MINUTES
Downtown Development Authority Meeting
Wednesday, February 5, 2003

Place: Kerrytown Concert House, 415 N. Fourth Avenue, Ann Arbor, MI 48104
Time: DDA Chair Bob Gillett called the meeting to order at 12:08 p.m.

1. **ROLL CALL**

**Present:** Jean Carlberg (sitting in for Mayor Hieftje), Ron Dankert, David Fritz, Bob Gillett, Rene Greff, Leah Gunn, Lorri Sipes, Dave Solo

**Absent:** Rob Aldrich, Fred Beal, Dave DeVarti

**Staff**
Susan Pollay, Executive Director
Joe Morehouse, Deputy Director
Adrian Iraola, Project Manager
Sarah Armstrong

**Audience:**
Peter T. Allen, Peter Allen and Associates
Mike Conter, LibertyFirst
Jim Corbett, Republic Parking System
Brandt Coultas, Chamber of Commerce/Get!Downtown Program
Ray Detter, Citizens Advisory Council
Mark Hodesh, Downtown Home and Garden
Donna Johnson, City Planning Department
David Kwan, LibertyFirst
Jason Ledy, Citizen
Brenda Macon, Chamber of Commerce/Get!Downtown Program
Cathy O'Donnell, Ann Arbor News
Peter Pollack, Pollack Design
Ethel Potts, Citizen
Ellie Serras, Main Street Area Association
Dennis Webster, Earle Restaurant

2. **APPROVAL OF MINUTES**

Mr. Gillett said that Mayor Pro Tem Jean Carlberg would serve on the DDA during the time Mayor Hieftje is out of town. All conveyed their welcome.

Mr. Gillett recommended a change to the minutes, saying that they incorrectly report a statement made by Mr. Aldrich in the Partnership Committee report, that “it isn’t clear that there is community support to add a seventh floor to the First/Washington Project”. He said he was under the impression Mr. Aldrich had said, “it is clear that there is not community support to add a seventh floor,” and regretted that Mr. Aldrich wasn’t present to clarify. Ms. Pollay agreed that the minutes hadn’t accurately captured the subtlety of the statement and would be changed. With that, Mr. Gillett asked for a vote to approve the minutes of January 8, 2003 as amended:

**A VOTE ON THE MOTION SHOWED:**

**AYES:** Carlberg, Dankert, Fritz, Gillett, Greff, Gunn, Sipes, Solo

**NAYS:** None

**Absent:** Aldrich, Beal, DeVarti

The motion carried.

3. **AUDIENCE PARTICIPATION**

Ms. Ellie Serras distributed two articles regarding the physical benefits of climbing stairs, and said she was not here to ask for money but for permission to put art in the stairwells at the Fourth/William parking structure. She said she had attended a conference session in which it was pointed out that people will use the stairs more if they
are aesthetically improved. Ms. Serras said she wanted to provide Ann Arbor Public School children an chance to install art in the stairwells based on a theme of Earth, Air, Fire and Water. The Main Street Area Associations will fund this project, and they need only permission to proceed. She said she hoped for an answer by the end of March. Mr. Gillett said that this would be referred to the Operations Committee.

Mr. DeVarti enters.

4. CITIZENS ADVISORY COUNCIL

Ray Detter reported: The Citizens Advisory Council is pleased with the direction the DDA Partnership Committee, along with members of City Council, is taking now that new plans have to be made for the site of the First and Washington parking structure. We believe in the kind of broad thinking, strategic planning, and public participation that the DDA is now engaged in regarding that site as well as other possible Downtown development sites.

At our meeting last night the CAC discussed our future role in relation to the DDA and downtown issues. When the DDA is renewed, we believe the goals and objectives stated in the new Plan will be our goals as well as yours. Last night we reaffirmed our commitment to not only advise the DDA regarding the future of the downtown but to also continue to advise everyone who will listen regarding the achievement of these DDA and CAC goals.

There was general consensus at last night's meeting that, increasingly, planning for the future of the downtown has to deal with issues that go beyond DDA borders. We need to broaden our scope and broaden our concept of ways in which we can develop partnerships to achieve DDA goals. A few examples:

The parking issue: We all now recognize that merely adding parking spaces is not the only, or the best solution, to providing access to the downtown and to supporting downtown vitality. Other possible directions require thinking about areas outside the downtown:

A. Alternative transportation—pedestrians, bikes, public transportation (Go Pass)
B. Park and Ride Lots

Development Issues: What, including housing, does the downtown need, and where do we need it? Answering this question requires us to think about locations and issues that are outside the DDA area:

A. Allen Creek—problem must be solved with community wide planning.
B. North Main and Lower Town—Maybe the DDA will or will not be involved financially, but support for carefully planned, mixed use, higher density development in these areas can only have a positive affect upon achieving our goals for the downtown.

The University: The University is the largest single landowner in the downtown—and the entire town. We will be affected by whatever they do. How can we continue to further develop partnerships with the University in areas both within and outside the downtown that will benefit the entire central area?

A. Parking, transportation, housing. We need to look at ways to expand our partnerships with the University in these areas.
B. Most of the campus area and much other University property drain into the Allen Creek watershed. How can we engage them in the difficult and expensive process of finding a solution to our common problem?
C. We may not be financially involved in the development of Lower Town, but we should encourage the University as well as private developers to move ahead with plans that will have a positive impact on achieving our DDA goals for the downtown area.

The Citizens Advisory Council looks forward to participating in the discussion on these and other issues as we proceed into the next 30 years of DDA success.

5. NEW BUSINESS

Mr. Gillett announced that Skip Ungrodt, whose DDA term ended in July, had recently passed away. He expressed his sadness at Skip’s passing, and said that all who worked with Skip enjoyed his personality and appreciated his commitment to downtown issues. A moment of silence was held in his memory.
Mr. Gillett also announced that Mr. Aldrich has resigned as Partnerships Committee Chair due to possible future conflicts related to the First/Washington project. Mr. Gillett appointed Mr. Dave Solo as the new Committee chair.

6. OLD BUSINESS
None.

7. SUBCOMMITTEE REPORTS

OPERATIONS COMMITTEE
Mr. Dankert reported on highlights from the December financial statements: No real variance in TIF revenues, and expenses are 2.7% under budget. Revenues were down at most structures due to the "Deck the Halls promotion" which offered free parking on Fridays and Saturdays in December. Car counts were higher, but revenues were also off due to the fewer number of days in which the facilities were open given the impact of midweek holidays. The City has still not posted interest. Mr. Dankert moved and Ms. Gunn seconded the motion to approve the financial report.

A VOTE ON THE MOTION SHOWED:
AYES: Carlberg, Dankert, DeVarti Fritz, Gillett, Greff, Gunn, Sipes, Solo
NAYS: None
Absent: Aldrich, Beal
The motion carried.

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

RESOLUTION TO APPROVE THE DDA BUDGET FOR FISCAL YEAR 2003/2004

 Whereas, The DDA has developed a Ten-Year financial plan, including projected income and expenses for its TIF, Housing and Parking Funds, including calculations for debt service, capital improvement projects and parking operations;

 Whereas, The DDA Operations Committee has developed a detailed FY 2003/2004 budget for the DDA based on this Ten-Year plan;

 Whereas, Included in this 2003/04 budget is a Committee recommendation that the DDA initiate charging parking patrons by the ½ hour instead of the current 1-hour increments in the parking lots and structures, as well as a recommendation that 4th & Washington parking fees be reduced to $.95 per hour, which is the rate charged at the other structures;

 Whereas, These changes would be formally presented in a resolution to the DDA for its approval at the March 2003 DDA meeting, and then notice provided to City Council per the requirements of the DDA/City parking agreement;

 Whereas, These recommendations are expected to reduce DDA parking revenues by approximately $500,000 from 2002/03 totals;

 Whereas, Despite this revenue reduction it is anticipated that the DDA will generate sufficient parking revenues to continue to operate, maintain, and plan for future repairs to its parking system, primarily because preventive maintenance efforts are proving successful in forestalling deterioration and major repairs;

 Whereas, The Operations Committee has reviewed and discussed the FY 2003/04 budget at length and recommend its approval;

Mr. Dankert said that a resolution would be brought in March to authorize the DDA to go back to charging by the half hour, and to decrease rates at Fourth & Washington to be equivalent to other decks. No other rate changes are anticipated at this point. Mr. Dankert reviewed budget items and explained various details. On the proposed budget, TIF personnel costs are up due to Adrian Iraola being paid from this fund rather than bond proceeds. The DDA Parking Fund looks strong, and Mr. Solo thanked City Council for transferring the parking meters to DDA management, and thanked Republic Parking for doing a good job operating the system. Ms. Gunn said that the DDA’s commitment to preventative maintenance was forestalling deterioration, which was a very good thing. Also, she felt the community would be very pleased if the DDA returned to charging by the half hour. Ms. Carlberg asked about the schedule for parking rate increases and how repairs were planned. Mr. Gillett said that money is set-aside in the DDA’s Ten Year Plan for anticipated repairs as needed. Ms. Pollay said that the Operations Committee had resolved to wait a full year operating the street meters before considering major changes.

A VOTE ON THE MOTION SHOWED:
AYES: Carlberg, Dankert, DeVarti, Fritz, Gillett, Greff, Gunn, Sipes, Solo
NAYS: None
Absent: Aldrich, Beal
The motion carried.

Mr. Dankert reported that Ms. Josie Parker, Director of the Ann Arbor District Library, spoke to the Committee about issues of passenger pickup/drop off and staff parking. The Committee asked staff to assist the Library as possible. There was also a brief discussion of DDA guidelines for providing large numbers of monthly parking permits for a single user, as the DDA had received a request from a downtown property owner. This discussion will continue at the next meeting. Mr. Dankert said they had correspondence with the Farmers Market but nothing has been determined at this point.

Mr. Dankert moved and Mr. Solo seconded the following resolution:

RESOLUTION TO PURCHASE COMPUTER EQUIPMENT AND SOFTWARE FOR THE USE BY THE DDA BOARD

Whereas, The DDA Board has requested that committee and board meeting materials be distributed to them electronically;

Whereas, DDA staff has surveyed Board members to find out their equipment needs and preferences, and has researched comparable shifts to electronic agendas by the Ann Arbor City Council and the Washtenaw County Board of Commissioners;

Whereas, The estimated cost of the equipment, software and training to complete this project is estimated to be approximately $35,000;

Whereas, Electronic and hard copies of all written materials prepared by or used by the DDA will continue to be made available to the public;

Whereas, The Operations Committee has discussed this matter at length and recommends approval of this expenditure by the DDA;

RESOLVED, The DDA approves the expenditure of $35,000 for the cost of computer equipment, software and training to enable the Board to operate from electronic agenda and materials, and directs its staff to take the steps necessary to implement this program.

Ms. Gunn asked Ms. Carlberg how City Council likes using computers. Ms. Carlberg said that the laptops are very heavy, inconvenient to carry, and can’t get hooked up in all places. It saves staff time, copy costs and paper, and Council can get updates quickly. Not all Council members use them other than at meetings, and she has found that they make less eye contact as everyone is looking at screens. She encouraged the DDA to
anticipate how much they would use them before proceeding. Mr. Dankert asked if extensive training sessions were needed. Ms. Carlberg said no. It was asked if a cost savings analysis had been done; Ms. Pollay answered that the project goal hadn’t been to save money, rather it had been to enable DDA members to be more effective, as information could be retrieved and used more efficiently than with paper. Ms. Greff said that currently data retrieval was quite frustrating. Mr. Solo said he hoped the use of computers might enable board members to rely less on staff. He felt that it would also make it easier for new DDA members to access the wealth of institutional memory necessary to do a good job. Mr. DeVarti asked if back copies of minutes and other data would be provided. Ms. Pollay said that staff would work with the Board to determine what information each would like to have. Mr. Fritz said that he preferred paper, as he doesn’t use his computer often. Ms. Pollay said that staff would continue to provide paper copies of materials, as well.

**A VOTE ON THE MOTION SHOWED:**

**AYES:** Carlberg, Dankert, DeVarti, Fritz, Gillett, Greff, Gunn, Sipes, Solo  
**NAYS:** None  
**Absent:** Aldrich, Beal  
The motion carried.

**Ms. Carlberg exited.** Upon leaving, Ms. Carlberg asked that the DDA come up with ways to proceed with future downtown development sites.

**PARTNERSHIP COMMITTEE**

Mr. Solo referred to the letter in the board packet from Mr. Aldrich, which explains his reason for resigning as Committee Chair. He said he respected Mr. Aldrich’s ethical attitude and actions.

**First/Washington Project Status.** Mr. Solo reported that Councilpersons Easthope and Carlberg attended the last meeting at which a discussion was held on what the next steps should be. It was decided to take a larger view, including other nearby sites including the Kline Lot, 1st & William, Brown Block, etc. and existing information would be gathered and the potential for development partnerships with nearby property owners would be explored. Mr. Dankert asked what the expected remaining life was of the First/Washington structure. Mr. Iraola said it could be kept open until June 2004, and after that significant repairs would have to be made or a portion of the structure would have to be closed. Ms. Sipes said that she felt its footprint made for an inefficient parking deck, and asked the committee to consider a housing/retail development only and look elsewhere to develop parking. Mr. Solo said that there would be a meeting with stakeholders before moving forward with any project on the site.

**CAPITAL IMPROVEMENTS COMMITTEE**

Mr. Fritz reported that the Committee met with Chris White/AATA to discuss existing park & ride lot locations and usage, and ideas to increase outskirt parking through a partnership between DDA and AATA. Ms. Pollay said that much work is being done in a City committee to encourage alternative transportation use in the city, and the DDA’s efforts to this end are timely and valuable. Ms. Pollay reported that an RFQ was distributed as the first step toward hiring a contractor/several contractors to oversee the DDA’s Liberty Plaza Park, E.U./Church, and additional State Street Area sidewalk repair projects this summer. A panel will review RFQ responses next week, and a shortened list of contractors will be invited to bid on the projects. Recommendations will be presented at the April DDA meeting for DDA approval. Mr. Iraola reported that spring and summer will be busy with sidewalk projects throughout downtown. Our goal will be to have it all completed by Art Fair.

**PLANNING COMMITTEE**

Ms. Greff said that the Committee has spent time revising/updating the proposed 2003/2033 Renewal Plan, and copy with highlights and a cleaned up copy were provided to each DDA member for their review. Changes include revisions to the section on boundaries, as well as other updates. The maps still need to be revised, but Ms. Greff asked the board to look this draft over and recommend any additional changes by February 12th.
Ms. Greff reported that there have been meeting with individual Council members to elicit recommendations for the Plan. Tentatively it is anticipated that City Council will be asked to consider an amendment to the DDA Ordinance at its second meeting in March.

Ms. Greff said that in response to a request from the CAC, the Committee asked the Greenway Collaborative to compile a study to analyze ways to improve pedestrian and bicycle safety in the State Street area. A proposal was just received today, and will be reviewed at the next Committee meeting.

Mr. DeVarti reported that an informal group met to brainstorm about ideas to replace the artist studios that will soon be lost the Technology Center. The group included individual artists, Chamber and Arts Alliance representatives, as well as DDA members. A follow-up meeting will then take place sometime during the first two weeks in March.

8. OTHER BUSINESS

None.

9. AUDIENCE PARTICIPATION

Mr. Ray Detter announced that there would be a dedication ceremony for the installation of Historic Street Exhibit frames on July 2nd. More information will be provided at a later date.

10. ADJOURNMENT

As there was no further discussion the meeting was adjourned at 1:30 p.m.

Respectfully submitted,
Susan Pollay, Executive Director
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6. OLD BUSINESS

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7. SUBCOMMITTEE REPORTS

OPERATIONS COMMITTEE

Mr. Dankert reported on highlights from the December financial statements: No real variance in TIF revenues, and expenses are 2.7% under budget. Revenues were down at most structures due to the “Deck the Halls promotion” which offered free parking on Fridays and Saturdays in December. Car counts were higher, but revenues were also off due to the fewer number of days in which the facilities were open given the impact of midweek holidays. The City has still not posted interest. Mr. Dankert moved and Ms. Gunn seconded the motion to approve the financial report.

A VOTE ON THE MOTION SHOWED:

AYES: Carlberg, Dankert, DeVarti Fritz, Gillett, Greff, Gunn, Sipes, Solo
NAYS: None
Absent: Aldrich, Beal
The motion carried.

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

RESOLUTION TO APPROVE THE DDA BUDGET FOR FISCAL YEAR 2003/2004

Whereas, The DDA has developed a Ten-Year financial plan, including projected income and expenses for its TIF, Housing and Parking Funds, including calculations for debt service, capital improvement projects and parking operations;

Whereas, The DDA Operations Committee has developed a detailed FY 2003/2004 budget for the DDA based on this Ten-Year plan;

Whereas, Included in this 2003/04 budget is a Committee recommendation that the DDA initiate charging parking patrons by the ½ hour instead of the current 1-hour increments in the parking lots and structures, as well as a recommendation that 4th & Washington parking fees be reduced to $.95 per hour, which is the rate charged at the other structures;

Whereas, These changes would be formally presented in a resolution to the DDA for its approval at the March 2003 DDA meeting, and then notice provided to City Council per the requirements of the DDA/City parking agreement;

Whereas, These recommendations are expected to reduce DDA parking revenues by approximately $500,000 from 2002/03 totals;

Whereas, Despite this revenue reduction it is anticipated that the DDA will generate sufficient parking revenues to continue to operate, maintain, and plan for future repairs to its parking system, primarily because preventive maintenance efforts are proving successful in forestalling deterioration and major repairs;

Whereas, The Operations Committee has reviewed and discussed the FY 2003/04 budget at length and recommend its approval;

Mr. Dankert said that a resolution would be brought in March to authorize the DDA to go back to charging by the half hour, and to decrease rates at Fourth & Washington to be equivalent to other decks. No other rate changes are anticipated at this point. Mr. Dankert reviewed budget items and explained various details. On the proposed budget, TIF personnel costs are up due to Adrian Iraola being paid from this fund rather than bond proceeds. The DDA Parking Fund looks strong, and Mr. Solo thanked City Council for transferring the parking meters to DDA management, and thanked Republic Parking for doing a good job operating the system. Ms. Gunn said that the DDA’s commitment to preventative maintenance was forestalling deterioration, which was a very good thing. Also, she felt the community would be very pleased if the DDA returned to charging by the half hour. Ms. Carlberg asked about the schedule for parking rate increases and how repairs were planned. Mr. Gillett said that money is set-aside in the DDA’s Ten Year Plan for anticipated repairs as needed. Ms. Pollay said that the Operations Committee had resolved to wait a full year operating the street meters before considering major changes.

A VOTE ON THE MOTION SHOWED:

AYES: Carlberg, Dankert, DeVarti, Fritz, Gillett, Greff, Gunn, Sipes, Solo
NAYS: None
Absent: Aldrich, Beal

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Mr. Dankert reported that Ms. Josie Parker, Director of the Ann Arbor District Library, spoke to the Committee about issues of passenger pickup/drop off and staff parking. The Committee asked staff to assist the Library as possible. There was also a brief discussion of DDA guidelines for providing large numbers of monthly parking permits for a single user, as the DDA had received a request from a downtown property owner. This discussion will continue at the next meeting. Mr. Dankert said they had correspondence with the Farmers Market but nothing has been determined at this point.

Mr. Dankert moved and Mr. Solo seconded the following resolution:

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Whereas, The DDA Board has requested that committee and board meeting materials be distributed to them electronically;

Whereas, DDA staff has surveyed Board members to find out their equipment needs and preferences, and has researched comparable shifts to electronic agendas by the Ann Arbor City Council and the Washtenaw County Board of Commissioners;

Whereas, The estimated cost of the equipment, software and training to complete this project is estimated to be approximately $35,000;

Whereas, Electronic and hard copies of all written materials prepared by or used by the DDA will continue to be made available to the public;

Whereas, The Operations Committee has discussed this matter at length and recommends approval of this expenditure by the DDA;

RESOLVED, The DDA approves the expenditure of $35,000 for the cost of computer equipment, software and training to enable the Board to operate from electronic agenda and materials, and directs its staff to take the steps necessary to implement this program.

Ms. Gunn asked Ms. Carlberg how City Council likes using computers. Ms. Carlberg said that the laptops are very heavy, inconvenient to carry, and can’t get hooked up in all places. It saves staff time, copy costs and paper, and Council can get updates quickly. Not all Council members use them other than at meetings, and she has found that they make less eye contact as everyone is looking at screens. She encouraged the DDA to
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**AYES:** Carlberg, Dankert, DeVarti, Fritz, Gillett, Greff, Gunn, Sipes, Solo

**NAYS:** None

**Absent:** Aldrich, Beal

The motion carried.

Ms. Carlberg exited. Upon leaving, Ms. Carlberg asked that the DDA come up with ways to proceed with future downtown development sites.

**PARTNERSHIP COMMITTEE**

Mr. Solo referred to the letter in the board packet from Mr. Aldrich, which explains his reason for resigning as Committee Chair. He said he respected Mr. Aldrich’s ethical attitude and actions.

First/Washington Project Status. Mr. Solo reported that Councilpersons Easthope and Carlberg attended the last meeting at which a discussion was held on what the next steps should be. It was decided to take a larger view, including other nearby sites including the Kline Lot, 1st & William, Brown Block, etc. and existing information would be gathered and the potential for development partnerships with nearby property owners would be explored. Mr. Dankert asked what the expected remaining life was of the First/Washington structure. Mr. Iraola said it could be kept open until June 2004, and after that significant repairs would have to be made or a portion of the structure would have to be closed. Ms. Sipes said that she felt its footprint made for an inefficient parking deck, and asked the committee to consider a housing/retail development only and look elsewhere to develop parking. Mr. Solo said that there would be a meeting with stakeholders before moving forward with any project on the site.

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**PLANNING COMMITTEE**

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8. OTHER BUSINESS
None.

9. AUDIENCE PARTICIPATION
Mr. Ray Detter announced that there would be a dedication ceremony for the installation of Historic Street Exhibit frames on July 2nd. More information will be provided at a later date.

10. ADJOURNMENT
As there was no further discussion the meeting was adjourned at 1:30 p.m.

Respectfully submitted,
Susan Pollay, Executive Director
MINUTES
Downtown Development Authority Meeting
Wednesday, February 5, 2003

Place: Kerrytown Concert House, 415 N. Fourth Avenue, Ann Arbor, MI 48104
Time: DDA Chair Bob Gillett called the meeting to order at 12:08 p.m.

1. ROLL CALL

Present: Jean Carlberg (sitting in for Mayor Hieftje), Ron Dankert, David Fritz, Bob Gillett, Rene Greff, Leah Gunn, Lorri Sipes, Dave Solo
Absent: Rob Aldrich, Fred Beal, Dave DeVarti
Staff: Susan Pollay, Executive Director
Present: Joe Morehouse, Deputy Director
Adrian Iraola, Project Manager
Sarah Armstrong
Audience: Peter T. Allen, Peter Allen and Associates
Mike Conter, LibertyFirst
Jim Corbett, Republic Parking System
Bradt Coultaas, Chamber of Commerce/Get!Downtown Program
Ray Detter, Citizens Advisory Council
Mark Hodesh, Downtown Home and Garden
Donna Johnson, City Planning Department
David Kwan, LibertyFirst
Jason Ledy, Citizen
Brenda Macon, Chamber of Commerce/Get!Downtown Program
Cathy O'Donnell, Ann Arbor News
Peter Pollack, Pollack Design
Ethel Potts, Citizen
Ellie Serras, Main Street Area Association
Dennis Webster, Earle Restaurant

2. APPROVAL OF MINUTES
Mr. Gillett said that Mayor Pro Tem Jean Carlberg would serve on the DDA during the time Mayor Hieftje is out of town. All conveyed their welcome.

Mr. Gillett recommended a change to the minutes, saying that they incorrectly report a statement made by Mr. Aldrich in the Partnership Committee report, that “it isn’t clear that there is community support to add a seventh floor to the First/Washington Project”. He said he was under the impression Mr. Aldrich had said, “it is clear that there is not community support to add a seventh floor,” and regretted that Mr. Aldrich wasn’t present to clarify.
Ms. Pollay agreed that the minutes hadn’t accurately captured the subtlety of the statement and would be changed. With that, Mr. Gillett asked for a vote to approve the minutes of January 8, 2003 as amended:

A VOTE ON THE MOTION SHOWED:
AYES: Carlberg, Dankert, Fritz, Gillett, Greff, Gunn, Sipes, Solo
NAYS: None
Absent: Aldrich, Beal, DeVarti
The motion carried.

3. AUDIENCE PARTICIPATION
Ms. Ellie Serras distributed two articles regarding the physical benefits of climbing stairs, and said she was not here to ask for money but for permission to put art in the stairwells at the Fourth/William parking structure. She said she had attended a conference session in which it was pointed out that people will use the stairs more if they
are aesthetically improved. Ms. Serras said she wanted to provide Ann Arbor Public School children an chance to install art in the stairwells based on a theme of Earth, Air, Fire and Water. The Main Street Area Associations will fund this project, and they need only permission to proceed. She said she hoped for an answer by the end of March. Mr. Gillett said that this would be referred to the Operations Committee.

Mr. DeVarti enters.

4. CITIZENS ADVISORY COUNCIL

Ray Detter reported: The Citizens Advisory Council is pleased with the direction the DDA Partnership Committee, along with members of City Council, is taking now that new plans have to be made for the site of the First and Washington parking structure. We believe in the kind of broad thinking, strategic planning, and public participation that the DDA is now engaged in regarding that site as well as other possible Downtown development sites.

At our meeting last night the CAC discussed our future role in relation to the DDA and downtown issues. When the DDA is renewed, we believe the goals and objectives stated in the new Plan will be our goals as well as yours. Last night we reaffirmed our commitment to not only advise the DDA regarding the future of the downtown but to also continue to advise everyone who will listen regarding the achievement of these DDA and CAC goals.

There was general consensus at last night’s meeting that, increasingly, planning for the future of the downtown has to deal with issues that go beyond DDA borders. We need to broaden our scope and broaden our concept of ways in which we can develop partnerships to achieve DDA goals. A few examples:

The parking issue: We all now recognize that merely adding parking spaces is not the only, or the best solution, to providing access to the downtown and to supporting downtown vitality. Other possible directions require thinking about areas outside the downtown:

A. Alternative transportation—pedestrians, bikes, public transportation (Go Pass)
B. Park and Ride Lots

Development Issues: What, including housing, does the downtown need, and where do we need it? Answering this question requires us to think about locations and issues that are outside the DDA area:

A. Allen Creek—problem must be solved with community wide planning.
B. North Main and Lower Town—Maybe the DDA will or will not be involved financially, but support for carefully planned, mixed use, higher density development in these areas can only have a positive affect upon achieving our goals for the downtown.

The University: The University is the largest single landowner in the downtown-- and the entire town. We will be affected by whatever they do. How can we continue to further develop partnerships with the University in areas both within and outside the downtown that will benefit the entire central area?

A. Parking, transportation, housing. We need to look at ways to expand our partnerships with the University in these areas.
B. Most of the campus area and much other University property drain into the Allen Creek watershed. How can we engage them in the difficult and expensive process of finding a solution to our common problem?
C. We may not be financially involved in the development of Lower Town, but we should encourage the University as well as private developers to move ahead with plans that will have a positive impact on achieving our DDA goals for the downtown area.

The Citizens Advisory Council looks forward to participating in the discussion on these and other issues as we proceed into the next 30 years of DDA success.

5. NEW BUSINESS

Mr. Gillett announced that Skip Ungrodt, whose DDA term ended in July, had recently passed away. He expressed his sadness at Skip’s passing, and said that all who worked with Skip enjoyed his personality and appreciated his commitment to downtown issues. A moment of silence was held in his memory.
Mr. Gillett also announced that Mr. Aldrich has resigned as Partnerships Committee Chair due to possible future conflicts related to the First/Washington project. Mr. Gillett appointed Mr. Dave Solo as the new Committee chair.

6. OLD BUSINESS

None.

7. SUBCOMMITTEE REPORTS

OPERATIONS COMMITTEE

Mr. Dankert reported on highlights from the December financial statements: No real variance in TIF revenues, and expenses are 2.7% under budget. Revenues were down at most structures due to the “Deck the Halls promotion” which offered free parking on Fridays and Saturdays in December. Car counts were higher, but revenues were also off due to the fewer number of days in which the facilities were open given the impact of midweek holidays. The City has still not posted interest. Mr. Dankert moved and Ms. Gunn seconded the motion to approve the financial report.

A VOTE ON THE MOTION SHOWED:

AYES: Carlberg, Dankert, DeVarti Fritz, Gillett, Greff, Gunn, Sipes, Solo
NAYS: None
Absent: Aldrich, Beal

The motion carried.

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

RESOLUTION TO APPROVE THE DDA BUDGET FOR FISCAL YEAR 2003/2004

Whereas, The DDA has developed a Ten-Year financial plan, including projected income and expenses for its TIF, Housing and Parking Funds, including calculations for debt service, capital improvement projects and parking operations;

Whereas, The DDA Operations Committee has developed a detailed FY 2003/2004 budget for the DDA based on this Ten-Year plan;

Whereas, Included in this 2003/04 budget is a Committee recommendation that the DDA initiate charging parking patrons by the ½ hour instead of the current 1-hour increments in the parking lots and structures, as well as a recommendation that 4th & Washington parking fees be reduced to $.95 per hour, which is the rate charged at the other structures;

Whereas, These changes would be formally presented in a resolution to the DDA for its approval at the March 2003 DDA meeting, and then notice provided to City Council per the requirements of the DDA/City parking agreement;

Whereas, These recommendations are expected to reduce DDA parking revenues by approximately $500,000 from 2002/03 totals;

Whereas, Despite this revenue reduction it is anticipated that the DDA will generate sufficient parking revenues to continue to operate, maintain, and plan for future repairs to its parking system, primarily because preventive maintenance efforts are proving successful in forestalling deterioration and major repairs;

Whereas, The Operations Committee has reviewed and discussed the FY 2003/04 budget at length and recommend its approval;

Mr. Dankert said that a resolution would be brought in March to authorize the DDA to go back to charging by the half hour, and to decrease rates at Fourth & Washington to be equivalent to other decks. No other rate changes are anticipated at this point. Mr. Dankert reviewed budget items and explained various details. On the proposed budget, TIF personnel costs are up due to Adrian Iraola being paid from this fund rather than bond proceeds. The DDA Parking Fund looks strong, and Mr. Solo thanked City Council for transferring the parking meters to DDA management, and thanked Republic Parking for doing a good job operating the system. Ms. Gunn said that the DDA’s commitment to preventative maintenance was forestalling deterioration, which was a very good thing. Also, she felt the community would be very pleased if the DDA returned to charging by the half hour. Ms. Carlberg asked about the schedule for parking rate increases and how repairs were planned. Mr. Gillett said that money is set-aside in the DDA’s Ten Year Plan for anticipated repairs as needed. Ms. Pollay said that the Operations Committee had resolved to wait a full year operating the street meters before considering major changes.

A VOTE ON THE MOTION SHOWED:
AYES: Carlberg, Dankert, DeVarti, Fritz, Gillett, Greff, Gunn, Sipes, Solo
NAYS: None
Absent: Aldrich, Beal
The motion carried.

Mr. Dankert reported that Ms. Josie Parker, Director of the Ann Arbor District Library, spoke to the Committee about issues of passenger pickup/drop off and staff parking. The Committee asked staff to assist the Library as possible. There was also a brief discussion of DDA guidelines for providing large numbers of monthly parking permits for a single user, as the DDA had received a request from a downtown property owner. This discussion will continue at the next meeting. Mr. Dankert said they had correspondence with the Farmers Market but nothing has been determined at this point.

Mr. Dankert moved and Mr. Solo seconded the following resolution:

RESOLUTION TO PURCHASE COMPUTER EQUIPMENT AND SOFTWARE FOR THE USE BY THE DDA BOARD

Whereas, The DDA Board has requested that committee and board meeting materials be distributed to them electronically;

Whereas, DDA staff has surveyed Board members to find out their equipment needs and preferences, and has researched comparable shifts to electronic agendas by the Ann Arbor City Council and the Washtenaw County Board of Commissioners;

Whereas, The estimated cost of the equipment, software and training to complete this project is estimated to be approximately $35,000;

Whereas, Electronic and hard copies of all written materials prepared by or used by the DDA will continue to be made available to the public;

Whereas, The Operations Committee has discussed this matter at length and recommends approval of this expenditure by the DDA;

RESOLVED, The DDA approves the expenditure of $35,000 for the cost of computer equipment, software and training to enable the Board to operate from electronic agenda and materials, and directs its staff to take the steps necessary to implement this program.

Ms. Gunn asked Ms. Carlberg how City Council likes using computers. Ms. Carlberg said that the laptops are very heavy, inconvenient to carry, and can’t get hooked up in all places. It saves staff time, copy costs and paper, and Council can get updates quickly. Not all Council members use them other than at meetings, and she has found that they make less eye contact as everyone is looking at screens. She encouraged the DDA to
anticipate how much they would use them before proceeding. Mr. Dankert asked if extensive training sessions were needed. Ms. Carlberg said no. It was asked if a cost savings analysis had been done; Ms. Pollay answered that the project goal hadn’t been to save money, rather it had been to enable DDA members to be more effective, as information could be retrieved and used more efficiently than with paper. Ms. Greff said that currently data retrieval was quite frustrating. Mr. Solo said he hoped the use of computers might enable board members to rely less on staff. He felt that it would also make it easier for new DDA members to access the wealth of institutional memory necessary to do a good job. Mr. DeVarti asked if back copies of minutes and other data would be provided. Ms. Pollay said that staff would work with the Board to determine what information each would like to have. Mr. Fritz said that he preferred paper, as he doesn’t use his computer often. Ms. Pollay said that staff would continue to provide paper copies of materials, as well.

A VOTE ON THE MOTION SHOWED:
AYES: Carlberg, Dankert, DeVarti, Fritz, Gillett, Greff, Gunn, Sipes, Solo
NAYS: None
Absent: Aldrich, Beal
The motion carried.

Ms. Carlberg exited. Upon leaving, Ms. Carlberg asked that the DDA come up with ways to proceed with future downtown development sites.

PARTNERSHIP COMMITTEE
Mr. Solo referred to the letter in the board packet from Mr. Aldrich, which explains his reason for resigning as Committee Chair. He said he respected Mr. Aldrich’s ethical attitude and actions.

First/Washington Project Status. Mr. Solo reported that Councilpersons Easthope and Carlberg attended the last meeting at which a discussion was held on what the next steps should be. It was decided to take a larger view, including other nearby sites including the Kline Lot, 1st & William, Brown Block, etc. and existing information would be gathered and the potential for development partnerships with nearby property owners would be explored. Mr. Dankert asked what the expected remaining life was of the First/Washington structure. Mr. Iraola said it could be kept open until June 2004, and after that significant repairs would have to be made or a portion of the structure would have to be closed. Ms. Sipes said that she felt its footprint made for an inefficient parking deck, and asked the committee to consider a housing/retail development only and look elsewhere to develop parking. Mr. Solo said that there would be a meeting with stakeholders before moving forward with any project on the site.

CAPITAL IMPROVEMENTS COMMITTEE
Mr. Fritz reported that the Committee met with Chris White/AATA to discuss existing park & ride lot locations and usage, and ideas to increase outskirt parking through a partnership between DDA and AATA. Ms. Pollay said that much work is being done in a City committee to encourage alternative transportation use in the city, and the DDA’s efforts to this end are timely and valuable. Ms. Pollay reported that an RFQ was distributed as the first step toward hiring a contractor/several contractors to oversee the DDA’s Liberty Plaza Park, E.U./Church, and additional State Street Area sidewalk repair projects this summer. A panel will review RFQ responses next week, and a shortened list of contractors will be invited to bid on the projects. Recommendations will be presented at the April DDA meeting for DDA approval. Mr. Iraola reported that spring and summer will be busy with sidewalk projects throughout downtown. Our goal will be to have it all completed by Art Fair.

PLANNING COMMITTEE
Ms. Greff said that the Committee has spent time revising/updating the proposed 2003/2033 Renewal Plan, and copy with highlights and a cleaned up copy were provided to each DDA member for their review. Changes include revisions to the section on boundaries, as well as other updates. The maps still need to be revised, but Ms. Greff asked the board to look this draft over and recommend any additional changes by February 12th.
Ms. Greff reported that there have been meetings with individual Council members to elicit recommendations for the Plan. Tentatively it is anticipated that City Council will be asked to consider an amendment to the DDA Ordinance at its second meeting in March.

Ms. Greff said that in response to a request from the CAC, the Committee asked the Greenway Collaborative to compile a study to analyze ways to improve pedestrian and bicycle safety in the State Street area. A proposal was just received today, and will be reviewed at the next Committee meeting.

Mr. DeVarti reported that an informal group met to brainstorm about ideas to replace the artist studios that will soon be lost the Technology Center. The group included individual artists, Chamber and Arts Alliance representatives, as well as DDA members. A follow-up meeting will then take place sometime during the first two weeks in March.

8. OTHER BUSINESS

None.

9. AUDIENCE PARTICIPATION

Mr. Ray Detter announced that there would be a dedication ceremony for the installation of Historic Street Exhibit frames on July 2nd. More information will be provided at a later date.

10. ADJOURNMENT

As there was no further discussion the meeting was adjourned at 1:30 p.m.

Respectfully submitted,
Susan Pollay, Executive Director