dave Askins, Ann Arbor Chronicle
Moirra Brenigan, getDowntown
Judy Foy, Judy Foy Communications
Trek Glowacki, Workantile Exchange
Adrian Iraola, Park Avenue Consultants
Mike Kessler, Workantile Exchange
Mark Lyons, Republic Parking
Kyle Mazurek, Ann Arbor Chamber of Commerce
Oscar Notz, Turner Construction
Tamara Real, The Arts Alliance
Nancy Shore, getDowntown
Ryan Stanton, Ann Arbor.com
Edward Vielmetti, Ann Arbor.Com

2. AUDIENCE PARTICIPATION

Mr. Wolfe thanked the DDA for its support of the 2009 Ann Arbor/Dexter Run, in particular providing the full use of the parking area underneath Ann Ashley and waiving meter bag costs. He presented the DDA with event Tshirts and a framed photograph acknowledging the DDA's contribution to the event. He said that the race has been an annual event for 37 years with 28 races ending in downtown and he is interested in having a permanent street marker designating the race finish line on Main Street.

Mr. Kessler provided an overview of the Workantile Exchange located at 118 S. Main. The Exchange provides completely furnished drop-in office space with wi-fi for 1099-type employees for \$100 per month, as well as an 850 sq ft meeting space available for \$75/hour. The Exchange provides an opportunity for individuals who may otherwise be working in isolation, to network and exchange ideas. He invited everyone to attend the brown bag sessions at 11:30AM on Fridays where a wide array of topics are scheduled.

Ms. Real presented a brief overview of the efforts of the Ann Arbor Arts Alliance to create a County-wide culture & arts plan, and said that an element in this effort includes creating a web-based cultural arts portal. The Arts Alliance has a goal of raising \$100,000 for the project which is intended to provide a gateway to information, videos, sound clips, etc. and will include information from for-profits

as well as non-profits. Mr. Collins commended Ms. Real's efforts. Mr. Splitt referred this item to the Partnerships Committee for review and discussion.

Mr. Vielmetti read his August 19 Ann Arbor.com blog whereby he said he encouraged the DDA and other official City Boards and Commissions to post meeting notices in accordance with and beyond the requirements of the Open Meetings Act.

Mr. Hiefje reported that the American Planning Association had selected S. Main Street as one of the Top 10 Streets in the nation. The APA web site described Ann Arbor's Main Street as "a center of activity and community gathering place." DDA members agreed it was a source of pride for the community to be honored by this national organization.

3. REPORTS FROM CITY BOARDS AND COMMISSIONS

Downtown Area Citizens Advisory Council: Mr. Detter said the CAC continues to be concerned about Courthouse Square apartments. The CAC congratulated Ms. Smith on her efforts to find alternatives to installing parking meters in the residential neighborhoods. CAC supports evening enforcement of parking meters. And, the CAC congratulates the Mayor and City Council for its efforts toward the future design and review of the A2D2 Design and Zoning Guidelines. However, they suggest appointing a Design Review Board to evaluate all large development projects. The CAC believes the A2D2 design review plan should be approved in tandem with the revised zoning.

4. PRESENTATION

Ms. Shore gave a power point presentation of the 2009 getDowntown Program evaluation findings. Several notable findings were cited, including that 29.3% reported changing their commuting mode and 63.5% changed from driving alone. The report included some ideas for the DDA to consider assisting with, including: 1) Increase the amount of affordable housing for employees in the downtown; 2) continue efforts toward market-based parking pricing; 3) provide more frequent/express bus service options; 4) improve bike paths/routes and amenities; and 5) continue to monitor and improve sidewalks. She concluded by saying the report demonstrated the getDowntown Program is seen as a benefit by many downtown employers; go!passes are very beneficial to both employees and employers; and money and distance matter when it comes to making commuting choices. Mr. Splitt thanked Ms. Shore for the report and said that the Transportation Committee will refer to the report as it continues to work toward improving commuting options for commuters.

5. STATUS OF CITY TASKFORCE EFFORTS WITH DDA MEMBERSHIP

A2D2 Steering Committee: Mr. Hewitt reported the A2D2 Downtown Zoning Plan and Guidelines are scheduled for action by City Council, October 19. There has been much community input on whether compliance should be mandatory or voluntary. Mr. Hieftje said that Council is anticipating that whatever is approved, the Guidelines would be reviewed again in one year after approval to determine if additional changes are needed.

Mutually Beneficial Committee: Ms. Smith reported that the committee has not met.

6. MINUTES

Ms. Hall moved and Ms. Gunn seconded approval of the September 2, 2009 continuation of the Annual DDA meeting minutes.

A vote on the motion to approve the minutes showed:

AYES: Boren, Clark, Collins, Gunn, Hall, Hewitt, Hieftje, Lowenstein, Mouat, Orr, Smith, Splitt
NAYS: None
Absent: None

The motion carried.

Mr. Collins moved and Ms. Gunn seconded approval of the September 2, 2009 DDA Board Meeting minutes.

A vote on the motion to approve the minutes showed:

AYES: Boren, Clark, Collins, Gunn, Hall, Hewitt, Hieftje, Lowenstein, Mouat, Orr, Smith, Splitt
NAYS: None
Absent: None

The motion carried.

7. CAPITAL IMPROVEMENTS COMMITTEE
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S. Fifth Avenue structure: Mr. Splitt reported Christman is underway with construction planning.

Mr. Hewitt moved and Ms. Gunn seconded the following resolution:

RESOLUTION TO APPROVE \$50,000 FOR EARTH RETENTION ENGINEERING FOR THE S. FIFTH AVENUE PARKING STRUCTURE PROJECT

Whereas, At a Special DDA meeting on August 19, 2009 the DDA approved the selection of The Christman Company to provide the DDA with construction management services for the pre-construction phase of the S. Fifth Avenue Parking Structure and Street Improvements Project;

Whereas, The Christman Company needs to facilitate the development of additional engineering plans for the earth retention systems that will be used once excavation begins;

Whereas, The cost for this design engineering has been estimated to be \$50,000;

Whereas, The DDA Capital Improvements Committee has reviewed this cost and recommends approval by the DDA;

RESOLVED, The DDA approves payment of \$50,000, for design of detailed structural plans for the earth retention systems that will be utilized for the S. Fifth Avenue Parking Structure and Street Improvements Project;

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

Mr. Collins asked if this would an additional cost; Mr. Splitt said that this cost will be included in the guaranteed maximum price (GMP) for the project. Ms. Hall asked why not postpone this work until the GMP was accepted. Mr. Splitt explained that bids for the earth retention are in and there is a \$1 million differential between the two lowest bids; hiring an engineer to examine the bids would enable the GMP to be established. He said that it is expected that Christman will provide the committee with a GMP at the next committee meeting, and it is possible that a special DDA meeting may be called later in the month to consider whether to accept this price.

A vote on the motion to approve the resolution showed:

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

NAYS: Hall

Absent: None

The motion carried.

Fifth & Division: Mr. Splitt reported the 200 & 300 block of S. Division are being closed up to allow the water main work to move forward, and the brick and trees will be installed later this fall. The contractor is waiting for DTE to remove its street lights but in the meantime work continues on the 100 block of S. Division and at the intersection of Division/Packard.

Wayfinding: Mr. Splitt stated 80% of the Wayfinding signs have been installed. The signs at the freeway exits and streets under MDOT jurisdiction will be installed next. The "you are here" maps are being reviewed and will be installed in the near future.

Bike Parking: Mr. Splitt reported bike racks have been installed on the meter post on the blocks with e-park station machines. The in-street bike rack program was very successful, and the racks will soon be removed and stored until spring.

8. TRANSPORTATION COMMITTEE

LINK Discussion: Mr. Mouat reported the committee continued its discussion. Staff have been asked to develop a report on comparable downtown circulators, and as part of this, Jonathan Levine/UM will be contacted to elicit his thoughts on this. The committee requested the report a week prior to its next meeting so it will have time to review the information. Also, Michael Ford, AATA director, has been invited to the next meeting to talk about the LINK.

getDowntown: Mr. Mouat thanked Ms. Shore for the getDowntown Program Evaluation presented at the beginning of the meeting. He said that the getDowntown partnership (City, DDA, AATA) are currently looking for new office space for the getDowntown program as it has received notice to vacate its current office space by December 1.

Pedestrian Improvements: Mr. Mouat said the committee brainstormed ideas to make downtown even more attractive to pedestrians. Staff will prepare a matrix to help the committee determine how it wants to proceed with this discussion.

Mr. Hieftje moved and Ms. Gunn seconded the following resolution:

**RESOLUTION TO INCREASE THE DDA ZIPCAR SPONSORSHIP TO INSTALL TWO
ADDITIONAL ZIPCARS IN DOWNTOWN ANN ARBOR IN FY 2009/10 (\$18,000)**

Whereas, The DDA has been a committed supporter and funder of many alternative transportation programs, including go!passes, the getDowntown program, A2Express, carpool, bike and moped parking, and Nightride;

Whereas, Zipcar is a growing company that provides hourly car rental services to universities and downtowns throughout the nation, and in December 2008 the DDA approved a request from the getDowntown program to provide four metered parking spaces and increase its Zipcar sponsorship to cover the cost to have four Zipcars in downtown as follows:

1. Zipcar Sponsorship: \$72,000. Up to \$1,500/month in guaranteed revenue to Zipcar. As patrons pay to use the Zipcars, the actual amount paid by the DDA at the end of each month will be reduced accordingly.
2. Zipcar Marketing and Promotion \$10,000. getDowntown and the DDA worked closely with Zipcar to implement this effort.

Whereas, Since these downtown Zipcars became available in mid-March 2009, demand for these vehicles has been strong. The vehicles have been used to the point where the DDA has only had to pay Zipcar \$3,260 out of a possible \$42,000 for the past 7 months; and for the past two months the monthly cost to the DDA has been \$0;

Whereas, The getDowntown program has requested that the DDA increase the downtown Zipcar fleet to a total of six vehicles, by sponsoring two additional downtown Zipcars at a maximum cost of \$1,500/month or a maximum of \$36,000 for the year, with the actual cost to the DDA reduced as patrons pay to use these Zipcars;

Whereas, The DDA Transportation Committee has reviewed this request and recommends that the DDA Zipcar sponsorship be increased to cover two additional downtown Zipcars for a total of six vehicles;

RESOLVED, The DDA approves an expansion of its Zipcar financial sponsorship so that six Zipcars can be located in downtown Ann Arbor in fiscal year 2009/10 with a maximum financial commitment of \$36,000;

RESOLVED, The DDA shall make available two additional public parking spaces for these Zipcars so they are readily available and visible to the public;

RESOLVED, The DDA requests data as it becomes available about the use and users of these Zipcars.

Mr. Collins said he will not be supporting this resolution as the downtown Zipcar program has clearly been successful and he felt that it no longer needed DDA subsidy to expand the program. Ms. Shore said that this is likely the last time Zipcar will need a DDA payment guarantee; if additional vehicles are needed for the downtown fleet Zipcar will add them without DDA financial sponsorship. Ms. Shore was asked if the new cars will be American-made; she said that Zipcar has selected a Honda Civic Hybrid and a Ford Escape for the new vehicles, and that Zipcar will also be adding two new Ford Escapes to the UM Zipcar fleet. Ms. Shore said she will work with DDA staff to determine where to place the new cars; Mr. Hewitt suggested the S. U. area as a possibility.

Ms. Shore explained that Zipcar has been surprised by Ann Arbor's strong embrace of the program, as this community is far smaller than most of the communities they work in, and they are studying Ann Arbor to see if lessons can be learned and applied elsewhere. Mr. Mouat said that different sized vehicles will enhance usage, e.g. including trucks or vans as they enable different kinds of uses. Ms. Hall stated that the Enterprise downtown car rental agency is also successful. She is glad to see an increase in car sharing in Ann Arbor.

A vote on the motion to approve the resolution showed:

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

NAYS: Collins

Absent: None

The motion carried.

9. OPERATIONS COMMITTEE

Financial Reports: Mr. Hewitt reported the 4th Quarter unaudited financials indicate: TIF income is over budget due to bond fund reimbursement; the Parking fund shows a net excess of revenue over expenditures; the Parking Maintenance Fund shows a net excess of revenue over expenditures; and the Housing Fund reflects a net excess over expenditures due to higher interest earned than anticipated. The July and August parking revenues show an increase in revenues and numbers of patrons, despite the bad regional economic reports.

Mr. Collins complimented the DDA for sharing its financials as he said some non-profits don't share their financials pre-audit. Mr. Hewitt stated the auditor's report may be ready for by the November Board meeting.

Transportation Demand Management: Mr. Hewitt said that much was accomplished during the past 18 months, including improved communication between the parking facilities for actual use billing purposes; improved reliability of RPS computer system; inaugural use of credit cards in the parking structures and improved network security to be Payment Card Industry compliant; tested unstaffed parking equipment for effectiveness and customer attractiveness; installed 25 E-park stations; and implemented a pilot valet system at the Maynard structure. The committee will soon present the next set of action steps for the coming year.

10. PARTNERSHIPS COMMITTEE

Energy Saving Grant Program: Ms. Smith said that 7 buildings/businesses have completed both Phase I & Phase II of the program; to date the DDA cost for Phase II has been \$26,500 and payback in terms of energy saving is 5 years. The application deadline for this year was September 30, and the committee will discuss applications at its next meeting.

Redefining the Committee Purpose & Work Plan: Mr. Collins said that the committee spent time talking about the committee itself, as Partnerships has become the place where miscellaneous items are discussed. It isn't clear if the work plan should be reshaped to take better advantage of having two city council members and a planning commissioner at the table. The discussion will continue at the next meeting.

Other Business: The committee discussed local currency programs, as several are in operation in comparable cities, including "Bay Bucks" in Traverse City and "Detroit Cheers" in Detroit. A feasibility assessment has been commissioned from Think Local First to determine whether a local currency program might be successful in Ann Arbor. Ms. Ault, Director, Think Local First will coordinate the study and will provide a detailed report by the early part of next year.

11. OTHER DDA BUSINESS MATTERS

Ms. Hall asked that Partnerships look at ways the DDA could be improve meeting postings. Mr. Collins indicated that meetings are posted on the web site, DDA board meetings are televised and staff continue to post meeting notices in accordance with the Open Meetings Act. Ms. Hall said that

she was concerned in particular about the DDA calling a special meeting; Ms. Smith stated sometimes decisions cannot wait until the next regularly scheduled Board meeting. Ms. Lowenstein said that once the Board acts on the GMP for the underground parking structure there will likely be less need for special DDA Board meetings. Ms. Hall suggested the DDA post a Board meeting the third Wednesday of each month and list the meeting "if needed," so members of the public will know there may be a possibility of a meeting. Mr. Orr moved and Ms. Smith seconded the motion to post the "3rd Wednesday at 12 noon of each month for a DDA Board meeting "If Needed."

A vote on the motion to approve the motion showed:

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

NAYS: None

Absent: None

The motion carried.

Mr. Hieftje said the energy data the DDA is collecting from its Downtown Energy Saving Program will be valuable throughout the community. He commended the DDA on its initiatives to provide the energy saving grants.

Mr. Hieftje indicated the Council members Briere and Smith and County Commissioner Gunn are working on a Task Force to establish a solutions to increase emergency sheltering resources for the homeless during the upcoming winter months. The Delonis Shelter is full and early estimates are the city will need to add 50 additional beds during the winter.

Mr. Splitt thanked DDA staff for organizing the S. Fifth Avenue Ground Breaking party earlier this month.

12. OTHER AUDIENCE PARTICIPATION

Stephen Lange Ranzini, Chairman and President of University Bank said that he supported the idea of a local currency, and in fact had been instrumental in starting a similar program in a community in Michigan's Upper Peninsula. He said should the DDA move forward with the project he has information to share, for instance about cost-effective, safe ways to print the currency.

13. ADJOURNMENT

Mr. Hewitt moved and Mr. Collins seconded adjournment of the meeting at 2:00 PM.

Respectfully submitted,
Susan Pollay, Executive Director