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

Time:  The Chair, Ron Dankert, called the meeting to order at 12:07 p.m.

1. **ROLL CALL**

Present:  Rob Aldrich, Fred Beal, Neal Berlin, Ron Dankert, David Fritz, Leah Gunn, Karl Pohrt, Rene Greff

Absent:  Dave DeVarti, Bob Gillett, Lorri Sipes, Skip Ungrodt

Staff  Susan Pollay, Executive Director
Present:  Sarah Armstrong

Audience:  Brian Barrick, Pollack Design  
Ben Dahlmann, Campus Inn  
Ray Detter, Citizens Advisory Council  
Christie Dunbar, Pollack Design Associates  
Dan Forst, Republic Parking  
Bob Henderson, Citizens Advisory Council  
Adrian Iraola, City of Ann Arbor, Engineering/DDA Project Manager  
Donna Johnson, City of Ann Arbor, Planning Department  
Cathy O'Donnell, Ann Arbor News  
Peter Pollack, Pollack Design  
Lara Thomas, Get Downtown, Ann Arbor Area Chamber  
Matthew Toschlog, Ann Arbor Bicycle Coordinating Committee

2. **APPROVAL OF MINUTES**

Ms. Gunn moved and Mr. Aldrich seconded a motion to approve the February 7, 2001 minutes.

A vote on the motion showed:

**AYES:**  Aldrich, Beal, Berlin, Dankert, Fritz, Greff, Gunn, Pohrt

**NAYS:**  None

Absent:  DeVarti, Gillett, Sipes, Ungrodt

The motion carried.

3. **AUDIENCE PARTICIPATION**

Mr. Matthew Toschlog, of the Bicycle Coordinating Committee, spoke about the bicycle concerns as they relate to the State Street Project. He graciously gave us a copy of his remarks and they are as follows:

I am a member of the Ann Arbor Bicycle Coordinating Committee (AABCC), the official advisory committee appointed by the mayor and city council.  
I am a bicycle commuter and pedestrian, a downtown business owner, and a fervent supporter of a strong downtown.  
Our goal is to increase communication between the planners and the community to provide the best possible service for bicyclists.
The Bicycle Coordinating Committee has not seen the official plans. I’ve seen some drawings that show increased bike parking, which is good. Nonetheless, it’s disappointing how little consideration bicycle transportation was given in the UM study and the Pollack Associates “Summary of Findings”.

We want to work with the design team to meet the needs of all users of the State & Liberty area. This is the right time to consider improving bicycle facilities, and developing an integrated plan that considers cars, bikes, and pedestrians makes sense now.

Providing bike lanes is the best way to reduce bicycle/pedestrian conflicts, which should be a goal for all involved.

Increased sidewalk space without on-street facilities drives bikes onto the sidewalk. The proposed narrower auto lanes leave room for bike facilities.

Providing for bikes on the street will have an additional traffic calming effect and contribute to the “leisurely atmosphere” mentioned in the Pollack study.

State & Liberty is within a 5 minute bike trip of most student housing and within 10 minutes of parts of the West Side and Burns Park. Increased bicycle facilities could free up more parking than the space required for those facilities.

According to the UM Public Policy Institute Parking Study, 20 and 21% of those parking at the Maynard and Liberty Square structures (respectively) sometimes use transportation other than cars. Encouraging bikes can ease downtown’s parking crunch.

The State & Liberty area has no on-street bike facilities. There is a strong need. Better communication and specific involvement with the committee and the bike community.

AABCC participation in future planning.

Contact:
Jane Kent
Bicycle Coordinator
971-5471
jkent@ci.ann-arbor.mi.us

Mr. Ungrodt enters.

4. CITIZENS ADVISORY COUNCIL
Ms. Sipes enters.

5. NEW BUSINESS

Mr. Fritz brought up the issue of maintenance in the downtown area. He presented a resolution that would reserve $50,000 for maintenance. Ms. Gunn supported the motion. The work would probably be contracted. It was questioned as to who would be responsible, the City or the DDA? A discussion followed and it was decided to table the resolution until the next meeting.

6. OLD BUSINESS

None.

7. SUBCOMMITTEE REPORTS

OPERATIONS COMMITTEE

Mr. Aldrich reports the operations were great last month as seen by the financial statements. The City’s reports were received late so there will be two reports at the next meeting.

Parking Operations are going well with Republic Parking and parking inspection is working on the reporting system, transferring permit cards and things of that nature.

The committee met with Paul Stauder, the previous bond counsel to the City to see what the process was for DDA bonds since we have a couple of potential bond issues coming up this spring with the State St. project and the Fourth/William structure. There are two types of bonds that can be issued. One is a downtown development bond related to non-building type projects such as streetscape improvements. The other type of bond is a building authority bond issued for structures. In summary, we have the ability to issue bonds by piggybacking with the City due to their excellent credit rating. Whatever project we want to issue bonds against has to be owned by the public. In other words, there cannot be a private component to it. So in the First/Washington joint venture, the City would have to own it and it would be for public use. We would have to separate out the financing on the project to distinguish between the private and public ownership.
Mr. Aldrich moved and Ms. Gunn supported the following resolution:

**Resolution to Approve a Salary Increase for the DDA Executive Director for the Year 2000/2001**

Whereas, The DDA Executive Director has served the DDA with tremendous commitment and hard work in the past year;

Whereas, This year has been extremely busy with a number of very important and high-visibility projects, which have included among many others:

1. The cementing of a new and extremely exciting relationship with the University of Michigan with the construction of the $12 million Forest Parking Structure and the exploration of new permit parking technology which will enable the deck to open as a shared community/university parking facility
2. The selection of a new parking operator, which required an RFP to be written and distributed, interviews organized, and the facilitation of a selection process which included extensive reference checks
3. The development of the State Street Area Improvements project, including assisting with the conclusion of the University of Michigan study, the selection of a consultant design team, the establishment of a project priority list, and the development of a $5 million conceptual design following extensive input from a series of community meetings, and focus group discussions with area stakeholders and City staff
4. The evolution of the $6 million First & Washington development project, including facilitating the DDA and City decision to eventually close the current structure due to deterioration, writing and distributing an RFQ, presenting an informational meeting for prospective developers, and assisting with data collection to enable a committee to select a prospective development partner
5. The efforts to renew the DDA in advance of its scheduled termination in 2012, including the writing of an articulate new DDA and TIF Plan, and the development of a public process with which the DDA will announce this proposed renewal
6. The skillful oversight of DDA administration, including the adjustment of DDA staff and contractor responsibilities as needed to enable the DDA board to better achieve the goals it has set for itself, including the expansion of duties of the DDA Fiscal and Administrative Manager into those of a Deputy Director, and contracts with a parking Facilities Inspector and a construction Projects Manager
Whereas, The DDA Executive Director continues to keep the DDA board informed and engaged at a very high level, and earlier this year helped facilitate a restructuring of the DDA committee structure, to enable the board to become even more effective in its efforts;

Whereas, The Executive Director represents the DDA to the City and to the community skillfully and has helped gain tremendous trust and support for the DDA and its programs;

Whereas, The Operations Committee requested job performance comments from the DDA, and received outstanding reviews of her work for the past year;

Whereas, The Executive Director is responsible for a $10.7 million annual budget which has grown over $3 million in the past five years alone;

Therefore Be It Resolved, That the Executive Director deserves not only our heartfelt thanks for all that she has done this past year, but also a raise in salary as a reward for her achievements;

Be It Further Resolved, That the DDA approves the Operations Committee recommendation that the Executive Director’s salary be increased to $85,000.00, with the understanding that 80% will be paid by the DDA (32 hours/week or $68,000) and 20% will be paid by the City of Ann Arbor (8 hours/week or $17,000), retroactive to her anniversary date of September 4, 2000.

Mr. Gillett enters.
Mr. DeVarti enters.

Discussion followed as to how they arrived at the amount (based on current Department Head salaries) and how the percentage changed (80% DDA; 20% City -DDA needs more of her time) and why it was retroactive (anniversary date).

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

PARNTERSHIPS COMMITTEE
First/Washington Parking Structure RFQ-Status
The committee met with two of the five respondents and will be meeting with the other three following this meeting. It is hoped that a second round of meetings will provide a recommendation to Council.

**Ann/Ashley Agreement-Status**
The committee received later correspondence from John Carlson. It’s still on hold. Ms. Pollay said that she spoke with Mr. Carlson and he wants to go directly to the City with his proposal. Mr. Beal said that Mr. Carlson wants to buy a portion of the land (for $1) and he would pay for the storm water retention but wants the DDA’s support. Mr. Carlson thinks it would help provide income to the City because he’s providing a business that would have evening hours and attract people who would park in the structure. The Board could not come up with a consensus on what to do.

**Nickels-Maynard Building-Status**
Mr. Gillett reports that the committee met with Mr. Spoon about the request for support for the building and he will get back with a letter that will probably lead to a recommendation for support.

Mr. DeVarti received a letter from Dawn Farm asking if we could increase our funding to them since the appraisal was higher than originally budgeted. It will be referred to committee for consideration.

**CAPITAL IMPROVEMENTS COMMITTEE**

**Fourth & William Parking Structure Repairs - Project Status**
Mr. Beal reports the committee met with the design team several times to discuss both architectural and structural details. This project is on schedule and will be a real nice addition and improvement to the structure.

**Fourth Avenue Improvements - Project Status**
Mr. Iraola said plans are complete and being reviewed by City staff. Bids will be received by April 15 with an award of contract by April 27. A meeting with the committee will be held prior to the bids going out.
First/Washington Repairs - Status
The assessment is to keep the deck open past the 6/30/01 date. It is going to take some additional time to select and negotiate a development agreement with the developer and there will be a long period for site planning, etc. We will make every effort to keep the structure open longer and, in fact, reopen the top deck if possible. This is assuming it is cost effective and indications are now that it could be. We are trying to get the final assessment done and take some quick pricing as to what it would cost for additional shoring and things like that.

State Street Area Improvements - Project Status
There is a resolution in the packet to approve the conceptual design for this project. Mr. Beal felt the budget for this project needs reviewing and would like to table this and bring it back at a later meeting. He would like the Board’s assistance in determining just what they would like to have done and the amount they want to work with and how set is this budget amount. Some of the priorities were developed very early based on the original study and have changed since then. After receiving input from the Board, he would like to discuss this in committee and bring back a recommendation at the next meeting. Mr. Beal said in order to decide on a price, we could pick a base program that we think will be $4.5M and add in a half dozen alternate bids that might run another million, take bids, decide what to spend.

After much discussion, Ms. Sipes attempted to move the resolution forward by making the following changes to the last three Resolved clauses: There’s a $5M project total and the designers are responsible for getting this project done for that amount of money. Ms. Sipes moved and Ms. Gunn supported the following resolution:

Resolution Approving Conceptual Design of State Street Area Project

Whereas, Pursuant to its DDA Plan objectives, the DDA approved the selection of the consulting firm of Pollack Design Associates to oversee the process of developing the design scheme for State Street Area streetscape improvements;

Whereas, The project design team was asked to prepare several conceptual designs of improvements to the area;

Whereas, The design team has followed recommendations set forward by the Urban Design Workbook, which was prepared by the University of Michigan in a study commissioned by the DDA in 1998;

Whereas, The design team has received extensive input relevant to conceptual designs during numerous design advisory committee meetings, community meetings, and focus group discussions with stakeholders and City staff;

Whereas, A design concept entitled “The Ultimate” was developed and evolved during the design phase now nearing completion;

Whereas, It is now necessary to progress from said design concept to construction with endorsement by the DDA;
Whereas, Pollack Design Associates presented information on this design concept to the DDA at its February 2001 meeting, and said that early cost opinions preliminarily indicate that the final cost of design and construction may exceed the project’s estimated $5 million budget;

Whereas, Pollack Design Associates met with representatives of the DDA and the State Street Area Design Advisory Committee on February 21st to explore alternate design schemes for Maynard Street and to address construction cost issues;

Whereas, The DDA has received a revised cost opinion, in which the consultant team has made suggestions for the project’s scope, including a recommendation to direct project funds to streetscape improvements on streets with high pedestrian traffic, including State St., N. U., E. Liberty west to Division, Maynard, William Street west to Thompson, and improvement of lighting conditions on E. Liberty between Division and Fifth Avenue;

Whereas, Basic streetscape improvements on these streets have been estimated to cost $5 million, which includes a 25% cost factor for “soft costs” such as engineering, in addition to a 10% construction contingency;

Whereas, The consultant team has also provided a cost opinion for basic streetscape improvements on Washington Street, Thompson Street, William Street from Thompson to S. Fifth Avenue, and “University Plaza” which would be installed on the southeast corner of State and N. University abutting the UM Diag;

Whereas, These secondary improvements have been estimated to cost $2 million;

Whereas, The cost opinions are recognized as estimates which must be confirmed by placing the project out to bid at which time actual costs will be known;

RESOLVED, That the DDA approves the revised conceptual plan as presented to the DDA Board at their regular meeting of March 7th, 2001.

RESOLVED, That the DDA authorizes the design Consultants to proceed with preparation of construction plans for said concept, including a menu of various alternates.

RESOLVED, That the DDA reserves the opportunity to determine a total construction budget for this project following a competitive bid process.

More discussion followed and Ms. Pollay summarized the changes as follows:

“Resolved, That the DDA approves a revised conceptual plan as presented to the DDA Board at their regular meeting of May 7, 2001 and which will be revised again to the satisfaction of the DDA Capital Improvements Committee;”

“Resolved, That the DDA authorizes the design consultants to proceed with preparation of plans for said concept, including a menu of various alternates and various alternatives which result in an overall project budget of $5M or less;”
“Resolved, That the DDA reserves the opportunity to determine a total construction budget for this project following a competitive bid process.” (this stays the same)

Mr. Aldrich moved and Mr. Pohrt seconded the resolution with the above changes.

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

PLANNING COMMITTEE
Ms. Sipes passed out information that will be presented March 12, 2001 to City Council to talk about extending the DDA beyond 2012. It’s basically a summary of the Plan. Then on April 10 there will be a presentation to the Planning Commission and a working session with them. Following that we will talk to the Library Board and the County and the various merchant groups. There will be a separate session on the TIF Plan/Financing. Ms. Sipes reported that they’ve had some very good research done by a couple of interns with such information as to what changes there have been in the area, the price of businesses, private vs. public projects, etc.

Ms. Pollay requested that the Board attend the Council meeting, as it is beneficial by providing an opportunity for dialogue with Council. Mr. Berlin agreed because many of the Councilmembers don’t know the DDA Board and would give them the opportunity to meet everyone.

Ms. Sipes moved and ? supported the following resolution:

RESOLUTION PROVIDING $175,000 TOWARD FUNDING OF THE GO!PASS PROVIDING FREE BUS PASSES FOR ALL DOWNTOWN EMPLOYEES FROM NOVEMBER 2001 THROUGH JUNE 2002

Whereas, The 1982 Downtown Development Authority Plan provides that the DDA shall undertake efforts to serve the non-motorist needs of existing and new developments in the Development District;

Whereas, The DDA’s parking structure repair and replacement program sparked interest in providing a menu of transit options for downtown employees, including bus service;

Whereas, The DDA took a leadership role with its 1998 Ann Ashley and Liberty Square repair projects, providing free bus passes and shuttle service to over 1,500 downtown employees displaced by repairs, most of whom had never ridden an AATA bus previously;

Whereas, In1999 the DDA partnered with AATA, the City of Ann Arbor, and the Chamber of Commerce on a new two-year “getDowntown” program aimed at introducing downtown employees to alternative transportation options;
Whereas, The getDowntown program provided for a full-time alternative transportation coordinator who would convey individualized transit information, and who would distribute a free “go!pass” for all downtown employees;

Whereas, This free “go!pass” was funded primarily by a two-year Congestion Mitigation/Air Quality grant, which will expire in November 2001;

Whereas, The go!pass has proven to be a success, as over 82% of all downtown employees have a go!pass, and 57% of these individuals report that they have ridden the bus at least once, a total which represents over 5,000 downtown employees;

Whereas, A significant number of downtown employees (35%) indicate they have increased their bus usage because of the go!pass and AATA in 2000 reported a 12% increase in ridership, much of which is due to the go!pass;

Whereas, The DDA has been asked to continue CMAQ funding for this program after its expiration in November 2001 at a cost of $175,000 in 2001/2002 which represents a cost of $25/pass with 10,500 passes in circulation for eight months;

Whereas, CMAQ funding renewal is not possible and the cost of this program would otherwise be passed along to downtown employers should the DDA be unable to sponsor this program;

Whereas, There is a concern that if the cost for bus passes were passed along to employers, program participation would be dramatically reduced, as many would opt not to provide this to their employees;

Whereas, Increased bus usage encourages downtown vitality without the need to construct new parking structures at a construction cost of $25,000+/car space plus on-going maintenance and operations costs;

Whereas, Support of the go!pass is a key element in the DDA’s menu of transportation options, including monthly parking permits, premium monthly parking permits, hourly parking, and bicycle parking;

RESOLVED, The DDA supports funding support for the go!pass from November 2001 through June 2002 in the amount of $175,000 with the expectation that the City of Ann Arbor will commit to negotiating with the DDA to direct parking meter revenues toward the cost of building, operating, and repairing the City’s downtown parking structures.

The resolution says the DDA will fund the $175,000 with the expectation that negotiations will be entered into with the City for getting parking meter revenues. Mr. Berlin said the DDA would not get parking revenues and the Board should realize that now. The money is used for street improvements downtown. Ms. Pollay said that they are in the midst of the budget process and there is a clear message that we need to contain costs so it’s difficult to talk about where the meter money fits in with the City’s needs as well as the DDA’s needs. The other half of it though is that we need to have a very thorough discussion. Council has not had the opportunity, since it’s a new Council, to go through the 10 Year Plan with us to understand what we are saying. So it’s very difficult for them to react to it. Mr. Berlin also suggested that we negotiate with AATA since this is a big benefit for them.
It was moved by Ms. Pollay to table in order to discuss with the committee about sitting down with AATA and bring it back in April and Mr. Aldrich supports. (I don’t believe they voted??).

8. Other DDA Business

Ms. Pollay reported that a Housing Coordinator has been hired.

A grand opening for the Forest Parking Structure is being planned with a theme of classic motorcycles. Watch for more details.

Ms. Pollay also reports that she has been involved in discussions about the Art Fair in the S. University area between the Art Fair people and the merchant group. A letter was sent to the groups outlining the conditions under which the street will be utilized and also the need to focus on a strategic plan for the area. In order to do this, we would set aside dollars from the art fair booths, which would go into escrow for three years and look to implement strategies to help that area. To do that, it was decided that a study is needed and Mr. Larry Molnar (who coordinated the study for us in the State St. area) was asked to define what a study might look like. Included in the packet was a basic outline from him and Ms. Pollay said she would bring this to the Partnership Committee to see if they would be willing to recommend support for a study of the S. University area. Mr. DeVarti volunteered to serve on the committee to help resolve the issues.

9. Adjournment

As there was no further discussion, upon motion, the meeting was adjourned at 2:20 p.m.

Respectfully submitted,
Susan Pollay, Executive Director