MINUTES
Downtown Development Authority Meeting
Thursday, February 11, 1999

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

Time: The Chair, Ed Shaffran, called the meeting to order at 12:05 p.m.

1. Roll Call

Present: Neal Berlin, Ron Dankert, Dave DeVarti, Karl Pohrt, Deanna Relyea, Ed Shaffran, Lorri Sipes

Absent: David Fritz, Bob Gillett, Leah Gunn, Maria Harshe, Skip Ungrodt

Staff Present: Susan Pollay, Executive Director

Audience: Joseph Morehouse, Fiscal and Administrative Manager

2. Approval of Minutes

Ms. Sipes moved, and Mr. Pohrt seconded, that the minutes of the January 14, 1999 meeting be approved.

A vote on the motion showed:

AYES: Berlin, Dankert, DeVarti, Pohrt, Relyea, Shaffran, Sipes
NAYS: None
Absent: Fritz, Gillett, Gunn, Harshe, Ungrodt

The motion carried.

3. New Business

Mr. Pohrt introduced Larry Molnar, of the UM School of Business, as the Administrator of the State Street Study Project. Mr. Molnar introduced the other participants and explained the procedures and methodology of the study. Bob Beckley, UM School of Architecture and Urban Planning, explained the study's initial physical observations, and Steve Flores of the UM School of Public Policy handed out the preliminary report and introduced graduate students who had worked on the study in the fall term. The students, Mike Penn, Olga Savik, Ann Debol and Christopher Botnik each explained their role in the study.

Mr. Gillett, Ms. Gunn, and Ms. Harshe enter.
Mr. DeVarti asked if later phases of the study would focus additional attention on the residents in the area. The board was assured that residents would be surveyed and included in the study during the winter semester. Mr. Gillett conveyed support for the work completed thus far, and asked that the work in the next phase involve individuals overseeing the UM Master Planning effort. Mr. Berlin agreed, asking that the Study work to integrate with UM planning efforts. Mr. Beckley said this effort would be made. Mr. Molnar said that the next semester's work would include formation of a standing committee to include UM, City, and DDA representatives. Ms. Harshe asked if business owners throughout the downtown might be included in the surveys. It was reported that this was not possible at this time, however, Mr. Pohrt suggested that survey findings may prove relevant for businesses throughout the downtown.

4. Citizen Advisory Council

Twelve Citizens Advisory Council members joined other downtown residents in a State Street Study focus group meeting at Rackham last week. We had an opportunity to stress our residential goals for the downtown and the importance of increasing the residential population as the key to ensuring downtown business success. We talked of ways to enhance and emphasize the value of the pedestrian walking and shopping experience and the importance of maintaining a balanced retail mix and a strong cultural identity in the State Street area. While we supported the elimination of one-way streets, we strongly opposed closing the area to traffic and developing a walking mall. Several of our members stressed the need to involve Venturi, Scott Brown and Associates in the State Street study. A memo to you on this issue along with a letter from Mike Garfield of the Urban Environment Alliance is included in your packet.

Three of our members attended the January 27th meeting of the Downtown Marketing Task Force which unanimously approved a resolution supporting the concept of a “parking tax exemption” for future privately built parking in the downtown that meets community standards and does not generate a positive cash flow. The resolution also urged the DDA to “further its goal of public/private collaboration for the creation of new developments in the Downtown by making use of its ‘Tax Increment Financing’ revenues to provide rebate incentives to new developments that include on site parking (particularly underground) as a part of their project and foster land use, urban design and economic development objectives which have been given the highest priority by the community (Downtown Plan).” As you know, Ed Shaffran, the Mayor, Neal Berlin and representatives from all the downtown merchant associations are a part of that group. We expect the Ann Arbor Area Chamber of Commerce to adopt similar resolutions in the near future. As you all know, this approach is the one proposed by the developers of the Main/Packard site.

Members of the Citizens Advisory Council were pleased to participate in the discussions at three of the DDA committee meetings this last month: Main and Packard; 4th Avenue Pedestrian Improvements; Housing Committee. Although our role is only advisory, we are happy to be able to make a contribution whenever we can.

I want to report that we plan to begin the installation of the first exhibit in the Downtown Ann Arbor Historical Street Exhibit Program in mid March. However, the cost of this Courthouse Square Exhibit exceeds our budget thus far by $13,000. Robert Guenzel, the County Administrator, has agreed to commit $5,000 to the project. Following the fund-raising pattern to which we have been committed, we plan to attempt to raise the balance from individuals, groups and businesses that are now, or have been, connected with Courthouse Square.

You will receive a copy of the DDA Residential Unit Survey prepared by the Citizens Advisory Council. We plan to distribute this widely to anyone who can use the information, but we hope it will prove to be a valuable tool to the DDA in the issuing of parking permits to downtown residents.
Jim Balmer, Director of Dawn Farms, presented a proposal to the Board seeking up to $145,000 to purchase a house at 112 Chapin Street which will be used to provide transitional housing for men who have recently overcome alcohol and drug addictions. The house is utilized by five individuals, as well as a house manager, and residents continue with daily AA meetings to ensure their ongoing success. Mr. Balmer gave a brief history of Dawn Farms and explained how the program works. Purchase of the house will enable Dawn Farms to support transitional housing elsewhere. The board referred the request to the DDA Housing Funding Committee, and accepted Mr. Balmer’s invitation to tour the facility in the near future. Ms. Pollay was asked to provide notice of this tour.

6. Subcommittee Reports

Parking Operations
Ms. Gunn moved and Mr. Berlin seconded the following resolution:

RESOLUTION CREATING A PERMIT PARKING FEE COLLECTION POLICY

Whereas, The DDA through National Garages issues invoices for over 2,600 monthly permits each month;

Whereas, Some permit holders do not pay on a timely basis or allow their account to become inactive without notice to National Garages;

Whereas, On December 31, 1998 the balance of all accounts over 30 days delinquent was $18,984;

Whereas, National Garages has asked the DDA for guidance on how to address late permit payment;

RESOLVED, That National Garage shall attempt to make telephone or personal contact with all accounts which become thirty days past due, to remind them of the overdue account balance;

RESOLVED, That if contact cannot be made the permit card(s) will be deactivated;

RESOLVED, That any account that becomes more than sixty days overdue will have its permit card(s) deactivated unless the DDA gives specific instructions otherwise;

Mr. Gillett asked why the second resolve clause was needed. Bob Frazier of National Garages said that it was needed to allow for the deactivation of permits belonging to individuals who have moved out of the area, such as students, after 30 days.

A vote on the motion showed:

AYES: Berlin, Dankert, DeVarti, Gillett, Gunn, Harshe, Pohrt, Relyea, Shaffran, Sipes
NAYS: None
Absent: Fritz, Ungrodt

The motion carried.

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

RESOLUTION TO CREATE A PREMIUM PARKING AREA IN THE ANN ASHLEY PARKING STRUCTURE AND SET A PREMIUM PARKING RATE
Whereas, The DDA has 16 covered parking spaces on the ground floor at the Ann Ashley parking structure where access does not require an attendant or gate;

Whereas, The DDA would like to create a pilot program offering these spaces as a premium parking area, consistent with the DDA goal of creating a menu of parking options;

Whereas, Enforcement of the assigned parking spaces would be overseen by National Garages utilizing a towing company when unauthorized vehicles are identified;

Whereas, The University has demonstrated a steady demand for premium parking spaces in their facilities;

Whereas, It has been estimated that the monthly rental rate for these spots could be significantly above the normal rate of $80 per month, thereby increasing the revenues of the DDA;

RESOLVED, That the DDA Board approve a rate of $160 - $200 for this premium parking area;

RESOLVED, That this rate be shown as current for the 1999 calendar year, and that this rate will be tied to the DDA’s annual percentage rate increase or otherwise adjusted accordingly.

Members of the board expressed their view that these reserved parking spots had significant value and should be priced accordingly

A vote on the motion showed:

AYES: Berlin, Dankert, DeVarti, Gillett, Gunn, Harshe, Pohrt, Relyea, Shaffran, Sipes

NAYS: None

Absent: Fritz, Ungrodt

The motion carried.

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

Resolution on Emergency Telephones for the Maynard, Liberty Square and Fourth and William Parking Structures

Whereas, The DDA committed itself to upgrading and repairing the parking system under its management;

Whereas, A proposal had come to the DDA’s attention to replace non-functioning security cameras in the Maynard and Liberty Square parking structures for approximately $30,000;

Whereas, This proposal had been tabled by the DDA;

Whereas, Upcoming repairs to the Maynard structure will make it impossible to monitor video images within the Liberty Square and Maynard structure, as well as intercom messages from the Fourth and William structure;

Whereas, The City of Ann Arbor has resolved to install emergency telephones on the exteriors of all DDA-managed parking structures;
Whereas, The City of Ann Arbor Police Department has indicated its support for the installation of emergency telephones in DDA-managed parking structures;

Whereas, The University of Michigan has installed emergency telephones throughout its 25,000-car parking system as its primary security system; and

Whereas, Preliminary research indicates an approximate cost of $800.00 per emergency phone and blue light unit or approximately $23,000.00 per parking structure;

RESOLVED, The DDA approves removal of video equipment in the Liberty Square and Maynard parking structures and the intercom system in the Fourth and William parking structure to be replaced with an emergency telephone system in the three structures to coincide with Maynard parking structure repairs;

RESOLVED, That the DDA will work closely with the City of Ann Arbor Police Department with its installation project to ensure maximum patron safety and security.

Ms. Gunn reported that emergency telephones were utilized throughout the UM parking system, and that phones were being installed by the City on the outside of each parking structure. Ms. Pollay reported that the Police Department had indicated support for a switch from video to telephones, as the new equipment would allow citizens to make contact with police directly, allowing for more rapid response. In addition to the purchase price, Ms. Pollay indicated there would be an approximate monthly phone cost of $12.00 per phone line, and that each stair/elevator tower would need its own phone line, providing service for a phone on each level. Mr. Shaffran asked that the cost of federal charges for phone lines be investigated to make sure they are included in the estimated $12.00 per month per phone line cost. Mr. Gillett expressed his opinion that the DDA should install the equipment but have the police department maintain the system, as he perceived this as a police-issue. Ms. Pollay said that the Police had agreed to inspect the equipment on a monthly basis, but that they are unable to maintain the equipment. Mr. Shaffran expressed concern that the DDA would take on liability by purchasing this equipment. Mr. Berlin said that security and safety were important elements already contained within the DDA’s parking management agreement with the City.

A vote on the motion showed:

AYES: Berlin, Dankert, DeVarti, Gunn, Harshe, Pohrt, Relyea, Sipes
NAYS: Gillett, Shaffran
Absent: Fritz, Ungrodt

The motion carried.

Parking Construction
Mr. Shaffran set a DDA Special Meeting for March 3, 1999 at 12:00 noon at the DDA Conference room to review bids and select the contractor for the Maynard Parking Structure project.

Carl Luckenbach presented the latest plans for the Forest Parking Structure. He reported the design had a projected capacity of approximately 850-950 spaces depending on whether 8.5’ or a 9’ wide parking spaces were used. He indicated that the design would use different facade colors and textures on the lower three floors of the structure to draw the eye downward, thus masking the perceived height of the structure. He explained that a stainless steel canopy would extend off the third floor, and the façade on the lower levels would also project outward by approximately 6”-18”, further obstructing the view upward. The stair towers would be glazed to the extent possible to encourage the perception of safety and openness.

Mr. Shaffran reported that although he was in favor of an agreement between the City and UM, he felt that a proposed conceptual agreement that had evolved from a series of meetings between City/DDA/UM
representatives was not in the City’s best interest, and thus he did not want to bring it before the DDA. Mr. Berlin said that he also wanted an agreement that would benefit all sides, and that he shared many of Mr. Shaffran’s concerns about specific issues. Mr. Berlin said that discussions were still underway.

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

Resolution to Recommend the City Modify Its Parking Space Width Standard to Eight Foot Six Inches

Whereas, A 1997 parking demand study demonstrated that parking usage in the downtown exceeded 85-100% of available parking spaces at peak period;

Whereas, In a February 1997 resolution City Council directed the DDA to explore ecologically sound and less costly alternatives to building additional parking, while addressing the parking demand downtown;

Whereas, The DDA altered the width of parking spaces in the Ann Ashley and Liberty Square parking structures after its recent renovations to 8’6” from the current City standard of 9’, which enabled the creation of additional parking spaces without significant inconvenience to its patrons;

Whereas, The University of Michigan has also adopted a standard 8’6” parking space width as its standard;

Whereas, Modifying the City standard parking space width to 8’6” may provide the potential to develop more parking without increasing the amount of impervious surfaces;

RESOLVED, The DDA encourages the City to explore modifying its parking requirements to an 8’6” parking width standard where possible.

A vote on the motion showed:

AYES: Berlin, Dankert, DeVarti, Gillett, Harshe, Gunn, Pohrt, Relyea, Shaffran, Sipes
NAYS: None
Absent: Fritz, Ungrodt

The motion carried.

Mr. Gillett moved and Ms. Gunn seconded a motion to table the following resolution:

RESOLUTION TO APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH JOHNSON JOHNSON AND ROY, INC. (JJR) TO PROVIDE PROJECT COORDINATION AND MANAGEMENT SERVICES DURING THE DESIGN OF THE FOREST AVENUE PARKING STRUCTURE

Whereas, The proposal submitted by the consulting firm Luckenbach Ziegelman Architects PLLC to design the Forest Street parking structure selected JJR to facilitate project coordination and conduct the public involvement program as part of the design development of the new structure;

Whereas, The project has evolved beyond the initial scope of services proposed by JJR under the terms of their agreement with Luckenbach Ziegelman Architects;
Whereas, The previously approved PSA with JJR has expired and a new PSA is now needed to accommodate the extended capacity of the structure, including possible involvement by the University of Michigan;

Whereas, JJR submitted a proposal to the DDA, in the not to exceed sum of $26,928, with an additional $2,400 for reimbursable expenses to provide services including facilitating meetings between City/DDA/UM representatives, shepherding the Forest site plan through the City’s administrative review process, overseeing the public information program for the project, in addition to other services requested by the DDA;

RESOLVED, That the DDA is authorized to sign a Professional Services Agreement with JJR, Inc. in an amount not to exceed $26,928; and

RESOLVED, That the DDA confirms its authorization to the DDA Executive Director, to issue a notice to proceed to JJR, Inc. for said services, in advance of execution of the formal Professional Services Agreement.

Mr. Gillett moved to table this resolution for further review, which was seconded by Mr. DeVarti. Mr. Shaffran expressed his support for tabling.

A vote on the motion to table showed:

AYES: Berlin, Dankert, DeVarti, Gillett, Harshe, Gunn, Pohrt, Relyea, Shaffran, Sipes
NAYS: None
Absent: Fritz, Ungrodt

The resolution was tabled.

Ms. Relyea Leaves

Housing

Mr. DeVarti moved and Ms. Harshe seconded the following resolution:

Resolution Allocating $200,000 to the DDA Housing Fund in Fiscal Year 1998/99

Whereas, The DDA Board has created a DDA Housing Fund in 1997;

Whereas, The resolution creating the Fund stated that the DDA, “shall designate a significant annual contribution to the Housing Fund;”

Whereas, The DDA Board at its June 11, 1998 meeting provided a contribution to the DDA Housing Fund for 1997/98;

Whereas, The DDA must designate a contribution to the DDA Housing Fund for 1998/99;

Whereas, The DDA Housing Funding Committee has met and formulated a recommendation for 1998/99 in the amount of $200,000;

RESOLVED, That the DDA approve an allocation of TIF funding into the Housing Fund of $200,000 for fiscal year 1998/99.
Mr. Shaffran asked that the resolution be tabled so that it could be reviewed by the DDA Budget/Finance Committee and Fiscal and Administrative Manager, and to enable the Housing Funding Committee time to create a policy for use of the fund. **Ms. Gunn moved and Ms. Harshe seconded a motion to table the preceding resolution.**

A vote on the motion to table the resolution showed:

**AYES:** Berlin, Dankert, DeVarti, Gillett, Harshe, Gunn, Pohrt, Shaffran, Sipes  
**NAYS:** None  
**Absent:** Fritz, Relyea, Ungrodt

The resolution was tabled.

**Mr. Gillett Leaves**

**Executive Director Report**
Ms. Pollay asked if the Board was still interested in having a semi-annual retreat in May as had been proposed at the October retreat. The board affirmed its interest, and Ms. Gunn, Ms. Sipes, Mr. Pohrt, and Ms. Harshe indicated their willingness to help shape the session.

Ms. Pollay informed the board that the DDA had received its “Freedom of Information” request, and that the DDA needed to appoint an official coordinator for future requests. A resolution on this subject would come before the board at its next regular meeting.

Ms. Pollay reported that the lease for the Fifth and Huron lot would soon expire, and at its next meeting the DDA would be asked to resolve whether to extend its lease for an additional twelve months.

Ms. Pollay also pointed to information she had distributed for the New Urbanism Congress in June, and asked to hear if any DDA member was interested in attending.

**Finance Committee**
Mr. Morehouse reviewed the financial statements that were under a new format. He explained that instead of using a comparison of a portion of the budget, that a cash flow was done and that is used for comparison.

**Other DDA Business Matters**
Ms. Sipes urged a public relations campaign to combat the perception of a lack of parking in downtown Ann Arbor. She said she would bring a plan to the board at the next board meeting.

**Adjournment**
As there was no further discussion, upon motion, the meeting was adjourned at 2:40 p.m.

Respectfully submitted,

Susan Pollay, Executive Director  
Secretary