Minutes
Downtown Development Authority Meeting
Thursday, April 10, 1997

Place: Guy C. Larcom, Jr. Municipal Building (City Hall) Council Chambers, Second Floor, 100 North Fifth Avenue, Ann Arbor, Michigan 48107

Time: The Chair, Karl Pohrt called the meeting to order at 5:11 p.m.

1. Roll Call

Present: Neal Berlin, David DeVarti, David Fritz, Robert Gates, Leah Gunn, Maria Harshe, Karl Pohrt, Deanna Relyea, Ed Shaffran, Skip Ungrodt

Absent: Gillett, Sipes

Staff Present: Susan Pollay, DDA Executive Director

Audience: Jerry Billiter, National Garages
           Andy Kawlewski, National Garages
           Ray Detter, DDA Citizens Advisory Council
           Jerold Lax, DDA Attorney

2. Approval of Minutes

Ms. Harshe made a motion and Mr. Ungrodt supported that the Board meeting minutes dated March 13, 1997 be approved.

A vote on the motion showed.


NAYS: None.

Absent: Gillett, Sipes.

The motion carried.
3. DDA Citizen’s Advisory Council

Mr. Detter submitted the following report.

During the last month the Citizens Advisory Council distributed over 100 copies of our Revised Parking and Housing statements to member of the DDA, to all other areas of City government, to the downtown merchant’s associations, to all nearby neighborhood groups and to the news media. They will be used to guide our ongoing participation in community efforts to increase the downtown residential population—and to maintain the parking supply in the downtown, anticipate future parking needs, and creatively explore parking alternative. We hope you have had the time to read them carefully.

Both our parking and housing statements express the Citizens Advisory Council’s commitment to the downtown as a pedestrian and residential environment supportive of a board spectrum of housing opportunities. But you know that we are strongly supportive of the economic vitality of the downtown at the same time that we work to improve and maintain its residential quality. Both are essential to the healthy life of the area. While we are convinced that the future of our neighborhood is only as strong as its capacity to achieve and sustain visible, varied and well maintained housing, we believe that downtown housing depends upon, as well as encourages, the economic health of the area. Both residential use and the economic health of the downtown require planned investment in assured parking. These are inseparable issues. We intend to advocate and support public programs and private sector development of downtown housing and parking that give the highest priority to the concept of promoting a pedestrian and resident orientation of the area consistent with the Downtown and the City Master Plans.

Today the Citizens Advisory Council is joined tightly with the DDA in focusing upon the need to maintain and improve our downtown parking, not because any of us love parking, but because it is so essential to all areas of downtown success. Parking must work, or the downtown won’t work. We believe parking should be developed and maintained with a long range vision for the downtown’s future that puts major emphasis upon the support and the encouragement of existing and future broad spectrum downtown housing. But we also believe that in the process of finding solutions to our parking crisis we should not lose sight of other goals that will affect the future of the downtown.

Last night the Citizens Council began work on our revised position statement that will integrate the related goals of downtown pedestrian improvements, parks and open space and art in public places. When completed, it will include objectives from alley walkways, lighting and parking structure art to a central plaza and a system of linked open spaces on the floor of Allen Creek Valley, all of which were included in the 1988 Downtown Plan. We believe that street amenities, parks, plazas and open spaces are invaluable elements of the downtown neighborhood; their maintenance and increase in number are seen as essential to the overall development of the downtown area. In the process of dealing with the current parking crisis, we hope the DDA will not exhaust or commit all its energy and future funds to the point that it is unable to remain involved in creatively and financially supporting these downtown pedestrian goals.
Last night the Citizens Council began to explore the possibility of undertaking a task that will help all of us achieve our goals for the downtown. We plan to contact representatives of Ann Arbor's Community Access Television to begin work on a one-half hour television tape on the topic "Downtown Ann Arbor: A Vision for the Future". Basing our goals on the Downtown Plan of 1988, as well as DDA and nearby neighborhood plans, we hope to show downtown as it is today, present the goals of adopted plans and accepted community objectives, and visually present the possibilities for the future. If completed, the tape could be shown frequently over Community Access Television as well as distributed to community institutions and groups. We hope the DDA will join us in the development and completion of the task.

4. Audience Participation

Gillett Enters.

The DDA Board's legal counsel, Jerry Lax reported that he had been asked to respond to a question as to whether the DDA could oversee or provide funding for projects that fell outside the DDA boundaries. He further reported that he had also been asked to report on how DDA boundaries might be modified to meet the purposes set forward by the DDA. These questions had immediate relevance, as significant repairs to the Forest Street structure may be warranted in the very near future, and it appeared that at least a portion of the structure fell outside DDA boundaries. The DDA had also been approached to consider acting in partnership with a residential development that would connect with the Forest Street structure but currently falls outside the DDA district.

Mr. Lax reported that two approaches could be taken to address these questions. The first would be to redefine DDA boundaries to make sure that the boundaries cover the entire area of DDA concern. The statute that governs the activities of downtown development authorities specifically provides that the boundaries can be amended by pursuing the same procedures that had been taken during the initial establishment of the district. A portion of this procedure includes the holding of a public hearing by the legislative body, with no less than 20 days notice and no more than 40 days notice, at the time of the hearing. Notification should be given to the other taxing agencies, including the schools.

The other approach would be to notify Council that when the parking agreement had been arranged, the inclusion of a parking structure outside DDA boundaries had been inadvertent. As long as DDA programs and activities were in line with the DDA plan, the chances the DDA would be challenged on its activities were fairly limited, particularly as the structure abutted the boundary line.

5. New Business

None.
Executive Director Report

Ms. Pollay informed the Board that two regional representatives from the Chicago office of the Federal Energy Commission would be in Ann Arbor on Thursday, April 17, 1997 at 5:30 p.m. to meet with interested board members and member of the community. Their focus would be to reduce energy usage, and they would share insights gained in other communities.

Ms. Pollay also reported that the former Racket Ball Club apartments will soon open and on April 14, 1997 they will be having an Open House. Ms. Pollay urged all DDA members to attend this event.

Ms. Pollay continued her report with a public thank you to the board members who have been participating in the public meetings on parking. Ed Shaffran was singled out for his extraordinary contributions.

Pedestrian Improvements

Mr. Fritz reported that the Pedestrian Improvements Committee had met with Adrian Iraola and he presented to the committee a report on all of the businesses who had bid on the Washington Street tree replacement project. The lowest bidder was Northern Exposure Landscape, who bid at $32,774.00.

The Pedestrian Improvements Committee recommended that the DDA Board resolve to select Northern Exposure Landscape.

It was moved by Gunn and supported by Ungrodt to approve the contract with Northern Exposure Landscape as recommended by the Pedestrian Improvements Committee.

Discussion of Proposed Resolution

Mr. Shaffran expressed a concern as to what time of day and length of time would be necessary to complete the task at hand. Mr. Shaffran's opinion was to have work take place during the time frame of 12:00 a.m. to 8:00 a.m. due to the large equipment that is required for the task.

Mr Fritz further stated that the project would be completed before the Art Fair.

A vote on the motion showed:


NAYS: None.
Absent: Sipes.

The motion carried.

Spring Clean-up Proposal

Mr. Fritz also proposed that the DDA donate $300.00 toward costs for the “1997 Spring Clean-Up” event that takes place downtown.

Ms. Gunn made a motion and Shaffran supported that $300.00 be donated for the “Spring Clean-Up” T-shirts.

A vote on the motion showed:

AYES: Berlin, DeVarti, Fritz, Gates, Gillett, Gunn, Harshe, Pohrt, Relyea, Shaffran, Ungrodt

NAYS: None.

Absent: Sipes.

The motion carried.

Status of Kerrytown Lights Project

Mr. Fritz reported that the lights for the Kerrytown Lights Project have been ordered and will arrive at the end of the month; upon their arrival, they will be stored at the City site at Packard and Main Street.

This project is estimated to be completed before the Art Fair.

Sipes Enters.

Parking Committee

Mr. Berlin made a motion and Ms. Harshe supported the following resolution:

Resolution to Increase Parking Rates from Seven Dollars to Eight Dollars Per Entry During the 1997 Ann Arbor Art Fairs

WHEREAS, The DDA Parking Committee reviewed and discussed a parking rate increase from seven dollars ($7.00) to eight dollars ($8.00) per entry during the 1997 Ann Arbor Art Fairs, July 16-19; and
WHEREAS, The DDA Parking Committee unanimously agreed to change the parking rate from seven dollars ($7.00) to eight dollars ($8.00) per entry during the 1997 Ann Arbor Art Fairs, with a reduced price of four dollars ($4.00) for entry after 7:30 p.m. July 16-18, 1997.

RESOLVED, That during the 1997 Ann Arbor Art Fairs, July 16-19, the entry rate shall be eight dollars ($8.00) at all DDA-managed facilities, with a reduced price of four dollars ($4.00) for entry after 7:30 p.m. July 16-18, 1997.

The vote on the motion showed:


NAYS: None.

Absent: None.

The motion carried.

Status of Parking Structure Analysis

Mr. Shaffran reported that on April 18, 1997 the DDA will receive draft reports on several structures. The DDA has received a preliminary report on the Liberty Square structure. It was found to be in good shape with slight chloride penetration on the lower levels, from one to three inches.

The report recommends the DDA consider the application of deck coating for approximately $500,000 or a traffic membrane for about $750,000. Mr. Shaffran stated that the full report on the needed repair will be available after April 18, 1997. Final reports on all structures will be completed by April 30th.

Mr. Shaffran also reported on the status of the 4th and Washington structure and said that it was recommended that the DDA commence a load test on the structure. Effective immediately, vehicles of 4,200 pounds or more shall be restricted from the Washington and Fourth structure which will allow only medium to small automobiles to enter the structure.

It was requested that the load test be completed by May 31, 1997, if not then the recommendation is that the structure be shut down.

Ms. Gunn made a motion and Mr. Gillett supported the following resolution:
Resolution To Commission Load-Test For Parking Structure at Fourth & Washington

WHEREAS, Recent engineering analyses indicate that the parking structure at Fourth Avenue and Washington Street will need significant repairs over the next several years to remain operational;

WHEREAS, An engineering load test is needed to more completely determine the structural condition of this facility;

WHEREAS, This facility is extensively used by the public, and contributes significantly to the economic and residential vitality of the area.

RESOLVED, That the DDA authorize the parking committee, based on its review of the final report and its discussion with the city engineering department, to authorize a payment of up to $50,000.00 to commission a load test for this facility to take place no later than May 31, 1997.

A vote on the motion showed:


NAYS: None.

Absent: None.

The motion carried.

Housing Committee

Mr. Shaffran made a motion and Mr. Ungrodt supported to table the following resolution:

Resolution to Create a Dedicated DDA Housing Fund

WHEREAS, the DDA voted to amend its 1995/96 budget to create an Urgent Repairs parking fund and to appropriate all revenue in the 1995/96 DDA Parking System budget not obligated to parking operations and debt repayment to this fund;

WHEREAS, no action was taken to amend the lease agreement between the DDA and the City prior to the 1995/96 year end and $373,798 was transferred out of the DDA Parking Fund (063) to the City General Fund.

WHEREAS, the City Council has been asked to appropriate these funds back to the DDA Parking/Urgent Repairs fund;
WHEREAS, City Council has been asked to make this appropriation, and in addition has agreed to authorize two amendments to the Contract between the City and the DDA – permitting the DDA to reserve all surplus parking revenues to a DDA Urgent Repairs fund for a three year period ending with fiscal year 1998/1999; and for future periods increasing the annual reserve to be set aside by the DDA for major capital repairs from 15% of gross parking revenue to 25% of gross parking revenues;

WHEREAS, the DDA is in the process of developing a multi-year budget to address the need for comprehensive repairs to the DDA managed parking structures;

WHEREAS, the DDA recognizes the importance of housing to the DDA area and wishes to include planning for housing needs in this budget process;

RESOLVED: Upon approval by City Council of the contract amendments to the DDA-City Contract referenced above, the DDA shall establish a DDA Housing Fund in the amount of $373,898;

RESOLVED: The Fund shall be initially established using TIF funds, but future deposits to the Fund may be made from any source designated by the DDA;

RESOLVED: The funds shall exist to support housing consistent with the DDA Housing Policy.

RESOLVED: The DDA Housing Committee shall develop guidelines, subject to full DDA Board approval for utilization of the Fund;

RESOLVED: In developing its multi-year budget plan, the DDA shall designate a significant annual contribution to the Fund.

Mr. Shafran then made a motion and Mr. Ungrodt supported, to withdraw the tabled motion and to open a discussion of the matter.

The board discussed their concerns on creating a dedicated DDA Housing Fund and decided to take a vote on tabling the issue.

A vote to table the motion showed:

AYES: Fritz, Gates, Pohrt, Sipes, Shafran, Ungrodt,

NAYS: Berlin, DeVarti, Gillett, Gunn, Harshe, Relyea,

Absent: None.

The motion to table failed.

A vote on the resolution was taken.
The vote showed:

**AYES:** Berlin, DeVarti, Fritz, Gillett, Harshe, Gunn, Pohrt, Relyea, Sipes.

**NAYS:** Gates, Shaffran, Ungrodt

**Absent:** None.

The motion carried.

*Gillett Exits.*

**Finance Committee**

Mr. Gates reported that there were substantial negative variances between February of 1997 and February of 1996 in parking revenue.

Ms. Pollay explained that in February 1996 there were 29 days as opposed to 28 days this February. She further reported that the month of February began on a Sunday this year, therefore two days were lost and that could have been part of the reason behind the decrease in revenues. She did express concerns that parking revenues should be monitored, as several structures were experiencing a drop off in revenue.

*Ungrodt Exits.*

7. **Other DDA Business Matters**

None.

8. **Adjournment**

There being no further business, the meeting adjourned at 7:24 p.m.

Respectfully submitted by:

Susan Pollay,
Recording Secretary