

ANN ARBOR DOWNTOWN DEVELOPMENT AUTHORITY MEETING MINUTES
June 2, 2010

Place: DDA Office, 150 S. Fifth Avenue, Suite 301, Ann Arbor, 48104
Time: DDA Chair John Splitt called the meeting to order at 12:08 PM

1. ROLL CALL

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

Absent: Gary Boren, Newcombe Clark, Sandi Smith

Staff Susan Pollay, Executive Director

Present: Joe Morehouse, Deputy Director
Joan Lyke, Management Assistant
Amber Miller, Planning & Research Specialist

Audience: Peter Allen, Kingsley Lane
Dave Askins, *Ann Arbor Chronicle*
Ray Detter, Downtown Area Citizens Advisory Council
Adrian Iraola, Park Avenue Consultants, Inc.
Mark Lyons, Republic Parking System
Brad Mikus, Self
Mike Ortlieb, Carl Walker, Inc.
Dave Pezda, Luckenbach/Ziegelman Architects
Tamara Real, Arts Alliance
Nancy Shore, getDowntown

2. AUDIENCE PARTICIPATION

Ms. Real thanked the DDA for its grant of \$10,000 to support the establishment of the A3Arts.org website. A recent survey indicated there are approximately 1,174 working artists in the County and she described the website as a one-stop shopping place for County art and culture. Ms. Real said she was returning to the DDA to ask for additional funding for website enhancements. If funds were available the website could for instance include a clear statement on the home page regarding the value of arts and culture to our area and especially the downtown.

Mr. Mikus said the parking revenue report in the packet indicated there were 9 weekend days in 2010 compared to 8 weekend days in 2009, and he wondered how much difference one day made in terms of parking revenues. He noted that the 5 year parking income chart showed revenues but did not indicate debt service. He said he thought it would be difficult to decide on a cost for parking space per a Payment-In-Lieu program and he suggested the DDA charge developers for the full cost to rebuild parking, otherwise DDA would be subsidizing parking.

3. REPORTS FROM CITY BOARDS AND COMMISSIONS

Downtown Area Citizens Advisory Council: Mr. Detter reported the CAC supports Zaragon II, but decided not to take a position regarding Heritage Row as it is adjacent to but not located in the DDA District. The CAC supports the DDA Parking/Transportation Demand Management Plan, the Fuller Road Transit Center concept and strongly advocates development of City-owned parking lots for construction of more residential units in the downtown. He invited the DDA Board to the Annual Downtown Potluck Party, Thursday, June 10, 6:30PM.

4. STATUS OF TASKFORCE EFFORTS WITH DDA MEMBERSHIP

Library Lot Advisory Committee: Mr. Splitt said the committee has not met.

Mutually Beneficial Committee: Mr. Hewitt said the DDA had a retreat a few days earlier to discuss the Term Sheet provided in late April. He gave a brief retreat summary as follows: 1) there was agreement to keep parking enforcement on the list of discussion items, 2) there was agreement to remove code enforcement from the list of discussion items, 3) there was agreement to keep downtown City services (downtown trees and parks) on the list for more exploration, 4) there was unanimous support to keep development of downtown City property on the list for further discussion. Other discussion ideas included downtown policing (beat cops or Ambassadors), timing clarification for Village Green/First and Washington project to help the DDA with its budget planning, and City permit fees and bond overhead charges. There was no interest at present to explore changes in the DDA District boundaries.

5. MINUTES

Ms. Lowenstein moved and Mr. Mouat seconded approval of the May 5, 2010 DDA minutes.

A vote on the motion to approve the minutes showed:

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

NAYS: None

Absent: Boren, Clark, Smith

The motion carried.

6. PARTNERSHIPS COMMITTEE

Energy Saving Grant Program: Mr. Collins said that all but \$18,275 of 2008/09 grant funds had been spent and Mr. Konkle reported that other energy audits & energy saving improvements will be completed by June 30th which will use up these remaining funds by the end of the fiscal year (DDA resolution grants must be used by end of second year or they are automatically rescinded). For FY 2009/10 grant funds 52 energy audits were approved, 10 have been received & reviewed (44 others are underway).

Big Idea – “Funky Bike Hoop” Contest: Mr. Collins said Washtenaw County Commissioner Jeff Irwin came to the meeting to suggest the DDA run a contest to commission a different

funky/fun bike hoop every year. Partnerships referred this item to the Transportation Committee and Mr. Mouat agreed to add it to their agenda.

Downtown Policing: Following the May board meeting discussion the Committee resolved that more information was needed. Staff has been asked to collect crime stats and conduct a short downtown user survey so the committee can assess perception of safety downtown. After reviewing this information the committee will decide whether to pursue further studies and whether to invite the Police Chief to a meeting to discuss downtown safety.

Other Partnerships items: Mr. Collins said Mr. Tony Derenzinski provided a Planning Commission update including their interest in looking at the corridors leading into the city, Zoning Ordinance Re-organization (ZORO) project, and the R4C/R2A Zoning District Study. Mr. Hewitt said work on the Connector study continues. A suggestion to designate the Mutually Beneficial Committee as a standing DDA committee was not supported by Partnerships. A primary reason for the suggestion was to ensure the Mutually Beneficial meetings would be publically noticed; Mr. Collins assured the public that the meetings would be posted in accordance with the Open Meetings Act.

7.

TRANSPORTATION COMMITTEE

Bicycles: Mr. Mouat reported Ms. Miller had coordinated installation of the in-street bike racks and Ms. Miller and Ms. Shore have been working with the Police Department to develop a strategy to address abandoned bicycles. Ms. Miller and Ms. Shore also inventoried the sidewalk bike racks to assess where deteriorated racks need to be replaced, as well as locations where additional on-sidewalk racks would be useful.

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

**RESOLUTION PROVIDING FOR THE GO!PASS AND GETDOWNTOWN PROGRAM FOR 2010/11,
2011/12, AND 2012/13**

Whereas, The getDowntown program began in 1999 as a partnership between the DDA, AATA, City of Ann Arbor, and Chamber to provide the services of full-time transportation managers to provide transportation assistance to downtown employers, including the distribution of the go!pass;

Whereas, The DDA has provided annual funding for go!passes and the getDowntown Program since 2001, and the number of downtown employers and employees served has grown each year, with 6,333 go!passes distributed to 467 companies in 2009/10, representing a 78% increase in 5 years;

Whereas, The 2007 Nelson/Nygaard Parking Strategies Report highlighted the getDowntown program as an important tool for managing downtown commuter parking demand;

Whereas, The DDA received a request from the getDowntown program to renew its go!pass funding and support for the getDowntown program beginning at the expiration of this year's grant October 31, 2010 as follows:

<u>Request</u>	<u>2010-2011</u>	<u>2011-2012</u>	<u>2012-2013</u>
DDA go!pass Funding Request	\$378,684	\$438,566	\$475,572
DDA getDowntown Funding Request	\$66,988	\$49,488	\$64,488
Total Request from DDA	\$445,672	\$488,054	\$540,060

Whereas, The DDA Transportation Committee reviewed program details, including go!Pass cost increases due to AATA board approved fare increases and getDowntown project plans such as enhanced communications to evening employees and establishment of an Emergency Ride Home Program for go!pass users;

Whereas, The DDA Transportation Committee recommends funding approval by the DDA for 2010/11, 2011/12, and 2012/13 as requested;

Whereas, The DDA is charged only for the go!passes that are distributed, thus the amount shown above is a maximum/not-to-exceed amount;

RESOLVED, The DDA approves funding for the go!pass and getDowntown program for 2010/11, 2011/12, and 2012/13 as indicated above, with funds coming from the DDA's 063 Parking Fund, alternative transportation line item.

Mr. Mouat said the DDA has funded goPasses for a decade. This coming year the pass will be swipeable, so more information will be captured. He said that the DDA has also funded getDowntown for a decade. This coming year DDA dollars will be used to fund getDowntown operations, service enhancements and studies. He said that the Transportation Committee is recommending a three year grant which will allow for more long-term planning. The go!pass funding will be less if fewer passes are sold; DDA funds are a not-to-exceed the amount. He said that getDowntown funding is a very good investment with a measurable impact.

Ms. Hall said she supported the resolution and especially funding for three years.

Mr. Collins said that he thought AATA has funding to do this type of marketing, and that he was concerned because he saw no move to wean the getDowntown program from DDA funding. He stated that he thought it is a fine program but it is very heavily funded by the DDA.

Ms. Gunn explained when the go!Pass program began it operated on a Federal Grant. When the grant ran out the DDA took over the program. She said she supports this resolution.

Mr. Hewitt wanted to know what percentage of go!Pass users would ride the bus whether or not they had a go!Pass as the go!Pass is a subsidy for transit users. Ms. Shore said results from the last survey indicated 50% of go!Pass Survey responders said they ride AATA more due to the go!Pass. Mr. Hewitt asked if the DDA was subsidizing AATA. Mr. Orr said some of his employees would not be able to take the bus without the having access to a go!Pass

Mr. Collins said other strategies should be studied. The \$5 fee for a go!Pass is nominal and increasing it to \$20 would still be cheaper than paying for parking. He would like to see a move to increase user fees as a revenue source. Mr. Splitt stated as this program moves forward more data will be collected. In the future AATA may expand the go!Pass initiative to include other areas. He said he will support the resolution.

Mr. Hieftje said he will support the resolution. He said that AATA is building a new transit center downtown and is using federal funds for that building.

A vote on the motion to approve the resolution showed:

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

NAYS: None

Absent: Boren, Clark, Smith

The motion carried.

Idling Ordinance: Mr. Mouat said the Committee asked Ms. Pollay to encourage the City to include a copy of its idling ordinance when it distributes its standard City contract to contractors as a way of discouraging excessive engine idling in the alleys and on the streets.

Joint Meeting DDA/AATA: Mr. Mouat said that the committee expressed an interest in meeting with members of the AATA board to discuss topics of shared interest (e.g. Blake Transit Center redevelopment, getDowntown, future service enhancements, etc.). Ms. Pollay will work with Mr. Ford to schedule the meeting.

8. OPERATIONS COMMITTEE

April 2010 Parking Revenues: Mr. Hewitt said parking revenues are up 9.5% over last year due to parking rate increases. He said that parking demand remains high, however, staff have developed strategies should parking demand decline in the future. Mr. Hewitt noted the graph included in the packet depicted parking revenue, operating expenses and net income after expenses over the last 5 years. Ms. Hall asked if future reports could include the average cost of hourly parking tickets.

Parking Carma Proposal: Mr. Hewitt reported that upon staff recommendation the Operations Committee decided not to go forward with the parking reservations program proposed by Parking Carma. Given the high use of the structures and the limited number of entrances and exits the reservations system could be problematic to manage and would create a public relations issue.

Although parking reservations systems work at various airports, staff is not aware of a municipal application of this system. The decision was made not to go forward at this time.

Payment in Lieu of Parking (PILOP): Mr. Hewitt said that the recent A2D2 zoning approval included an option for developers to provide a Payment-In-Lieu if required parking could not be provided onsite. The Committee was asked to draft a recommended PILOP policy for City Council consideration and they spent time discussing possible options before coming to consensus on key elements. A draft resolution was being presented in hopes of eliciting feedback.

Ms. Gunn stated this is a complex issue and she encouraged all Board members to weigh in on the topic. Mr. Mouat asked if the \$30 surcharge was based on existing practice; Mr. Hewitt said that two current City parking contracts use this surcharge.

Ms. Hall said that the City's "in lieu of affordable housing" gives the developer options and at the same time gives the city the ability to aggregate to the benefit of the community. She said when first initiated the affordable housing amount was a good deal for the developers but not entirely equitable for the city. Ms. Hall said she likes the option that funds could be used to support alternative transportation systems rather than parking.

Mr. Collins encouraged the DDA to think three-dimensionally. He recently drove by the Maple Village shopping center which was built in the 1960's and is auto-centric. He said it is easy for the DDA to get excited about downtown while others only seem to care about the convenience of their autos and want a "sea of parking." He stated that the DDA needs to highlight the virtue of "human scale" downtowns. He said the DDA needs to consider developers who may think, "I can build downtown and pay extra fees or I can choose to build elsewhere and avoid fees entirely."

Ms. Lowenstein said that she was pleased the city asked the DDA to discuss the PILOP. She suggested the DDA look to the formula used by Planning as a starting point to create its own criteria/formula. Mr. Hieftje said in reference to Mr. Collins' previous statement about people wanting a "sea of parking," it may not necessarily be what people want but it's what they have been given. He said that this speaks to the heart of why DDA's exist. Downtowns need help and everything we do to make it liveable, walkable, bicycle -friendly and create an artistic atmosphere is what we are supposed to be doing. We can provide the go!Passes, bike paths, public transportation, etc., but we still have to provide parking downtown or downtowns will wither away.

Mr. Mouat stated the formula should be easy to administer and adjusted as time goes on. Mr. Hewitt noted that some sites are too small for parking and that should be considered in the PILOP discussions. He thanked everyone for their feedback and said that the Committee would continue their discussions and return with a resolution at the July DDA meeting.

9. CAPITAL IMPROVEMENTS COMMITTEE
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South Fifth Avenue Underground Garage: Mr. Splitt reported drilling for installation of phases I and II of the earth retention system was completed last week. Mass excavation continues in the phase II

area. Water main installation at the intersection of S. Fifth and Liberty was completed last week and the remaining construction will be completed in a couple weeks. In lieu of the regular Capital Improvements meeting next week, all members of the Board are invited to meet at the construction trailer, Wednesday, June 9 at 11AM to participate in a hard-hat tour of the project site.

Fifth/Division: Mr. Splitt said curbs were installed from Washington to Huron and conduit work for the sidewalk in front of City Hall will start mid-June. Construction on N. Fifth at Beakes continues with installation of conduits and light pole bases. S

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

**RESOLUTION AUTHORIZING SUBMITTAL OF AN APPLICATION FOR LEED CERTIFICATION OF
THE S. FIFTH AVENUE PARKING STRUCTURE PROJECT**

Whereas, In November 2009 the DDA approved the selection of The Christman Company as construction manager for the S. Fifth Avenue parking structure project;

Whereas, Christman has reviewed the project design and construction methodology and has determined that it is feasible to submit an application to the U. S. Green Building Council (USGBC) seeking certification of the S. Fifth Avenue Parking Structure project as a Silver LEED (Leadership in Energy & Environmental Design) project;

Whereas, Practical and measurable green building design elements that have already been planned for that will contribute to LEED certification include the following:

- Reuse of mass excavation materials as part of the structural concrete mix
- Concrete and reinforcing steel will have substantial recycled material content
- Recharging stations for electric vehicles - as well as extensive conduit runs to accommodate future electric car demand increases
- LED lighting, including use of motion-detector technology for low demand time periods
- Natural ventilation (where possible)
- 100% of storm water from the site will have total dissolved solids removed, far exceeding requirements.

Whereas, Additional project elements that are recommended to be included to strengthen this application include:

- Additional signs (\$4,000) designating spaces for low-emitting or fuel-efficient vehicles in preferred structure locations.
- Commissioning of building energy systems (\$9,500)
- Energy modeling to verify energy efficiency (\$7,500)
- Cost for renewable energy certificates for 35% of electricity use for 2 years (\$1,600)
- USGBC fees to certify the project (\$18,000) and LEED project administration and documentation (\$20,000)

Whereas, The cost for these additional project elements would be covered by the Christman Company's GMP, and thus would be provided at no additional cost to this project;

Whereas, This effort would be the latest in a series of DDA initiatives to promote sustainability as an essential component of downtown Ann Arbor's identity, including its grants to fund the downtown LED streetlights, solar-electric demonstration project at the Farmers Market, sidewalk recycling containers, goPasses, and its Energy Saving Grant program for downtown buildings;

Whereas, If certification were approved, this would be one of only a few LEED certified buildings in Ann Arbor, and would be an important regional demonstration of the feasibility of constructing parking structures sustainably;

RESOLVED, The DDA authorizes The Christman Company to submit an application to the U.S. Green Building Council for LEED certification of the S. Fifth Avenue Parking Structure Project.

Mr. Mouat said he thought the DDA did a good job planning the garage to be as sustainable as possible, however, he does not believe the LEED program was designed for parking structures. Ms. Hall stated even though the structure is being planned sustainably it is better that it be LEED certified.

A vote on the motion to approve the resolution showed:

AYES: Gunn, Hall, Hewitt, Hieftje, Lowenstein, Orr, Smith

NAYS: Collins, Mouat

Absent: Boren, Clark, Smith

The motion carried.

10. OTHER DDA BUSINESS MATTERS

Mr. Splitt said that Mr. Beatty has served as the audiovisual technician since the DDA began televising its monthly Board meetings, and the DDA sincerely appreciated Mr. Beatty's hard work and wished him continued success in his future endeavors.

11. OTHER AUDIENCE PARTICIPATION

Mr. Mikus stated that there were 4 Fridays in April 2009 and 5 Fridays in April 2010.

12. ADJOURNMENT

Ms. Gunn moved and Mr. Hewitt seconded adjournment of the meeting at 1:30 PM.

Respectfully submitted,
Susan Pollay, Executive Director