MINUTES
Ann Arbor Downtown Development Authority Meeting
Wednesday, April 5, 2006

Place: Kerrytown Concert House, 415 N. Fourth Avenue, Ann Arbor, 48104
Time: DDA Chair Leah Gunn called the meeting to order at 12:04 p.m.

1. ROLL CALL

Present: Russ Collins, Ron Dankert, Leah Gunn, Roger Hewitt, John Hieftje (Chris Easthope)
Sandi Smith

Absent: Rob Aldrich, Fred Beal, Gary Boren, Dave DeVarti, Bob Gillett, Rene Greff

Staff
Present: Susan Pollay, Executive Director
Joe Morehouse, Deputy Director
Joan Lyke, Management Assistant
Kate Davidoff, intern

Audience: Vivienne Armentrout, Ann Arbor Observer
Jim Balmer, Dawn Farm
Erica Briggs, getDowntown
Tony Bisesi, Republic Parking
Max Clayton, Guild of Artists & Artisans
Charles Coleman, Dawn Farm
Adrian Iraola, Washtenaw Engineering Company
Kathy Krick, State Street Area Association Art Fair
Maggie Ladd, South University Area Art Fair
Caroline King, Conor O’Neills
Lucy Miller, citizen
Frank Nagy, Republic Parking
Peter Pollack, Allen Creek Greenway Taskforce
Ellie Serras, Main Street Area Association
Dennis Webster, The Earle Restaurant
Chris White, AATA

2. AUDIENCE PARTICIPATION

Ms. Ladd spoke in support of the Link, saying that it is vitally important to downtown businesses and she encouraged the DDA to approve funding for 2006/07. She said that in future years she hoped that the DDA would extend its funding to include support for the Link during Art Fair.

Ms. King spoke on behalf of the MSAA to ask the DDA not to ask the City to shift its hours of enforcement at street meters. She said that some people already had negative feelings about parking in the downtown. Shifting enforcement by one hour won’t eliminate the problem of someone parking at one meter all evening, as patrons will simply feed the meter for one more hour.

Ms. Briggs provided information about the Curb Your Car Month activities scheduled for May.

Mr. Gillett enters.
Mr. Webster said that the lack of parking downtown is hurting businesses. He encouraged City Council to approve parking at 1st and Washington, and he asked the DDA to create a system to direct parkers to alternate parking when a structure or lot is full. He said that the Ashley sidewalks need improvement. He said that he was not in favor of shifting the hours of street meter enforcement. He suggested that the DDA offer free parking at Ann Ashley in the evenings.

Mr. Aldrich enters.
Ms. Greff enters.

### OLD BUSINESS

None.

### NEW BUSINESS

Ms. Gunn said that the April agenda was quite long, as there hadn’t been a quorum at the last DDA meeting and several items carried over. She made a motion to reorganize the agenda to address time-sensitive agenda items first, and this motion was seconded by Mr. Collins.

A vote on the motion showed:
- **AYES:** Aldrich, Collins, Dankert, Gillett, Greff, Gunn, Hewitt, Hieftje, Smith
- **NAYES:** None
- **Absent:** Beal, Boren, DeVarti

The motion carried.

### APPROVAL OF MINUTES

Ms. Gunn moved and Mr. Aldrich seconded approval of the February 1, 2006 and the March 1, 2006 Board Minutes. Mr. Aldrich suggested one revision to the March 1, Board minutes - Page 7 noting that Rob Aldrich, Roger Hewitt and Sandi Smith had been appointed to serve on the Community Security and Public Space Task Force (new City Hall).

A vote on the motion showed:
- **AYES:** Aldrich, Collins, Dankert, Gillett, Greff, Gunn, Hewitt, Hieftje, Smith
- **NAYES:** None
- **Absent:** Beal, Boren, DeVarti

The motion carried.

### SUBCOMMITTEE REPORTS

**OPERATIONS COMMITTEE:**

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

RESOLUTION TO MODIFY DDA MONTHLY PARKING RATES AND ESTABLISH AN HOURLY PARKING RATE FOR THE TEMPORARY SURFACE PARKING LOT AT FIRST & WASHINGTON

Whereas, The DDA Operations Committee shaped a series of strategies relating to parking that are in keeping with the DDA’s 2003 Renewal Plan, as follows:

- Parking exists to serve downtown business, resident, religious, government, educational and service provider needs. Parking rates should be coordinated to meet these needs.
The parking system should be financially self-sustaining, with revenues used to pay for all parking-related expenses such as construction, maintenance, operations and debt service. To that end, Parking exists to serve downtown business, resident, religious, government, educational and parking rates should be planned so that revenues are sufficient to accomplish this goal, taking into account the need for ongoing repairs, equipment upgrades, and occasional new construction.

The availability of on-street parking meters conveys a great deal about the perceived convenience of shopping or doing business downtown, thus regular turnover at the meters should be encouraged. This can be affected by a rate configuration that makes it less expensive to park in the structure than on street at a meter.

Whereas, The DDA has developed a Ten Year Financial Plan that anticipates parking-related costs and revenue increases over time;

Whereas, The DDA Operations Committee recommends the following parking rate changes:

<table>
<thead>
<tr>
<th>Current rate</th>
<th>Proposed rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard monthly permit</td>
<td>$105/month</td>
</tr>
<tr>
<td>Overnight (4pm-9am) monthly permit</td>
<td>$50/month</td>
</tr>
</tbody>
</table>

Whereas, Standard monthly permit rates have not been adjusted since 1998;

Whereas, The DDA shall establish a temporary surface parking lot at First & Washington available for public parking until a new development is approved by City Council for this site;

Whereas, The Operations Committee recommends that the temporary lot be utilized primarily for monthly permit parking during the day with the following recommended parking rate after 4:00 p.m.:

<table>
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</thead>
<tbody>
<tr>
<td>First &amp; Washington parking lot</td>
</tr>
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</table>

RESOLVED, The DDA approves the parking rate proposals put forward by the DDA Operations Committee;

RESOLVED, This rate change shall be publicized and the City Council notified of this resolution per its Agreement with the DDA, with the expectation that these rates will go into effect no later than June 1, 2006.

RESOLVED, The rate change for overnight permits shall be communicated to employees of downtown evening businesses as well as residents to encourage their use, thus potentially lessening the use of street meters for employee parking.

Mr. Easthope suggested that the DDA consider offering free parking after 4PM at the Ann Ashley structure; Mr. Hewitt said that he would bring this question up at the next Operations Committee meeting for discussion; Ms. Gunn said that she would support a pilot program at Ann Ashley.

Mr. Hewitt made a friendly amendment changing the overnight entry time from 4pm to 3:30pm. Ms. Smith made a friendly amendment to delete the monthly rate change, and suggested that the DDA wait until the parking study was complete. Mr. Hewitt accepted this change as friendly.
RESOLUTION TO MODIFY DDA MONTHLY PARKING RATES AND ESTABLISH AN HOURLY PARKING RATE FOR THE TEMPORARY SURFACE PARKING LOT AT FIRST & WASHINGTON

Whereas, The DDA Operations Committee shaped a series of strategies relating to parking that are in keeping with the DDA's 2003 Renewal Plan, as follows:

- Parking exists to serve downtown business, resident, religious, government, educational and service provider needs. Parking rates should be coordinated to meet these needs.
- The parking system should be financially self-sustaining, with revenues used to pay for all parking-related expenses such as construction, maintenance, operations and debt service. To that end, parking exists to serve downtown business, resident, religious, government, educational and parking rates should be planned so that revenues are sufficient to accomplish this goal, taking into account the need for ongoing repairs, equipment upgrades, and occasional new construction.
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RESOLVED, The rate change for overnight permits shall be communicated to employees of downtown evening businesses as well as residents to encourage their use, thus potentially lessening the use of street meters for employee parking.

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

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

RESOLUTION PROVIDING $36,705 TO SUPPORT THE LINK FOR SEPTEMBER 2006 TO APRIL 2007

Whereas, The 2003 DDA Renewal Plan encourages the DDA to support alternative transportation efforts;

Whereas, The DDA has supported several important alternative transportation initiatives including installation of bicycle lockers and hoops, construction of pedestrian friendly sidewalks, and funding for several non-motorized transportation studies;

Whereas, The DDA has also supported the getDowntown program since its inception, and has provided the principal funding for go!passes which have been provided to nearly 5,000 downtown employees;

Whereas, The Ann Arbor Transportation Authority (AATA) introduced a downtown circulator called the “Link” in late August 2003 utilizing funds received from a Congestion Mitigation Air Quality (CMAQ) grant;

Whereas, Link ridership has continued to increase steadily, and now has over 1,100 daily passengers;

Whereas, The Link connects the campus area to downtown, and a significant number of Link riders use the circulator to access downtown from central campus and vice versa;

Whereas, The DDA provided $24,000 to the Link in December 2004, and $22,598 in 2005/06 to fund Link service from September 2005 to April 2006;

Whereas, No additional CMAQ funding is available to subsidize this project;

Whereas, The total cost for service to continue Link operation September 2006 to April 2007 will be $330,610, with funds anticipated to come from the following sources:

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>University of Michigan</td>
<td>$124,620</td>
</tr>
<tr>
<td>State Operating Assistance</td>
<td>$104,579</td>
</tr>
<tr>
<td>AATA – advertising revenues</td>
<td>$  28,000</td>
</tr>
<tr>
<td>AATA – operating subsidy</td>
<td>$  36,705</td>
</tr>
<tr>
<td>DDA</td>
<td>$  36,705</td>
</tr>
<tr>
<td></td>
<td>$330,610</td>
</tr>
</tbody>
</table>

Whereas, The DDA has been asked to provide $36,705 to help fund Link service September 2006 to April 2007, from 7am-6pm Monday through Friday;

Whereas, The DDA Operations Committee has reviewed this request and recommends its approval;
RESOLVED, The DDA will provide $36,705 to support Link service from September 2006 to April 2007.

Mr. Hewitt stated the Link is reporting the highest ridership in the AATA system. Ms. Smith asked how the DDA will be recognized for its sponsorship; Mr. White said that the DDA is noted on the bottom of the schedule and inside the bus and AATA may also add a mention outside the bus. Mr. Hewitt asked if AATA was considering extending hours into the evening; Mr. White stated not yet but that this may be a possibility as density in the downtown grows.

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

Mr. Hewitt moved and Mr. Collins seconded the following resolution:

RESOLUTION TO APPROVE THE DDA BUDGET FOR FISCAL YEAR 2006/2007

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

Whereas, The DDA Operations Committee has developed a detailed FY 2006/2007 budget for the DDA based on this Ten-Year Plan;

Whereas, The Operations Committee has reviewed and discussed the FY 2006/2007 budget and recommends its approval;


Ms. Smith stated she would be more comfortable if the DDA included a specific amount in the housing expense line item. Mr. Collins said that grants have been approved on a case-by-case issue, and that he would feel better if the DDA set a fixed amount. Ms. Gunn said that the budget is a flexible document and could easily be revised if necessary. Mr. Hewitt suggested this topic be added to the July retreat agenda for discussion.

Mr. Hewitt noted that the DDA is facing a negative expenditure by the end of the year and may need to dip into fund balances. Mr. Easthope asked if new developments will bring more TIF income to the DDA. Mr. Hewitt explained it would be at least three years before the DDA received TIF from Liberty Lofts. Ms. Greff asked if parking was supposed to pay for itself why the budget shows a negative balance. Mr. Morehouse explained that this was due to the City’s request to take two year’s worth of rent at a time, thus creating a negative expense. The system’s financial arrangement was based on the City taking only one year’s rent at a time, not two. Mr. Morehouse was asked to make some format changes to the first page.

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

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

RESOLUTION TO SELECT 150 S. FIFTH AVENUE AS THE LOCATION FOR THE DDA OFFICE

Whereas, The lease for the DDA’s office will expire on July 1, 2006;

Whereas, DDA committee meetings are now drawing upwards to 20 or more committee members and members of the public to a conference room that comfortably seats ten, making it necessary to locate a new office;

Whereas, Several downtown office buildings were investigated as potential sites for the DDA office, including the Key Bank Building, 1 N. Main Street, the First National Bank Building, 210 S. Fifth Ave., 214 E. Huron, and 301 E. Liberty;

Whereas, Property managers for many of these locations were asked to submit bids following a request for proposals process;

Whereas, Several DDA members and staff toured these locations and unanimously agreed that the 150 S. Fifth Avenue building location would best meet DDA needs;

Whereas, The DDA attorney has reviewed a lease for this location and provided feedback on its terms;

RESOLVED, The DDA shall select 150 S. Fifth Avenue as the new location for the DDA office effective July 1, 2006;

RESOLVED, The DDA Chair and Executive Director are authorized to sign a lease for this space after final details are confirmed for build out costs.

Mr. Aldrich said that he had reviewed the lease information thoroughly and found the deal was fair, at market value and felt it was appropriate to sign the lease.

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

January and February 2006 Financial Reports: Mr. Hewitt reported that the financials look good. TIF income is over budget, TIF operating expenses are under budget due to unspent Huron, 5th & Division professional fees, and TIF Maintenance income and expenses are as anticipated. Parking income is over budget due in part to a bond fund refund, operating expenses are under budget, net excess of revenue over expenditures is over budget 60% due to the payment to the City, and Parking Maintenance net excess of revenue over expenditures is over budget because the construction hasn’t yet taken place. All other funds are as anticipated. A motion to accept the January and February 2006 statements was moved by Mr. Hewitt, seconded by Mr. Dankert and unanimously accepted.
Hours of Enforcement. Mr. Hewitt stated that the Committee acted on the Board request to frame a resolution regarding changing hours of enforcement. A resolution was drafted, presented last month and was up for action this month, however, based on the comments from the audience at the beginning of the meeting and from several DDA members he would pull the resolution from the agenda. Mr. Aldrich said that the DDA should wait until it has more data before making any changes and that it would be better if the DDA made a global change rather than to piecemeal changes throughout the year. The downtown merchants are experiencing a period of vulnerability at the moment and he didn’t feel that this was the time to make significant changes.

PARTNERSHIPS COMMITTEE:
Ms. Smith moved and Ms. Greff supported the following resolution:

RESOLUTION TO ASK CITY COUNCIL TO EXTEND THE DEADLINE FOR THE KLINE LOT RFP UNTIL MARCH 2007

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;

Whereas, The DDA will soon commission a parking study for the downtown which will help the City determine how many parking spaces to construct to meet future demand, including the optimal number of public parking spaces on the Kline lot;

Whereas, It is anticipated that the parking study will not be completed before December 2006;

Whereas, The Partnerships Committee has requested a second delay in the submittal of the Kline lot RFP to enable this parking study to be completed;

RESOLVED, The DDA requests that City Council extend the deadline for the submittal of the S. Ashley (Kline) lot RFP until March 2007.

Mr. Collins asked if the RFP should be delayed indefinitely rather than state a date; Ms. Smith said that she wanted a set date as we don’t want to lose momentum around the project. Mr. Gillett asked if additional parking on the Library lot would replace the parking anticipated for the Kline lot;
Ms. Smith said that the Main Street area needs replacement parking as soon as possible, and the Library lot may serve a different demographic than the Kline lot.

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

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

RESOLUTION PROVIDING $45,000 TO DAWN FARM TO PRESERVE TRANSITIONAL HOUSING AT 324 E. SUMMIT STREET

Whereas, The Ann Arbor Downtown Development Authority Renewal Plan makes a strong commitment to participating in projects which stimulate new, converted, or renovated housing;

Whereas, Important DDA Renewal Plan residential development strategies include the following:
• In order to encourage and facilitate a full range of housing options, the DDA will provide grants and loans to support housing affordable to lower income persons and families. The DDA will also support services and transportation programs to assure that the downtown remains a viable residential neighborhood, affordable to individuals of diverse income.
• The DDA will provide affordable housing grants for downtown and near downtown residential development and redevelopment projects when necessary.

Whereas, The DDA has received a request from Dawn Farm to assist with the acquisition and rehabilitation of a property located at 324 E. Summit Street, which is located approximately two blocks from the DDA District boundary;

Whereas, The property was originally a fourplex, and has room for nine individuals;

Whereas, Dawn Farm has stated an intention to work with Avalon Housing to preserve low-income transitional housing on this site;

Whereas, The cost to acquire and rehabilitate the property is estimated to be $525,000, and the sources of funding is anticipated to include Washtenaw County, the City of Ann Arbor, LISC and MSDA;

Whereas, The DDA has been asked to provide $45,000 to this project;

Whereas, The DDA Partnerships Committee has considered this request and recommends funding;

RESOLVED, The DDA will provide Dawn Farm with a grant of $45,000 from its Housing Fund to enable it to purchase and rehabilitate the property located at 324 E. Summit Street, Ann Arbor, Michigan.

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

Research and Opportunity Committee
Mr. Collins moved and Ms. Smith seconded the following resolution:

RESOLUTION PROVIDING $50,000 FOR DOWNTOWN AREA ASSOCIATION GRANTS FOR FY 2005/06

Whereas, The Ann Arbor DDA Development Plan contains a component for the support and encouragement of downtown businesses;

Whereas, The DDA has worked to meet this goal through such strategies as partnering with the four downtown Area Associations, as DDA has a special interest in efforts aimed at supporting downtown’s smaller, independent businesses, as well as projects that help to strengthen each downtown area’s unique identity and attractiveness;

Whereas, The DDA Research and Opportunity Committee recommends a renewal of the DDA’s grant for the Downtown Area Associations for 2005/06 to assist them in their effort to support downtown businesses:

Whereas, The Research and Opportunity Committee also recommends the elimination of this grant program after the 2005/06 fiscal year which ends June 30, 2006;

RESOLVED, The DDA shall provide up to $12,500 each for the State Street Area Association, Main Street Area Association, South University Area Association, and Kerrytown District Association in FY 2005/06;

RESOLVED, To apply for these funds, each Area Association must submit an Association board-approved application to the DDA for its consideration no later than March 31, 2006. This application must strictly adhere to the 2005/06 Downtown Association Grant Program Application attached with this resolution; and

RESOLVED, Prior to providing project grants, the DDA must receive original project receipts and a complete project report no later than June 1, 2006; and

RESOLVED, The DDA must receive considerable visibility from each Association as a result of this grant, and applications must provide details for how the DDA’s support will be communicated to Association members, visitors to the District, and to the larger community; and

RESOLVED, This grant program is hereby terminated, but the DDA affirms its interest in learning about and potentially supporting innovative programs that provide visibility to the downtown and support to its downtown businesses.

A vote on the motion showed:
AYES: Aldrich, Collins, Dankert, Gillett, Greff, Gunn, Hewitt, Hieftje, Smith
NAYES: None
Absent: Beal, Boren, DeVarti
The motion carried.
Communication Plan: Ms. Pollay reported on the survey results of the random sampling of Ann Arbor registered voters which is part of Regroup’s work to create a communication plan for the DDA. The survey revealed that the DDA is not being credited for many of its efforts, and residents that are aware of the DDA are generally very positive about its efforts.

Parking Study: Ms. Pollay stated that RFP has been mailed; responses are due May 8. Ms. Greff asked that the ROC committee meetings be moved back to the DDA office from the Aut Bar.

CAPITAL IMPROVEMENTS:
Mr. Dankert moved and Mr. Hewitt seconded the following resolution:

RESOLUTION TO SUPPORT THE 2006 DOWNTOWN SPRING CLEANUP ($5,000)

Whereas, The Downtown Spring Cleanup annually draws 100-250 volunteers, including children and their parents to downtown Ann Arbor to plant flowers, paint over graffiti, and sweep sidewalks;

Whereas, The City of Ann Arbor, downtown associations, and other sponsoring organizations provide a number of contributions to this event;

Whereas, The DDA has contributed annually to this event for several years, including a grant of $5,000 in 2005;

Whereas, Funds are used to pay for flowers, mulch and other materials, as well as other costs;

RESOLVED, The DDA will contribute $5,000 toward the 2006 Downtown Spring Cleanup.

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

Ms. Smith moved and Mr. Dankert supported the following resolution:

RESOLUTION AUTHORIZING SELECTION OF DOAN CONSTRUCTION COMPANY TO UNDERTAKE DOWNTOWN ALLEY REPAIRS AND IMPROVEMENTS IN 2006

Whereas, At its 2002 and 2003 retreats the DDA discussed its role providing for downtown vitality, and as part of these discussions shaped future project lists, which included alley repairs;

Whereas, Within this strategy, the DDA set forward that alley repairs should be undertaken to facilitate deliveries, solid waste and recycling collection, improve alley cleanliness and attractiveness, assist pedestrian use, and discourage graffiti, and to address other important needs, such as preventing water seepage into adjacent historic buildings and repairing damaged storm drains;

Whereas, In May 2004 the DDA authorized its Capital Improvements Committee to undertake an assessment of all downtown alleys in the DDA District to determine their condition and estimated costs for repairs, and Washtenaw Engineering Co. was selected to undertake the assessment;
Whereas, Upon the completion of this assessment at its December 2004 meeting the DDA selected five public alleys as the first repair locations, in April 2005 the DDA selected two contractors to undertake those repairs, and in October 2005 this work was completed;

Whereas, In October 2005 the DDA authorized its Capital Improvements Committee to undertake additional alley repairs beginning in 2005/06, and approved the selection of five alleys to be repaired at a project cost not to exceed $1.1 million;

Whereas, Bid documents distributed in December 2005 and four bids were returned on January 17, 2006;

Whereas, The Capital Improvements Committee met to review these bids and recommended selection of Doan Construction Co., of Ypsilanti MI, as contractors for alley repair work in 2006, with a contract amount of $594,885 and a total project amount not to exceed $1,100,000.00;

Whereas, The DDA has received significant positive feedback regarding color and texture added to some alleys recently completed;

Whereas, The approved October 5, 2005 Resolution, resolved to consider approval of repairs to other alleys, subject to review of bids when received,

Whereas, Recent bids received were significantly lower than initially estimated,

Whereas, The group of alleys included in this project provide an opportunity for additional enhancements such as improved lighting, “stamping” and other pedestrian amenities;

RESOLVED, The DDA approves a construction contract with Doan Construction Co. for repairs to alleys in the amount of $594,885.00;

RESOLVED, The Capital Improvements Committee and DDA Executive Director are authorized to oversee and execute a construction contract, and to evaluate inclusion of additional construction enhancements, and work as necessary for the completion of this project within the limits of the approved budget.

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

5th & Division DAC: Ms. Smith indicated that design concepts were presented and received excellent feedback. Individual meetings will be held with stakeholders along the corridors who would be impacted by recommended changes to elicit their comments.

4th & William Structure: Ms. Pollay reported that Republic staff is supportive of a speed ramp proposed for the structure, as the greater ease exiting the structure will far outweigh the loss of spaces. The recommendations to beautify the structure were not supported. The committee is waiting on the final report from the city with regards to the elevators, and it is anticipated that a resolution will be presented in June or July for the Board action.
3. DOWNTOWN AREA CITIZENS ADVISORY COUNCIL

Ray Detter, Chair of the CAC reported: This is a period of downtown transition in relation to the acceptance of the concept of increased height and residential density. The CAC intends to play an active and positive role. We support greater density and appropriate building heights and we want to help clarify issues and define what is and is not acceptable in the development of a downtown vision as we move toward the implementation of the Calthorpe recommendations. We look forward to a time when we will have clearly defined expectations for the future of the downtown.

Whenever possible, the CAC intends to raise questions that will help to improve proposed downtown projects and make them more compatible with the broader expectations included in our existing city plans as well as the Calthorpe recommendations. A lot has happened in the last month.

Two weeks ago the City Council directed staff to begin work on four prioritized elements of a Calthorpe Implementation Plan: Special overlay zoning, streamlining the development proposal process, pursuing a comprehensive parking strategy and development of future design standards. The latter element replaced “Work with the Historic District Commission to clarify criteria for development.” We are very pleased with this change and agree with Councilman Robert Johnson, who proposed the amendment, that it seemed to threaten our city’s commitment to historic preservation.

The Citizens Advisory Council has been involved in several other recent developments.

An eleven story residential building, The Gallery, has been proposed on Main Street directly behind the Kerrytown Concert House. While we don’t necessarily oppose the project, we are using every opportunity to point out that the Downtown Plan, the Central Area Plan, the Downtown Residential Task Force Report, and the Calthorpe Plan all support only 3-5 stories in this area. If the project is approved, we want to know the rationale for doing so and the implications for this neighborhood.

This Gallery project is a Planned Unit Development requiring affordable housing. We support the Planning Department’s position that “does not support the request to provide a fee in lieu of providing affordable housing units because it is preferable to have affordable housing units constructed on this site.” All of our city plans encourage mixed income development in the downtown. We strongly support those affordable housing policies recommended by the Calthorpe report that aim to match income distribution in downtown to that of Ann Arbor. We want affordable housing at a variety of income levels in order to encourage a healthy downtown. The CAC advocates that the city insist upon a portion of on-site market-rate housing at the 60-80% level as part of all future large residential buildings in the downtown. Last Monday night City Council approved three more stories added to the Kingsley Lane Development, in part because it will provide significant median range housing on site. Some units will sell for $83,000.

The CAC has been involved in discussions and meetings on development of the three sites included in plans for the McKinley Towne Centre on South Division. We have, however, raised some important questions regarding the nine story Metro 202 building which is proposed for a very small lot on the southwest corner of E. Washington and S. Division. While we have some issues with the building’s height, bulk, traffic, design, and future operation, our biggest concern has been the failure to use a Planned Unit Development process for approval, which would require some affordable housing on site. A PUD would also permit the city to look more closely at the public benefits required of this property and the building’s possible negative impact, particularly to several significant Washington Street historic buildings that adjoin the site.
Discussions have also taken place regarding the proposed 10-11-story Washington Terrace building across Division Street. The CAC has assured the developers of our general support subject to their commitment to moving the historic 1848 Polhemus House to another site near the downtown. We will, however, raise the issue of possible affordable housing on site as a part of future discussions.

Representing the CAC, I attended a meeting between members of the Greenbelt Commission and the Planning Commission a couple of weeks ago to discuss the possibility of a Transfer of Development Rights arrangement being worked out to allow developers to have even higher buildings in the downtown. When asked, I informed them that the CAC is opposed to such a system because it would conflict with our desire to have fixed expectations for future development in the downtown. We want a clear vision for the area. To my surprise and delight, the head of McKinley, Albert Berriz, who is a leading figure on the Greenbelt Commission, also expressed opposition to the transfer concept.

Last Monday night the Ann Arbor City Council unanimously passed a resolution to approve the Northeast Area Plan. The Citizens Advisory Council has been involved in the development of the Lower Town portions of this plan for a number of years. We have recently been involved in two meetings between community leaders and University representatives in an attempt to get them to move away from the awful idea of placing two free standing parking structures and a transit center down on Wall Street. The University’s concept is in complete opposition to the future for that area envisaged in the NE Area Plan. Future meetings are planned with the Mayor and others in the weeks ahead to work out a plan for the Wall Street area of Lower Town that will fulfill both community and University expectations and needs. Stay tuned.

8. OTHER DDA BUSINESS MATTERS

Ms. Pollay said that the Planning Commission had asked to meet with DDA members on April 11th at 7PM to discuss parking issues related to new developments in the downtown area.

Ms. Greff said she had heard there were discussions about decreasing the size of the DDA Board; Mr. Easthope said that he was not aware of any discussions.

9. OTHER AUDIENCE PARTICIPATION

Mr. Carlson indicated that he had received a negative response to his request for funding assistance, but wanted to ask again for the DDA’s help to offset infrastructure costs for the Mayer Schairer Building. Ms. Gunn invited Mr. Carlson to attend the next Partnerships Committee meeting. Ms. Smith also requested that infrastructure costs for downtown development be added to the retreat agenda for discussion.

Ms. Miller said she was happy to see that the Downtown Spring Clean-up is scheduled for May 13. She stated that downtown is filthy and leadership is needed for sidewalk maintenance.

Mr. Pollack thanked the DDA for its recent grant to support the Allen Creek Greenway Task Force’s public input process. They were able to use DDA funds to leverage a matching grant from the University of Michigan. The task force has scheduled two public meetings (April 22 and 29). He spoke in favor of adding a level of parking at 4th & William, and asked that the roof top lighting be thoughtfully implemented and not change the quality of night sky visibility. Mr. Pollack said that the parking problem is partly due to perception and that the parking study should include an evaluation of where parking meters are placed. He also suggested a 15-minute grace period to alleviate the
perceived enforcement problem. He said it had been 20 years since the DDA’s last Pedestrian Improvement Plan and he suggested it’s time for another one.

10. **ADJOURNMENT**

As there was no further discussion the meeting was adjourned at 1:35 P.M.

Respectfully submitted,
Susan Pollay, Executive Director