MINUTES
Downtown Development Authority Meeting
Tuesday, January 18, 2000

Place: DDA Office
301 E. Liberty, Suite 690
Ann Arbor, MI 48104

Time: The Chair, Lorri Sipes, called the meeting to order at 12:10 p.m.

1. Roll Call

Present: Neal Berlin, Ron Dankert, Dave DeVarti, David Fritz, Bob Gillett, Leah Gunn, Maria Harshe, Lorri Sipes, Skip Ungrodt

Absent: Rob Aldrich, Fred Beal, Karl Pohrt

Staff Present: Sarah Armstrong, DDA

Audience: Joseph Morehouse, Fiscal and Administrative Manager

Audience: Bob Henderson, Citizens Advisory Council for DDA

Adrian Iraola, City Engineering

Donna Johnson, City Planning Department

Lefiest Galimore, Family Learning Institute

Cathy O’Donnell, Ann Arbor News

Doris Sperlin, Family Learning Institute

1. Approval of Minutes

Ms. Gunn moved and Ms. Harshe seconded, that the minutes of December 9 and December 21, 1999 meetings be approved.

A vote on the motion showed:

AYES: Berlin, Dankert, DeVarti, Fritz, Gillett, Gunn, Harshe, Sipes, Ungrodt

NAYS: None

Absent: Aldrich, Beal, Pohrt

The motion carried.

2. Citizen Advisory Council

Ms. Sipes introduced Mr. Detter, our esteemed Citizen of the Year volunteer nominee to report the following:

The Citizens Advisory Council has already expressed to you its strong support for the DD’s development of a Ten Year budget plan based upon the expectation that City on-street parking money will be used to pay a portion of the cost of maintaining our public off-street parking system. We support your resolution to ask the City Council for that parking revenue. We also very strongly encourage your efforts to amend the DDA/City contract on parking and to extend the life of the DD beyond the year 2012.

Over the holiday period I took part, with David Fritz, Adrian Iraola, and Joan Blos, in two walks along South and North Fourth Avenue to determine what street improvements were needed to help make Fourth Avenue an attractive pedestrian corridor between Main Street and Kerrytown. We came up with a number of creative possibilities and hope that the DDA will include them as a part of their future plans for the downtown. The costs will not be huge, but they will not be significant. Combined with other reasonable DDA downtown commitments, plans for State Street improvements, possible housing initiatives, parking partnership possibilities, Allen Creek development and general maintenance needs (not to mention other desirable initiatives which may arise in the next ten years), the necessity for extending the life of the DD is clear.

We hope the Citizens Advisory Council is able to work with the 2012 Committee to help make this happen. We want to be involved in the process. Indeed, we expect to be. Before the DDA Plan was adopted in 1982, State statutes as well as the local ordinance provided that the findings and recommendations of a development area citizens council were to be considered and were to provide a source of plan input. We want to be involved as a group in determining possibilities for the future role of the DDA. As Chair of the Citizens Council, I would be pleased to participate in future planning sessions of the DDA 2012 Committee.

Over the last several months, members of the Citizens Advisory Council have been involved in meetings and discussions relating to the placement and organization of a downtown homeless facility on West Huron. County Commissioners will vote on acquiring the land tomorrow night. We plan to be there. The Citizens Advisory Council recognizes the need for a homeless shelter in downtown Ann Arbor. Whether we will support the shelter facility as now proposed remains to be seen. Its impact upon the future of the
downtown and nearby neighborhoods, as well as upon future shelter residents, must be thoughtfully determined. We must make sure that a plan to consolidate facilities, which might have been desirable and workable in another location, is not too hastily put in a location where it would be unwise to do so.

We have asked the planners of the shelter for circulation of a more carefully developed business and organizational plan for the proposed facility and the Shelter Alliance that will run it. We have been promised that plan in the very near future. We have asked for the formation of an advisory board to provide public neighborhood input before and after any facility is constructed. That Advisory Board has been established and one, perhaps two, of our members will be on it. We now know the proposed facility is in the flood plain. Before the City of Ann Arbor approves $1,000,000 to support this facility, we want to make sure their action of approving housing in a flood plain is consistent with their past and future public positions on this issue. (Most recently, Council eliminated a large condo unit from the Ashley Mews project because a portion of it was in the floodplain—even though the project provided a mitigating design. Developers will look to current City Council decisions to guide their future plans and actions).

A lot of questions remain to be answered. But before any construction is approved, two requirements are absolutely essential. A social and economic study by an independent agency needs to be undertaken to measure the impact of all phases of the proposed shelter program on the immediately adjacent neighborhood, on future shelter clients and on the community at large. This study may provide strategies for mitigating negative impact as well as capturing positive opportunities. Finally, this entire plan is dependent upon the shelter program’s ability to provide needed housing. We want full assurance that transitional and permanent housing adequate to accommodate shelter clients will be available, as promised, at the Phase III Ellsworth Road site or another county site not in the downtown area.

Before we can give our support, we have to believe that this proposed County-wide solution to the County-wide problem of the homeless is going to operate as promised. We have to know that all three parts of a three phase shelter package are really going to happen. And it behooves us to consider very carefully the impact of this proposed facility upon present housing and business in the downtown and nearby neighborhoods as well as its future impact upon housing and commercial enterprises that might or might not be constructed in the future.

3. Audience Participation

Mr. LeFeist Galimore and Ms. Doris Sperlin (a retired teacher), of the Family Learning Institute, spoke about their endeavor to start a program to help young children read and improve their academic performance. Information was passed out to the Board explaining what their program is all about. They have acquired the facility at 1954 S. Industrial Highway and while they realize it is not within the DDA boundary, they are asking for the Board’s support of funding this program and to become a partner. The program is geared for low-income children so there will be no charge to the family and they can accommodate up to 200 students.

Ms. Sipes referred the Family Learning Institute to the Partnership Committee for consideration.

Mr. Pohrt enters.

4. New Business

None

5. Old Business

Ms. Sipes gave an update on the resolution to ask City Council for street meter revenue and a DDA extension and amendment of the DDA/City contract. She passed out information that she and Ms. Harshie and Mr. Dankert put together as a way or organizing their thoughts. It was decided to break it into three concepts and get Board support for working on all three. It was decided to focus on #3, TIF money and the budget. Discussion on how the TIF revenues should be spent. It was the consensus of the Board to use TIF money for other projects as well as parking system. There was a list of projects to consider and Mr. DeVarti asked that the Historic Markers project be added to the list. It was added. It was also decided to formalize the information and Mr. Berlin will schedule a meeting for the Parking Operations Committee to meet with the Mayor and Council member Kolb.

Mr. Ungrodt leaves.

6. Subcommittee Reports

FINANCE COMMITTEE/ BUDGET COMMITTEE
Mr. Dankert presented the proposed budget. It’s close to the previous budget and much of it comes from the 10 Year Plan. The new living wage being proposed by Council would add another $150,000 to it, if it is passed by City Council.

Mr. DeVarti moved and Ms. Gunn seconded acceptance of the budget.

A vote on the motion showed:
AYES: Berlin, Dankert, DeVarti, Fritz, Gillett, Gunn, Harshe, Pohrt, Sipes
NAYS: None
Absent: Aldrich, Beal, Ungrodt
The motion carried.

Mr. Berlin noted that the financial statements show that validations are down significantly and questioned the reason. Mr. Morehouse said that it’s due to the Maynard construction and the large account we have with Borders. Ms. Harshe noted that 4th/William revenue was down. Mr. Morehouse said that the permit parking income of the permit holders at Maynard went to Maynard and not Fourth and William where they actually were parking.

**PARKING ORGANIZATION AND OPERATIONS COMMITTEE**

Mr. Dankert presented and Ms. Gunn seconded the following resolution:

RESOLUTION TO EXTEND THE ONE NORTH MAIN PARKING CONTRACT UNTIL 2012

Whereas, The City of Ann Arbor executed a parking contract with the developer of One North Main in November 1984, which was passed on to the DDA when it took over the management of the parking system;

Whereas, This agreement allows the management of One North Main to lease up to twenty five percent (25%) of the parking spaces at Ann Ashley up to 150 spaces at the prevailing permit parking rate for twenty five (25) years (until 2009);

Whereas, The management company has asked the DDA for an extension of this agreement so that prospective tenants can be assured of available parking; and

Whereas, With the expiration of the DDA currently set for 2012 any extension would be limited to that;

RESOLVED, That DDA Board authorizes the Parking Operations Committee to negotiate an extension of the One North Main parking agreement to the year 2012;

A vote on the motion showed:
AYES: Berlin, Dankert, DeVarti, Fritz, Gillett, Gunn, Harshe, Pohrt, Sipes
NAYS: None
Absent: Aldrich, Beal, Ungrodt
The motion was approved.

Ms. Harshe presented and Ms. Gunn seconded the following resolution:

Whereas, The DDA and the City of Ann Arbor have entered into a contract governing the DDA’s management of the City’s parking structures and lots;

Whereas, The contract does not accurately reflect the responsibilities the DDA is undertaking for the City, nor does it provide ample funding for the additional responsibilities assumed by the DDA; and

Whereas, Any such parking contract shall be subject to final approval from the Board;

RESOLVED, That the Parking Operations Committee, assisted by Council, be empowered to renegotiate its contract with the City to reflect accurately the responsibilities of the DDA in managing City structures and provide adequate funding for those responsibilities.
A vote on the motion showed:
AYES: Berlin, Dankert, DeVarti, Fritz, Gillett, Gunn, Harshe, Pohrt, Sipes
NAYS: None
Absent: Aldrich, Beal, Ungrodt
The motion was approved.

2012 ISSUE COMMITTEE
Ms. Harshe announced that there would be one initial meeting with Mr. Aldrich, Ms. Sipes, and herself to divide the sections of the resolution and talk about the big picture items. The information will then be e-mail to all interested parties asking for comments, ideas, etc. Ray Deter asked to be apprised of the outcome of the meeting. Ms. Harshe asked that if anyone else would like information about or would like to be on the committee to let her know.

PUBLIC/PRIVATE PARTNERSHIPS COMMITTEE
Mr. Gillett announced that they will be meeting on Thursday, January 20 at 8:30 a.m. Mr. Gillett presented and Ms. Harshe seconded the following resolution:

RESOLUTION TO RECOMMEND THE DDA BOARD CHAIR AND SECRETARY EXECUTE THE ASHLEY MEWS AGREEMENTS

Whereas, The following agreements pertaining to the Ashley Mews Project: The Development Agreement, The Addendum to the Parking Structure Use Agreement and the Parking Permit Agreement were reviewed and approved in concept at the November 16, 1999 DDA Board Meeting;

Whereas, These agreements have been submitted to the City Attorney for review and approval;

Whereas, These agreements have been approved by Syndeco, Jim Beuche, the DDA Attorney and Robert Gillett, DDA Committee Chair; and

Whereas, When the City Attorney’s office has approved of these documents they will need to be executed by the Downtown Development Authority;

RESOLVED, That DDA Board approves the final draft of these documents; and

RESOLVED, That the DDA authorizes that these documents be executed on behalf of the DDA by the Board Chair and the Board Secretary.

A vote on the motion showed:
AYES: Berlin, Dankert, DeVarti, Fritz, Gillett, Gunn, Harshe, Pohrt, Sipes
NAYS: None
Absent: Aldrich, Beal, Ungrodt
The motion was approved.

Mr. Gillett said that many organizations have a policy on how documents get signed and the DDA does not have such a policy. He has drafted a policy on executing documents and passed it out for the Board to review and would like to put it on the February agenda. A copy has been sent to the Board’s attorney.

PARKING CONSTRUCTION COMMITTEE
Status Maynard Parking Structure
In Mr. Beal’s absence, Mr. Iraola reports that the contractor should be done with all the repairs this week. Otis Elevator Company will be on site at the end of this month and installation of the elevator should take approximately 6-8 weeks to complete. The Thompson Street stair tower had a design flaw, which will not allow it to be opened until it is corrected. All of the parties involved have not yet agreed on a way to correct the gap between the walls and the edge of the stairs. The Board will be updated at the next meeting.

Status of 4th/Washington
Mr. Iraola reported that the contractor is finishing a detailed punchlist and all work should be completed in two weeks. The painting, which has not been completed, will be finished when the weather is warmer, so the paint will adhere better.

Forest Status
Mr. Iraola reported that a letter was received from the contractor, Rudolph/Libbe, putting City Engineering on notice that they would be seeking compensation for some items which we believe were part of the contract. Those items include the removal of the lead paint and asbestos in the houses to be demolished. Meetings were held to resolve the issues.

An environmental firm has been hired to provide air and noise monitoring and are included in the budget for this project. Work will begin early next week. Nine cars had to be towed out of the structure when it was finally closed.

Dave DeVarti leaves.

Ms. Gunn moved and Ms. Harshe seconded the resolution.

RESOLUTION TO RECOMMEND INCREASES IN THE PROFESSIONAL SERVICES AGREEMENTS WITH LUCKENBACH, ZIEGELMAN ARCHITECTS, PLLC., AND CARL WALKER INC.

Whereas, Luckenbach, Ziegelman Architects, PLLC. (LZA) and Carl Walker Inc. (CWI) did the Architectural and Engineering plans for the Forest Parking Structure;

Whereas, Due to unanticipated needs for additional work as described in the attached City Council resolutions;

Whereas, due to their familiarity with the project City Engineering anticipates that these firms will be more time efficient in performing these services; and

Whereas, It is now necessary to amend the existing professional services contract with Luckenbach, Ziegelman Architects, PLLC. and to enter into one with Carl Walker Inc. for additional services;

RESOLVED, That the DDA recommends to City Council that they approve the attached resolutions to amend the Luckenbach, Ziegelman Architects, PLLC. professional services contract in the amount of $92,342 and enter a professional services contract with Carl Walker Inc. in the amount of $298,000.

A vote on the motion showed:
AYES: Berlin, Dankert, Fritz, Gillett, Gunn, Harshe, Pohrt, Sipes
NAYS: None
Absent: Aldrich, Beal, DeVarti, Ungrodt
The motion was approved.

Mr. Berlin leaves.

Mr. Dankert asked Mr. Iraola why the Maynard elevator (on the east side) wasn’t remodeled? Mr. Iraola explained At the time, we didn’t want to take it out of commission because we needed the elevator during construction. As soon as the other elevator is installed and operational we can proceed with this elevator. The elevator is to be modernized and the Board asked Mr. Morehouse to get a quote on using stainless steel.

STATE STREET PROJECT
Mr. Pohrt reported that the State St. Area Association met this morning. The School of Public Policy at the University of Michigan gave a report on the State St. Area Project and there were a lot of exciting options they came up with. Mr. Pohrt said it would be great to extend the State St. area project out into the other area associations and possibly have the State St. Association forego its funding from the DDA if that money could go to the other area associations. He will bring a resolution to do this to the Board in the near future.

Ms. Sipes asked about the authorization to spend money on a two-way Street Study and who would be doing the study? Council will determine who will do the study. Mr. Pohrt will check on the status.
ALLEN CREEK PROJECT
Mr. Gillett said the RFP went to the City and seems to be “stuck” there. The Board finalized the RFP in November, which was a proposal that the Allen Creek study would be split into two phases. The first would be a hydrology study and primarily funded by the City and second, a land use study which would be significantly funded by the DDA.

TRANSPORTATION COMMITTEE
No report

HOUSING ISSUES
No report.

FOURTH AVENUE
No report.

DOWNTOWN MAINTENANCE
No report.

6.       Adjournment
As there was no further discussion, upon motion, the meeting was adjourned at 2:00 p.m.

Respectfully submitted,

Joseph Morehouse, Secretary