Ann Arbor Downtown Development Authority Meeting Minutes  
Wednesday, February 7, 2007

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

1. **ROLL CALL**

| Present: | Russ Collins, Dave DeVarti, Rene Greff, Leah Gunn, Jennifer Hall, John Hieftje, Roger Hewitt, Sandi Smith, John Splitt |
| Absent:  | Rob Aldrich, Fred Beal, Gary Boren |
| Staff:   | Susan Pollay, Executive Director |
| Present: | Joe Morehouse, Deputy Director, Lindsay-Jean Hard, DDA Intern, Joan Lyke, Management Assistant |

2. **AUDIENCE PARTICIPATION**

Mr. White reported that LINK ridership is up to 1,500 riders/day or an average of 55 passengers per hour. This is the highest ridership in their system.

**Mr. Boren enters.**

Mr. Detter said that the City has indicated that trash pickup earlier than 6am will not be necessary. CAC has heard comments from Ann Arbor District Library board members suggesting that the Library would consider moving out of downtown. The CAC strongly opposes this and urges the Library to stay in its current location. Mr. Detter said that the CAC also discussed other issues and will continue observing and participating in A2D2 committee meetings whenever possible.

Mr. Nichols, downtown resident and a 1st & William monthly parking permit holder, expressed his frustration that he is not guaranteed a parking space in the lot after 6PM, as it is open to the public at that time. He said that he felt a parking space should be available to him at all hours as a monthly permit holder.

3. **APPROVAL OF MINUTES**

Ms. Gunn moved and Mr. Hewitt seconded approval of the January 10, 2007 and the Winter Retreat 2006/07 minutes.

A vote on the motion showed:  
**AYES:** Boren, Collins, DeVarti, Greff, Gunn, Hall, Hieftje, Hewitt, Smith, Splitt  
**NAYES:** None
Absent:  Aldrich, Beal
The motion carried.

Mr. Aldrich enters.

4. STATUS OF CITY TASKFORCE EFFORTS

Percent for Art Taskforce:  Mr. Collins said that the taskforce has not met recently.

The Allen Creek Greenway Taskforce:  Ms. Smith reported that the Taskforce report was presented to the City Council and will be provided to the City in the next few weeks after typos have been corrected.

A2D2:  Mr. Hewitt said that the Historic District ordinance will soon go to Council. The Steering Committee will interview consultants next week; the selected consultant will be responsible for drafting design guidelines and new zoning ordinances for the City. The meeting schedule for A2D2 committee meetings is available on the City’s web site.

5. PARTNERSHIPS COMMITTEE

Ms. Hall moved and Ms. Gunn supported the following Resolution:

RESOLUTION TO PROVIDE A PARTNERSHIPS GRANT TO THE PROJECT AT 200 S. ASHLEY STREET

Whereas, On December 21, 1999 the DDA established Partnerships Guidelines to provide direction for the kinds of projects the DDA would encourage in the downtown;

Whereas, These Guidelines set forward that the DDA might consider a DDA project grant if specific community benefits could be shown, including:
  • Historic preservation of great significance
  • Construction of a significant number of new residential units
  • Contribution to community affordable housing goals
  • Pedestrian improvements, including alley and sidewalk enhancements, as well as an attractive, pedestrian-friendly design
  • Parking for the project is completely or predominantly on site and parking for the project is principally situated below grade
  • Provision of sustainable architectural elements, such as a green roof or solar heating system

Whereas, On November 30, 2006 and December 14, 2006 two representatives from PMA met with the DDA/City Partnerships Committee to present information on their proposed project at 200 S. Ashley Street and their request for a DDA Partnerships Grant to be calculated at 25% of the TIF generated for the DDA by the project over ten years;

Whereas, The project will be an eight-story mixed use building with parking, retail, office and residential units and will include a wide variety and number of “green” technologies to achieve significant reductions in energy and water consumption;

Whereas, The developer has indicated a goal to achieve Platinum LEEDs certification for this project;

Whereas, The developer has also indicated a goal to receive Brownfield funding for this project and that a DDA grant would be used as a portion of the local match;

Whereas, The project proposed for 200 S. Ashley Street will provide for a number of important Downtown Plan and DDA goals, including
  • Construction of a mixed use building which will include underground parking
· Remediation of contaminated soils
· Provision of a great number of sustainable architectural elements, such as a vegetated green wall, wind turbines, and more, and is the first such project in the downtown

Whereas, The DDA has conferred with the City Assessor and have estimated that the project’s taxable value may be $1.8 to $2.3 million if constructed as proposed;

Whereas, The DDA Partnerships Committee has reviewed this project and found it to be an extraordinary project which may serve as a catalyst for other developers to propose “green” projects in the downtown;

Whereas, The DDA Partnerships Committee recommends that the DDA provide a DDA Partnerships Grant to this project calculated to be in the amount of 25% of the TIF captured by the DDA from this project over ten years, which is the maximum amount allowable under DDA guidelines, if the project achieves Platinum LEEDs certification;

Whereas, The DDA Partnerships Committee also recommends that the DDA waive meter bag fees for four meter bags for one year at a cost of $18,000 to provide a nearby construction staging area in a location to be determined by the DDA, for such project elements as dumpsters, construction equipment, and materials, but not to provide parking for contractors;

RESOLVED, The DDA shall provide assistance to 200 S. Ashley a DDA Partnerships Grant, in an amount to be calculated as 25% of the actual TIF captured by the DDA from this project over ten years as determined by the City Assessor;

RESOLVED, The amount of the DDA Partnerships Grant may be reduced if the project does not achieve Platinum LEEDs certification;

RESOLVED, The DDA provides this grant to help defray costs associated with project elements that provide a direct public benefit, including pedestrian improvements, storm water capture, solar heating system and other “green architecture” elements;

RESOLVED, DDA payments to the developer will be timed so that the development is never in a “negative TIF” situation, meaning that the TIF received by the DDA is always greater than the amount of any DDA grant paid out.

RESOLVED, The DDA shall also waive meter bag fees for four meter bags for one year at a cost of $18,000 to provide a nearby construction staging area in a location to be determined by the DDA, for such project elements as dumpsters, construction equipment, and materials, but not to provide parking for contractors;

RESOLVED, The DDA Partnerships Committee Chair and Executive Director are authorized to work with the DDA Attorney to formulate an agreement between the DDA and PMA and then bring back the agreement to the Partnerships Committee for approval.

Ms. Smith reported that the Partnerships Committee had discussed this project and there was much support for a project which aspires to a platinum LEEDS certification, as it will serve as a catalyst for future green buildings downtown. The resolution was reworked from last month and does not cap the amount of the Grant; rather this amount will be determined once the City Assessor establishes the amount of the DDA TIF capture. The provision of free meter bags for a staging area adds to the match for their Brownfield grant application and it assists construction in a tight setting.

A vote on the motion showed:
AYES: Aldrich, Boren, Collins, DeVarti, Greff, Gunn, Hall, Hieftje, Hewitt, Smith, Splitt
NAYES: None  
Absent: Beal  
The motion carried.

Ms. Hall moved and Ms. Gunn supported the following Resolution:

**RESOLUTION TO PROVIDE SUPPORT FOR THE RETRO DEVELOPMENT, LLC PROJECT (FORMER MAYER SCHAILER)**

Whereas, The DDA has set forward Partnerships Guidelines to provide direction for the kinds of projects the DDA would encourage in the downtown, including projects that provide specific community benefits including:
- Historic preservation
- Construction of a significant number of new residential units
- Contribution to community affordable housing goals
- Pedestrian improvements, including alley and sidewalk enhancements, as well as an attractive, pedestrian-friendly design
- Parking for the project is completely or predominantly on site and/or parking for the project is principally situated below grade
- Provision of sustainable architectural elements, such as a green roof or solar heating system

Whereas, In January 2005 the DDA received a request from the representatives of Retro Development, LLC provide a Partnerships Grant to support their proposed renovation of a historic building located at 110-120 S. Main Street (the former Mayer Schailer Building) into a mixed use building containing a restaurant, offices, atop which a new residence would be constructed;

Whereas, The DDA Partnerships Committee evaluated the request and in spring 2005 determined that although the project contained many attractive elements it did not fit within the scope of the DDA Partnerships Grant program, thus they did not put forward the recommendation for a Partnerships Grant, but did support the application for a DDA low-interest façade loan;

Whereas, Retro Development project representatives spoke before the DDA on November 2, 2005 and asked the DDA for consideration of a separate grant to pay for infrastructure costs which were incurred by this project but provide benefit to the larger neighborhood, including a new fire hydrant, water main extension and new electric transformer;

Whereas, The DDA Chair assigned this request to the Partnerships Committee which spent several months analyzing not only the specific elements needed for this project, but also the larger question of infrastructure capacity needed to support future downtown development;

Whereas, This research included meetings with City staff to clarify details of the downtown sanitary and water systems and status of downtown fire hydrants;

Whereas, The Partnerships Committee has resolved to recommend that the DDA provide a grant to the Retro Development project to reimburse it for the cost to install a new fire hydrant which is now City property;

Whereas, The cost for this new fire hydrant was $57,982.40;

Whereas, Although the project redevelopment is now complete, the request to the DDA was submitted while the project construction was in its earliest phases, and under review for many months, thus this is not a retroactive grant;
Whereas, The Partnerships Committee has also resolved to continue its analysis of downtown infrastructure needs to determine the optimal direction the DDA could take to address these needs;

RESOLVED, The DDA approves a grant in the amount of $57,982.40 to the Retro Development project to reimburse it for the cost of a new fire hydrant.

Ms. Smith explained that the grant is not retroactive as the request was submitted before the project began construction, and has been under review ever since. The committee spent considerable time investigating the issues of downtown infrastructure and recommends that the grant be provided to reimburse the project for the cost of a fire hydrant. The contractor provided his invoice so the DDA is aware of the actual cost.

Mr. DeVarti stated he would vote against the resolution because he believes that paying for this fire hydrant may open the floodgates for more requests from other developers. Ms. Hall said that the Committee has been considering the question for some time, and ultimately found itself in support of a grant because the fire hydrant was triggered by this project but will now benefit an entire block, including future developments. Mr. Hewitt said that he would support the resolution reluctantly and he urged the DDA to come up with a formula for future requests. Ms. Greff said that she felt that this was the kind of grant program the DDA should be involved with, as it should work to remove infrastructure barriers to downtown development, but agreed that the DDA should pay only actual costs and not associated soft costs.

A vote on the motion showed:
AYES:   Aldrich, Boren, Collins, Greff, Gunn, Hall, Hewitt, Smith, Splitt
NAYES:   DeVarti, Hieftje
Absent:  Beal
The motion carried.

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

RESOLUTION TO ASK CITY COUNCIL TO EXTEND THE DEADLINE FOR THE KLINE LOT RFP INDEFINITELY

Whereas, On August 1, 2005 City Council approved “Resolution Requesting Preparation of Requests for Proposals for The Redevelopment of City-Owned Properties” which established goals for the redevelopment of the Kline Lot and First & Washington and set December 5, 2005 as the deadline for the completion of these RFP’s;

Whereas, On November 21, 2005 City Council voted to extend the deadline for the Kline Lot RFP until April 2006;

Whereas, In December 2005 the DDA/City Partnerships Committee completed the First & Washington RFP and on January 23, 2006 City Council voted to approve this RFP and its distribution;

Whereas, The Partnerships Committee commissioned an analysis of the Kline site potential by Strategic Economics (SE), the economics team that worked with Calthorpe Associates;

Whereas, As part of their work, SE recommended to the Committee that the Kline lot RFP be issued in March 2007, which would allow the DDA to commission a downtown parking study to help the City determine how many public parking spaces to construct as part of this project redevelopment;

Whereas, The DDA/City Partnerships Committee sought a deadline extension for the submittal of this Kline lot RFP until March 2007, which was granted by City Council in April 2006;
Whereas, At their January 2007 meeting the DDA/City Partnerships Committee reviewed downtown conditions and noted that there was a significant amount of redevelopment already underway;

Whereas, The DDA/City Partnerships Committee recommended that City Council indefinitely delay the deadline for the submittal of the Kline lot RFP to allow other downtown developments to be completed and the City time to accomplish its land sales and redevelopment projects on the former YMCA site and the First & Washington site;

RESOLVED, The DDA requests that City Council extend the deadline for the submittal of the S. Ashley (Kline) lot RFP indefinitely.

Ms. Smith explained that City Council had originally asked for an RFP for the Kline lot no later than December 2005. The DDA asked a delay to allow time for the 1st & Washington RFP to be written and distributed. A second delay was requested to allow time to review the results of the parking study to assess how much public parking to require as part of the Kline lot redevelopment. In the intervening months much downtown development has been taking place. The Committee is now recommending an indefinite delay to: 1) allow City Council to complete their land sales at the former YMCA and 1st & Washington; and 2) allow the current developments to be completed and sold/rented. The future may be a more favorable time for the City to sell its property.

A vote on the motion showed:
AYES:   Aldrich, Boren, Collins, DeVarti, Greff, Gunn, Hall, Hewitt, Hieftje, Smith, Splitt
NAYES: None
Absent: Beal
The motion carried.

Revisions DDA Partnerships Grant Guidelines: Ms. Smith said the committee is still working on revisions. The committee will also develop a second set of guidelines for projects that incur costs for public infrastructure that benefit the downtown.

DDA Meeting with City Council, February 12: Ms. Smith said that a City Council/DDA work session will be held the following Monday. All DDA members were asked to attend and participate.

6. OPERATIONS COMMITTEE

Financial Reports: Mr. Hewitt reported that there was an increase in hourly patrons, likely due to individuals paying the hourly rate because they couldn’t secure a parking permit. He said that expenses for the 4th & William project had been paid out of the Maintenance Fund, and when the bond comes through that fund will be reimbursed. The December 2006 financial reports were moved by Mr. Hewitt, seconded by Ms. Gunn and unanimously approved.

Parking Study Overview: Ms. Pollay provided a power point presentation on the parking study. Some key findings: 1) 84% daytime usage shows a parking system that is being optimally used; 2) nighttime usage is strong and reflects a healthy evening economy; 3) daytime off street utilization is higher than on-street which indicates that policies aimed at preserving on-street spaces are effective; 3) it is predicted that 50-100 new parking permits/year will be needed for each of the next 5-10 years for new downtown developments.

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

RESOLUTION TO APPROVE A GRANT TO THE CITY TO SUPPORT ITS ANN ARBOR DISCOVERING DOWNTOWN PARKING STRATEGY PROJECT PHASES II-IV ($60,500)
Whereas, On March 20, 2006, City Council adopted Resolution R-94-3-06 to approve the Implementation Plan for the Downtown Development Strategies Final Report;

Whereas, On July 17, 2006, City Council adopted Resolution R-332-7-06 to approve the work plans for the high priority projects of the Implementation Plan, including the recommendation to pursue a comprehensive parking strategy for Ann Arbor, focusing on the downtown;

Whereas, The Downtown Development Authority (DDA) issued a Request for Proposals and subsequently selected Nelson\Nygaard Consulting Associates through a competitive process to complete a comprehensive study of the downtown parking study;

Whereas, This parking study came to be known as Phase I of a comprehensive downtown parking strategy work plan for the Ann Arbor Discovering Downtown (A2D2) initiative;

Whereas, The A2D2 Steering Committee sought and received a proposal from Nelson/Nygaard to oversee Phases II through IV of this comprehensive parking strategy work plan, which will include the following elements:

- Phase II - Reach consensus on downtown parking goals (January – April 2007)
  Conducting a structured dialog between City Council, DDA, Planning Commission and AATA board members to review the parking study and delineate the specific policies and goals to be addressed within a comprehensive parking strategy for the City.

- Phase III - Draft parking strategies policy options (April – May 2007)
  1. Parking Demand and Supply for Future Downtown Development
  2. Parking System Management
  3. Additional Downtown Commuter Options

- Phase IV – Develop policy language for adoption (June 2007)
  Develop a report summarizing recommended policy and ordinance changes, with high priority recommendations forwarded to Council for action.

Whereas, City Council approved a contract between the City and Nelson\Nygaard Consulting Associates to provide consulting services in the amount of $110,000 for Phases II-IV of the comprehensive downtown parking strategy work plan at their January 22, 2007 meeting;

Whereas, The total project budget is $121,000, which includes a 10% contingency;

Whereas, As part of their approval, City Council requested that the Ann Arbor Downtown Development Authority support this initiative by providing funding of up to 50% toward the cost of consulting work, to a maximum of $60,500, to be accepted as a grant to the City’s General Fund, and approve the appropriation of the grant received to the Ann Arbor Discovering Downtown project;

Whereas, The DDA Operations Committee recommends approval of this grant request;

RESOLVED, The DDA approves a grant of up to 50% of the cost of consulting work, to a maximum of $60,500, to the City’s General Fund for use by the Ann Arbor Discovering Downtown project, which will work to create new strategies for downtown parking.

Mr. Hewitt said that the Parking Strategy Project will be managed by Eli Cooper, the City’s Transportation Program Manager under the direction of the A2D2 Steering Committee. Mr. Boren asked if Nelson/Nygaard would be able to address alternative transportation issues; Mr. Hewitt stated that this is their area of expertise and he was confident that they were the right consultants for this project. Mr. Aldrich asked if this initiative would delay building additional downtown parking; Mr. Hieftje said it didn’t preclude...
the DDA from one or possibly two parking projects, but this would become more clear at the DDA/City Council work session.

A vote on the motion showed:
AYES:   Aldrich, Boren, Collins, DeVarti, Greff, Gunn, Hall, Hewitt, Hieftje, Smith, Splitt
NAYES:   None
Absent:   Beal
The motion carried.

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

RESOLUTION TO APPROVE A DDA TRAVEL POLICY

Whereas, The DDA's auditors stated in their management letter a need to adopt additional administrative policies and procedures;

Whereas, The DDA Operations Committee has reviewed and approved the following DDA Travel Policy;

RESOLVED, The DDA approves the attached Travel Policy.

Mr. Hewitt indicated that this policy was in response to an auditor recommendation. Ms. Hall suggested, and Mr. Hewitt accepted, a friendly amendment to add the word “public or ground transportation” to the second sentence of the Transportation policy section.

A vote on the motion showed:
AYES:   Aldrich, Boren, Collins, DeVarti, Greff, Gunn, Hall, Hewitt, Hieftje, Smith, Splitt
NAYES:   None
Absent:   Beal
The motion carried.

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

RESOLUTION PLEDGING PARKING SYSTEM REVENUES FOR PAYMENT OF THE 2007 FOURTH & WILLIAM IMPROVEMENT BOND

WHEREAS, the City of Ann Arbor (the “City”) created the DDA pursuant to Act 197, Public Acts of Michigan, 1975, as amended (the “Act”);

WHEREAS, the DDA has entered into a contract with the City whereby the DDA manages City owned parking facilities in downtown Ann Arbor (the “Parking System”), including the multi-level public parking structure known as the Fourth and William Parking Structure;

WHEREAS, the DDA and the City have determined that it is necessary and appropriate at this time to construct an additional level of parking to the Fourth and William Parking Structure and an express ramp for such structure (the “Project”);

WHEREAS, it is proposed that the City issue and sell its capital improvement bonds pursuant to the Revised Municipal Finance Act, Act 34, Public Acts of Michigan, 2001, as amended (“Act 34”), to finance a substantial portion of the costs of the Project, in an amount not exceeding $4,250,000 (the “Bonds”), maturing not later than 2027;

WHEREAS, pursuant to Act 34, the City will pledge its full faith and credit for the payment of the principal of and interest on the Bonds, which would be payable as a first budget obligation from the City’s general funds, and the City would be required if necessary to levy ad valorem taxes on all taxable property in the
City for the payment thereof, provided that the City does not have the power to levy any tax for the payment of the Bonds in excess of its charter, statutory and constitutional limits;

WHEREAS, it is the intent of the DDA and the City that all debt service on the Bond be payable from the net revenues of the DDA parking system collected by the DDA, subordinate to the DDA’s prior pledges of such revenues for payment of any outstanding bonds issued by the DDA, the City of Ann Arbor Building Authority and the City; and,

WHEREAS, the City has preliminarily expressed its intention to issue the Bonds, and the DDA has been provided with the proposed Bond Authorizing Resolution to be adopted by the Ann Arbor City Council with respect to the terms of the Bonds (the “Bond Resolution”).

NOW, THEREFORE, IT IS RESOLVED THAT:

1. **City Bonds.** The DDA requests the City to issue the Bonds in an aggregate principal amount not to exceed $4,250,000 pursuant to Act 34 and as provided for under the Bond Resolution for the purposes of financing a substantial portion of the cost of the Project. Payment of principal of and interest on the Bonds shall be primarily payable from the net revenues of the DDA Parking System (as defined below).

2. **Bond Details.** The DDA approves the terms of the Bonds as contained in the Bond Resolution.

3. **Estimated Revenues.** The DDA estimates that the net revenues of the Parking System, after payments with respect to the outstanding indebtedness referenced in Section 4 below, will be sufficient to pay all principal and interest on the Bonds as the same becomes due, such estimated revenues being set forth in Exhibit A hereto.

4. **Pledge of Revenues.** The DDA hereby irrevocably pledges the net revenues of the DDA Parking System to the payment of principal of and interest on these Bonds, provided that such pledge shall be subordinate to the prior pledges of such revenues for purposes of paying debt service on outstanding DDA, Ann Arbor Building Authority and City bonds and other indebtedness. The DDA warrants to the City that it has the authority to collect the Parking System revenues pledged hereunder and will collect and pay over to the City all such revenues in such amounts and at such times as shall be necessary for the City to make full payment of all principal of and interest on the Bonds as the same becomes due.

5. **Execution and Delivery of Required Documents.** The DDA Chairperson, Vice Chairperson, Secretary and Treasurer (each an “Authorized Officer”), or any one of them, are authorized and directed on behalf of the DDA to execute and deliver the Project Financing Agreement on behalf of the DDA, with such revisions thereto as such Authorized Officers deem necessary, appropriate and not inconsistent with the terms of this Resolution, and to enter into such other agreements with the City, and to execute such instruments, certificates, documents and other papers, and to take such actions as may be necessary and appropriate in connection with the issuance and sale of the Bonds by the City or as otherwise may be required to implement the terms and intent of this Resolution.

6. **Conflicting Resolutions.** All resolutions and parts of resolutions in conflict with the foregoing are hereby rescinded.

Mr. DeVarti stated that he would not support this resolution because he still believes the DDA should pay for the construction using its fund balance rather than securing a bond. Ms. Hall asked if this was a standard resolution and if a resolution was necessary; Mr. Hewitt said that the City had asked for this resolution.

A roll call vote on the foregoing resolution was taken, the result of which is as follows:

YES: Aldrich, Boren, Collins, Greff, Gunn, Hall, Hewitt, Hieftje, Smith, Splitt
NO: DeVarti
ABSTAIN: None
ABSENT: Beal

THE RESOLUTION WAS THEREUPON DECLARED ADOPTED.
7. CAPITAL IMPROVEMENTS

Huron Street: The Design Team met with City staff in mid-January. Minor modifications to the intersections were suggested and were addressed. The MDOT engineer assigned to the project has estimated the future downtown traffic growth rate to be 2%, while WATS and the City estimate it to be 5%. A meeting will be set up soon between WATS, MDOT and the City to resolve this.

Wayfinding: Mr. Collins reported that the committee met with Corbin two days before and the team had remained in town conducting its initial stages of information gathering. Mr. Collins said that he felt the DDA had hired the right team. Corbin will be providing initial findings at the next meeting scheduled for March 19 at 1pm. In addition to those efforts, Republic Parking will install electronic signs at the parking facilities this summer indicating the amount of unused parking spaces.

4th & William Addition: The first concrete slab measuring approximately 6,000 s.f. was poured on January 27. Four more concrete pours are anticipated in March and April. The speed ramp was opened to the public in mid-January. Cross bracing continues along the perimeter columns.

Mr. DeVarti exits.

Mr. Collins moved and Ms. Hall seconded the following resolution:

RESOLUTION TO APPROVE PHASE I IMPLEMENTATION FOR THE FIFTH & DIVISION STREET IMPROVEMENT PROJECT ($4 MILLION)

Whereas, Ann Arbor City Council strongly embraces the goal of a pedestrian and bicycle-friendly downtown;

Whereas, In 2002 the DDA committed itself to working toward improving access into the downtown, and in 2003, the DDA approved “Resolution Approving Improvement Projects Along Huron, Fifth, and Division Streets” as these corridors have a car-centric design that discourages alternative transportation use, are unattractive, and act as barriers to pedestrians traveling between the State Street, Main Street, and Kerrytown Areas;

Whereas, It was determined that the DDA would begin its work with a study, and in December 2003 the DDA commissioned Pollack Design Associates to develop an Urban Design Workbook for the corridors;

Whereas, Urban Design Workbook findings were compiled following exhaustive research and numerous public workshops, and were presented to the DDA and Planning Commission in July 2004;

Whereas, The newly approved City of Ann Arbor Non-Motorized Transportation Plan includes many Urban Design Workbook recommendations, including a plan to install a comprehensive bike lane on Fifth and Division to connect to the bike lanes on Packard and across the Broadway Bridges;

Whereas; In November 2004 the DDA approved a resolution authorizing the issuance of an RFP for the design of Fifth & Division and in March 2005 Beckett & Raeder was selected;

Whereas, At its 2006 summer retreat the DDA determined that improving Fifth/Division and Huron Street were priority projects that should be moved forward as soon as possible;

Whereas, Beckett & Raeder conducted a lengthy series of focus group and individual meetings to develop their design, which was approved by the DDA at its October 2006 meeting, and were commissioned to complete construction drawings so the DDA could seek City and MDOT approval;

Whereas, It is anticipated that approximately 110 new metered parking spaces could be created as part of the Fifth and Division improvement project, and at the DDA’s mid-year retreat in January 2007 the DDA
determined that adding these spaces would be a strategic solution to increase the amount of parking downtown;

Whereas, It is anticipated that this additional metered parking would generate approximately $250,000/year, would benefit retail along the corridors and serve as a traffic calming measure that would improve pedestrian conditions;

Whereas, To be able to install the bike lanes and the lane of parking it is recommended that the project begin with improvements to the gateway entrances at Division/Packard and Fifth/Beakes which will reduce the pedestrian crossing distances and establish the reduced lanes of traffic along the corridors;

Whereas, The project must also begin with a road widening at Division/Huron to accommodate the bike lane since the roadway currently operates below the recommended service level;

Whereas, Beckett & Raeder have analyzed the costs to install the comprehensive improvement plan recommended for the Fifth and Division improvement project, and estimated them to be $10.3 million;

Whereas, Beckett & Raeder have determined that a Phase I improvement project could be pulled out the comprehensive plan which would result in the comprehensive bike lanes, the added street parking, the gateway improvements, and the widening at Division/Huron;

Whereas, The estimated cost for this Phase I is $4 million;

Whereas, It is anticipated that Beckett & Raeder could complete its drawings and approvals and be out to bid by midsummer, with construction begun by spring 2008;

Whereas, Last fall Beckett & Raeder and DDA staff met with MDOT representatives who reported that this project is well suited for TE (Transportation Enhancement grant) funding, which might provide the project with as much as an additional $1 million to match the DDA’s $3 million for a total project budget of $4 million;

RESOLVED, The DDA establishes a project budget for the Phase I portion of the Fifth and Division Improvement Project as $4 million;

RESOLVED, The DDA elects to submit a TE grant application in hopes of supplementing DDA funds which will delay the start of construction until early spring 2008.

Mr. Collins explained that the resolution would take on a portion of the comprehensive plan. Ms. Pulcipher/Beckett & Raeder was asked to describe the proposed improvements; she explained that this resolution would create gateway entrances, install bike lanes along the length of the two corridors, install pedestrian bulb outs at the intersections of Liberty and Washington at Division, and would provide 110 new on-street parking spaces. She explained that these improvements would establish the “culture” of a much more pedestrian and bike-friendly area, which could be advanced when future improvements are installed as part of the comprehensive plan. A key question for the DDA was whether it wished to move forward with construction late this summer or submit a grant application for TE funding, which would delay work until summer 2008, as it will take time for MDOT to review and approve the request.

Ms. Smith said that funding for the project has been set aside, and it is anticipated that DDA funds would be matched by as much as $1 million in grant funding. Mr. Hewitt suggested delaying the project until the A2D2 work is completed at the end of June. Mr. Hieftje stated he was not going to support this resolution as the City is installing bike lanes around the city much cheaper then is proposed in this resolution. Ms. Pulcipher said that that in addition to bike lanes this plan includes adjusting curbs, installing bump outs to enhance pedestrian crossings and additional parking spaces. Ms. Greff said that the Fifth & Division improvements will greatly improve non-motorized access and facilitate a more
pedestrian-friendly, walkable downtown, but if looked at solely as a parking project the cost to the DDA to install 110 new parking spaces would be $27,000 versus $35,000 for each new space in the new eighth floor in the 4th & William structure. Ms. Smith called the question.

A vote on the motion showed:
AYES:   Aldrich, Boren, Greff, Gunn, Hall, Smith
NAYES: Collins, Hewitt, Hieftje, Splitt
Absent:  Beal, DeVarti
The motion failed
(DDA bylaws determine that a minimum of 7 votes are needed for approval)

Mr. Aldrich asked if the resolution could be brought forward again; Ms. Pollay said she thought so, that the Committee could discuss the resolution again and bring it back if desired perhaps in an altered form. Ms. Pulcipher will be invited to provide additional information.

Mr. Collins moved and Mr. Aldrich supported the following resolution:

RESOLUTION AUTHORIZING THE CAPITAL IMPROVEMENTS COMMITTEE TO UNDERTAKE ALLEY REPAIRS AND IMPROVEMENTS IN 2007

Whereas, At its 2002 and 2003 retreats, DDA determined that it would undertake repairs and improvements to the downtown alleys and in 2004 authorized its Capital Improvements Committee to undertake an alley assessment from Washtenaw Engineering Company (WECO) to rank alleys by condition and estimated costs for repairs;

Whereas, The five highest ranking public alleys on this list were selected for repairs in 2005 at a repair cost of $750,000;

Whereas, Using the WEC assessment, the Capital Improvements Committee recommended the next four alleys to be repaired in the 2006 construction season which was approved by the DDA in October 2006;

(#15) William, Fourth, Liberty and Main
(#1)    Miller, Main, Kingsley and Ashley
(#12)   Thayer, State, N. University and E. Washington (inner courtyard)
(#7)    Washington, Fourth, Huron, and S. Main
(#16)   William, State, Liberty and Maynard

Whereas, Alleys #15 and #7 were completed during the 2006 construction season, but #1, #12 and #16 were not begun, due to several factors, including the schedule of adjacent private construction and alley ownership questions;

Whereas, In 2006 the DDA also repaired the alley west of the Liberty Square parking structure (#9), and the alley located within the block of Washington, Fourth, Huron, and Fifth (#7);

Whereas, The DDA repair costs for 2006 was $461,014 out of the $1.1 million project budget approved by the DDA, because repair work was not undertaken in some approved alleys;

Whereas, The DDA Capital Improvements Committee has reviewed the WEC assessment and recommends that the following alleys be approved for repairs in 2007:
(#16) William, State, Liberty and Maynard   ($273,000)
(#12) Washington, Thayer, N. U., State (100% private alley/walkway to the Thayer Structure) ($60,000)
(#13) Ashley, Liberty, Main, William (northern portion only) ($52,000)
(#15) Main, Liberty, Fourth, William (southern portion only) ($52,000)
Whereas, The following alleys are recommended for repair in 2008, because adjacent construction will disrupt the area until that time:
   (#1) Miller, Main, Kingsley and Ashley  
   ( #8) Liberty, Ashley, Washington, First

Whereas, The WEC assessment has estimated the cost for recommended alley repairs in 2007 to be $437,000;

Whereas, The DDA Capital Improvements Committee recommends that the DDA approve $437,000 as its construction budget for 2007 with a 12% contingency amount of $52,440, for a total project cost of $489,440;

Whereas, The Capital Improvements Committee recommends that Doan Construction, its alley contractor in 2005 and 2006, be retained for the 2007 construction season as it has offered to extend its 2005 construction prices to the 2007 season, and implemented very high quality work over the past two construction seasons;

RESOLVED, The DDA approves repairs to the alleys recommended by its Capital Improvements Committee in the amount of $489,440;

RESOLVED, The DDA approves the retention of Doan Construction as its contractor for the 2007 construction season.

Mr. Hewitt asked if the resolution could be tabled until the Operations Committee establishes the 2007/08 budget. Mr. Iraola was asked if this would impact construction; he said that City construction approvals generally takes over a month, so this delay may potentially lessen the number of alleys that could be repaired this summer. Mr. Collins and Mr. Aldrich agreed to table the resolution for action at the next Operations Committee meeting.

8. RESEARCH AND OPPORTUNITY
Mr. Boren reported that the committee hasn’t met since the last board meeting.

Communication Plan: Mr. Boren reported that the committee is in the process of visiting other websites and reporting back to Inner Circle what we liked about those sites and what we didn’t. This exercise will help the committee define its preferences for the DDA web site.

Grant Requests: Mr. Boren reported the committee still has four grant requests in hand. These requests will be reviewed at the next meeting scheduled for February 12th.

9. OTHER DDA BUSINESS MATTERS
DDA/City Council Work Session: Ms. Smith invited all the Board members to the Work Session scheduled for Monday, February 12. The DDA will present information from its recent retreat, provide an overview of the parking study and seek input from Council regarding initial steps for the DDA’s proposed three prong approach of adding parking, modifying parking operations and enhance alternative transportation options.

10. OTHER AUDIENCE PARTICIPATION
None.

11. ADJOURNMENT
As there was no further discussion the meeting was adjourned at 1:42 P.M.
Respectfully submitted,
Susan Pollay, Executive Director