MINUTES  
Downtown Development Authority Meeting  
Tuesday, March 21, 2000

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

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

1. Roll Call

Present: Neal Berlin, Ron Dankert, Dave DeVarti, David Fritz, Leah Gunn, Maria Harshe, Lorri Sipes
Absent: Rob Aldrich, Fred Beal, Bob Gillett, Karl Pohrt, Skip Ungrodt

Staff Present: Susan Pollay, Executive Director
Audience: Sarah Armstrong, DDA

1. Approval of Minutes

Ms. Gunn moved and Mr. Dankert seconded the approval of the minutes of the February 15, 2000 meeting.

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

Ms. Pollay thanked the Board for their support during her recent sabbatical.

2. Citizen Advisory Council

Mr. Rob Aldrich enters.

3. Audience Participation

Mr. John Langs, who owns the Salvation Army building on Fifth Ave., asked the Board’s assistance to improve the streetscape along Fifth Avenue. Ms. Sipes asked him to provide the Board with a written proposal to be submitted to the Partnership Committee for consideration.

Ms. Jan Onder, from the Commission of Art in Public Places, presented a Certificate of Appreciation to the DDA for their support. She also requested that a representative from the DDA serve on the artist jury being held on April 17 to select the art that will go into the Fourth/Washington Parking Structure. Ms. Pollay said she would be willing to participate but would not be available for the entire day and asked that DDA members with the time and interest were welcome to participate, as well.

Ms. Pollay spoke on behalf of Mr. Ed Shaffran, who was unable to attend the meeting, regarding the request to use two Kline Lot parking spaces for a trash compactor to serve restaurants along S. Main Street. Ms. Pollay said that City Solid Waste Director John Newman is in support of the project, and that the Main St. Association would be meeting soon to talk about the possibility of hiring someone to oversee that trash does not
accumulate. Mr. Dankert asked that the Main St. Association submit their proposal in writing to the Parking Committee. Ms. Pollay will inform the Association of this request.

4. New Business

Mr. Fred Beal enters.

Ms. Pollay reported that she and Ms. Sipes attended a retreat of the Planning Commission. It was suggested that the DDA and the Commission get together for an informal session to focus on a specific topic of shared interest, such as one-way/two-way streets or the location of replacement parking for First & Washington. Ms. Pollay said that she would work with Planning Director Karen Hart to schedule a time for this meeting and urged everyone to attend.

Ms. Pollay said that a member of the DDA asked that the Spring retreat be rescheduled, and that she will attempt again to find a date convenient for the membership. The Board will be notified as soon as possible of the new confirmed date.

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


Whereas, The DDA Plan directs the DDA to participate in efforts to encourage the expansion of businesses in downtown Ann Arbor;

Whereas, The DDA utilizes a variety of advertising and marketing techniques to attract attention and new audiences to downtown Ann Arbor;

Whereas, The DDA has set aside funds in its 063 budget for FY 1999/00 and 2000/01 for parking-related advertising and promotions;

Whereas, The DDA has set aside only $500 each year in its 003 budget in 1999/00 and 2000/01 to promote business enhancement in the downtown which is insufficient;

RESOLVED, The DDA shall set aside $15,000 in its 003 fund in both FY 1999/2000 and 2000/01 for use in advertising and promotions.

Mr. DeVarti asked that friendly amendment be added, to which Ms. Harshe agreed:

RESOLVED, The DDA shall create a Marketing Committee to determine the uses of these funds.

Mr. DeVarti said that he felt a DDA a marketing plan should be developed to provide the DDA with a context for decision making. Ms. Harsh agreed to serve on the new committee, as did Mr. DeVarti. Ms. Gunn suggested that Area Association reps with marketing interests could also participate on this committee. Mr. Berlin asked that if the decision was made to participate in the proposed Ann Arbor advertising program on Channel 7 with the Convention & Visitors Bureau, the Main St. and State St. Associations, Briarwood, etc. that arbitron or other quantitative data be procured.

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

Mr. Dankert presented the following resolution, seconded by Ms. Harshe:

Resolution Providing One-Time Bonus for Exceptional Temporary Assignment Service

Whereas, The City of Ann Arbor Administrative Policy #408 sets forward a policy for the payment of “temporary assignment pay” for Executive/Professional Pay Plan employees who temporarily perform work in a higher level classification due to vacations and leaves of absence;

Whereas, To be eligible for this pay, employees in the Executive/Professional Pay Plan must work in the temporary assignment for a period of at least two consecutive weeks or more than 50% of the working hours in a sixty day period;

Whereas, The Policy sets forward that Executive/Professional Pay Plan employee shall receive a 3% increase in pay or the entry level of the position, whichever is greater, for the period of the temporary assignment;

Whereas, DDA Fiscal and Administrative Manager Joe Morehouse did an exemplary job filling in for DDA Executive Director Pollay during her recent extended vacation and performed extra duties at least ten additional hours each week;

Whereas, The DDA wishes to commend Mr. Morehouse for his skillful management of DDA affairs during the time the Executive Director was away;

RESOLVED, The DDA proffers to Mr. Morehouse a one-time bonus in the amount of $3,500.00 in grateful recognition of this service.

Many DDA members spoke to the extraordinary effort put forward by Mr. Morehouse. After discussion, it was moved by Ms. Gunn and seconded by Mr. Berlin to raise the amount of the bonus from $3,500 to $5,000.

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

5. Old Business

Upon a motion by Ms. Harshe, seconded by Ms. Gunn, the following resolution was presented:

Resolution Establishing Promotion and Marketing Grants for the Four Downtown Area Associations

Whereas, The Ann Arbor Downtown Development Authority Plan contains a component for the encouragement of retail businesses;

Whereas, The DDA has provided annual support for the promotional activities of the four downtown area merchant associations since 1995/96;
Whereas, The DDA seeks to encourage innovative collaborative marketing and event planning on the part of the downtown area associations to attract new audiences to downtown Ann Arbor and uses grants to support innovative special events, cooperative advertising, joint marketing efforts such as the Downtown Walking Map, as well as educational programs for association representatives;

Whereas, The International Downtown Association provides an important opportunity for networking and education at its annual conference; including the opportunity to learn about innovative marketing and event ideas from around the country;

RESOLVED, The DDA shall set aside up to $10,000 each for the State Street Area Association, Main Street Area Association, South University Area Association, and Kerrytown Historic Market District in FY 1999/2000 for promotional activities which best benefit retail businesses in their area;

RESOLVED, Project proposals shall be presented to the DDA for consideration before payment may be issued;

RESOLVED, Project receipts shall be required from each Association before payment may be issued, in addition to general membership meeting minutes for the period July 1999 through June 2000;

RESOLVED, A representative from each Association shall be a sponsored guest of the DDA at the 46th annual International Downtown Association conference to be held this year September 16-19, 2000 in Los Angeles California;

RESOLVED, Each Association representative shall be required to attend Conference roundtable discussions and workshop presentations on such subjects as retail promotion, promotions, and business development, and report back to their Associations on the conclusions gained from this experience.

Ms. Pollay explained that Mr. Pohrt had gained a great deal by attending the IDA fall conference in 1999, and had hoped to strengthen Area Association efforts by providing an opportunity to learn from other downtown representatives and specialists. Mr. Aldrich thought it important to provide this opportunity, and that the DDA needed to push all downtown groups to work together.

Ms. Gunn asked that the following friendly amendments be added to the resolved clauses above, which were assented to by several positive comments from other DDA members:

RESOLVED, To receive funding, Area Associations must hold monthly meetings and send minutes to the DDA.

RESOLVED, To receive funding, Area Association representatives attending the IDA conference must provide written reports to the DDA on the conclusions gained from this experience.

Mr. Dankert asked that the fiscal year be changed from FY 1999/2000 (current year) to next year, FY 2000/2001. Ms. Gunn provided a second for this motion.

A vote to change the original motion to reflect next fiscal year showed:

AYES: Aldrich, Dankert, DeVarti, Fritz, Gunn
NAYS: Beal, Berlin, Harshe, Sipes
Absent: Gillett, Pohrt, Ungrodt
The motion to alter the original resolution failed.
A vote on the main motion, as revised, showed:

AYES: Aldrich, Beal, Berlin, Dankert, DeVarti, Fritz, Gunn, Harshe, Sipes

NAYS: None

Absent: Gillett, Pohrt, Ungrodt

The motion carried.

6. Subcommittee Reports

FINANCE COMMITTEE/ BUDGET COMMITTEE

Mr. Dankert said that he had worked with Mr. Morehouse to prepare variance reports for the first six months of this year. In general he said, we are in pretty good shape. Significant variances included unanticipated legal expenses for the Ashley Mews project, unbudgeted grants including one to the Michigan Theater, and the extended closure of the Maynard Structure. He asked that “soft” costs like legal fees need to be considered when allocating money. TIF revenues are higher than anticipated. There is no clear explanation for why parking validations are down but total parking revenues are up about 7%. The committee is also preparing some new reports. One report is to track the Fourth/Washington revenue, which is increasing. Also tracking the average revenue per ticket at each of the facilities. Mr. DeVarti asked for copies of these reports at the next meeting.

PARKING OPERATIONS COMMITTEE

Mr. Dankert reported that the Committee and National Garages is working on a program to have all monthly permit holders sign a form which spells out new rules for use of the permits and to verify their permit number to create a more accurate data base. Mr. Dankert also reports that they are getting prices to wash down all the structures. So far only two bids have been received, from Wolverine and Western Waterproofing, with the Wolverine price being the lower bid. National Garages said they will also be submitting a quote. There will be a report at the next meeting.

The committee is looking at Art Fair rates, and perhaps increasing the multi-day costs to vendors.

2012 ISSUE COMMITTEE

No report. The committee was asked to address the objectives and this will be discussed at the upcoming retreat. Ms. Harshe said she would like the committee to meet several times prior to the Retreat.

HOUSING ISSUES

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

Resolution Approving Criteria to Evaluate Proposals for Use of the DDA Housing Fund

Whereas, The DDA Board created a DDA Housing Fund in 1997, with the understanding that it would be used to support the overall housing goal of the DDA to encourage residential development in the downtown and help facilitate a balanced housing environment in the downtown;

Whereas, Following the creation of this Housing Fund, the DDA adopted a revised DDA Statement of Housing Policy on May 13, 1999;

Whereas, The DDA needs a mechanism to facilitate applications for use of the DDA Housing Fund and means to evaluate proposals that would be in keeping with the DDA Statement on Housing Policy;
Whereas, The DDA Housing Activities Committee has unanimously recommended approval of “Criteria to Evaluate Proposals for Use of the DDA Housing Fund” which shall be attached as part of this resolution;

RESOLVED, The DDA approves the proposed DDA Criteria to Evaluate Proposals for Use of the DDA Housing Fund.

It was asked that the proposed criteria statement indicate that criteria are listed in no particular order. Mr. Beal asked what was the public good as presented by the Downtown Plan, DDA Plan and others. Mr. DeVarti said that this was how the committee felt it could further the goals of the Downtown Plan, but allow for some flexibility to encourage a variety of proposals to the DDA.

After some discussion, Ms. Sipes suggested that the resolution be tabled to allow the Board more time to consider the proposed criteria, to which Mr. DeVarti agreed, saying that the issue could be revisited at the next meeting.

PUBLIC/PRIVATE PARTNERSHIPS COMMITTEE
In Mr. Gillett’s absence, Ms. Pollay reported that the Syndeco agreement is still under development in the City Attorney’s office, and that she hoped a final edition would be available soon.

PARKING CONSTRUCTION COMMITTEE
Maynard Status
Mr. Beal reported that they are still working on the Maynard elevator and a punch list has been developed.

Forest Status
The structure has been demolished. There have been a series of individual issues that have come up, but Project Manager Adrian Iraola has been able to handle all of them. They are currently still on schedule.

First & Washington / Fourth & William
Ms. Pollay authorized Carl Walker to proceed with structural analysis of the First & Washington and Fourth & William decks. Reports should be available in May and will likely be the cause of much discussion at the retreat.

STATE STREET PROJECT
No report. Ms. Sipes said all DDA members should have received an invitation to the presentation of the final report which will be held at the Michigan League on April 4 and 10:30 a.m.

TRANSPORTATION COMMITTEE
Ms. Sipes reports that 8,900 Go!Passes have been distributed to this point.

DOWNTOWN MAINTENANCE
Mr. Fritz reports there will be a spring walk through on April 11 and 12 with City staff.

EXECUTIVE DIRECTOR REPORT
Ms. Pollay reported that a copy of a memo to the Mayor and Council on the status of discussions regarding meter revenues and parking partnerships was distributed to all DDA members. Another meeting will be scheduled to continue these discussions.

Ms. Pollay said that the DDA office had informational literature on the Huron Street Shelter and made them available to the Board.
At the upcoming retreat, Ms. Pollay suggested they might want to discuss changing the day and time of DDA Board monthly meetings again. It was agreed that there could be a short business meeting at the conclusion of the retreat.

Mr. Berlin reported that Council has discussed with staff what to do about the City Hall building. One of the options was to stay on the current site and add on to the existing building, tear down the building and build a new building on the site, or to build on the Library parking lot site. Mr. Berlin met with Ms. Pollay to see how parking could be provided. The architectural firm of Hobbs and Black was hired to look into options.

6. Adjournment

As there was no further discussion, upon motion, the meeting was adjourned at 1:53 p.m.

Respectfully submitted,
Susan Pollay, Executive Director