Ann Arbor Downtown Development Authority Meeting Minutes  
Wednesday, June 7, 2006

Place: Kerrytown Concert House, 415 N. Fourth Avenue, Ann Arbor, 48104
Time: DDA Chair Leah Gunn called the meeting to order at 12:10 p.m.

1. ROLL CALL

Present: Fred Beal, Ron Dankert, Dave DeVarti, Bob Gillett, Leah Gunn, Roger Hewitt, John Hieftje, Sandi Smith

Absent: Rob Aldrich, Gary Boren, Russ Collins, Rene Greff

Staff: Susan Pollay, Executive Director

Present: Joe Morehouse, Deputy Director

Joan Lyke, Management Assistant

Audience: Tony Bisesi, Republic Parking System

Erica Briggs, getDowntown

Ray Detter, Downtown Area Citizens Advisory Council

Paul Ganz, DTE

Adrian Iraola, Washtenaw Engineering

Shirli Kopelman

Frank Nagy, Republic Parking System

Ethel Potts, citizen

Chris White, AATA

2. AUDIENCE PARTICIPATION

Ms. Kopelman, downtown resident, spoke about four areas of concern: 1) lack of downtown parking; 2) dirty alleys; 3) panhandling; and 4) trucks on Main Street. Ms. Kopelman stated that she had to wait 9 months for a premium reserved monthly permit in the 4th & William structure, and the DDA should add more parking. She noted the positive work that the DDA is doing to repair and improve the downtown alleys, but there is often debris in the alleys and an offensive odor, so she avoids walking through them. She said that she is approached at least once a day by panhandlers, including times she is dining at a sidewalk café, and that the City must address the panhandling issue or people will avoid downtown. And finally, she asked that the city prohibit trucks from using Main Street as the noise and exhaust are unpleasant to customers at sidewalk cafes.

Mr. Ganz said that DTE is growing and that within the next two years plans to add at least 300 employees to the 425 currently working downtown. He said that DTE employees provide an important customer base for downtown businesses, and additionally 300+ visitors come downtown to meet with their business units every month. DTE’s success brings with it the need for additional parking, and he urged the DDA to approve its resolution to add a level of parking at 4th & William.

Mr. Boren enters.

3. OLD BUSINESS

None.

4. NEW BUSINESS

Mr. DeVarti moved and Mr. Hieftje seconded a motion to cancel the August DDA Board meeting.

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

5. APPROVAL OF MINUTES
Ms. Smith moved and Mr. Gillett seconded approval of the May 3, 2006 Board Minutes.

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

6. DOWNTOWN AREA CITIZENS ADVISORY COUNCIL
Mr. Detter reported: At last night’s CAC meeting we devoted an hour to a discussion of the retail future in downtown. Nina Juergens, owner of the Acme Mercantile general store at 111 West Liberty, was our guest. She has been in business for over three years and advertises herself as “the world’s smallest department store.” Open seven days a week, she sells hardware, office and cleaning supplies, “health and beauty aids, pet food, books, journals and pens, kitchen and cocktail items, mens and womens clothing, classic toys, cards and giftwrap, clocks…and all kinds of misc. stuff.” Nina’s sales are not doing well. She is struggling to overcome the misconception that her place is a gift shop. As density occurs downtown, she hoped to offer more and more of the things that downtown residents need. But density is not coming fast enough. She wanted to talk to us about suggestions we might have. CAC members expressed our belief in the importance of downtown retail, and we committed ourselves to help in any we can until more substantial help arrives in the form of Liberty Lofts, Ashley Terrace, 1st & Washington, Kline Lot and William Street Station. For Nina it may be too late.

A discussion of currently proposed residential developments in the downtown led into a review of our general position on two major issues—our commitment to Ann Arbor City Plans and affordable housing. I am pleased to report that those positions will not change.

1. What we hope from the Planning Commission, from the DDA, and from City Council is consistency in the way downtown projects are supported and approved. Decisions should not be based upon what any one of us might like at the moment. Our decisions must be based upon values and plans that have been adopted by the community and express a shared vision for downtown’s future.

2. Members further reaffirmed our commitment to supporting market rate affordable housing at the 60-80 % median level in all new high rise residential developments—that includes First and Washington, the Kline Lot, the Gallery project, Metro 202, and even developments like Ashley Terrace where zoning currently does not require such affordable housing. If we are making plans for rezoning and zoning overlays in the downtown, we could add that requirement. It works in other towns. It should work here.

3. A brief discussion considered the possibility of creating a transfer of development rights program for future downtown buildings. The CAC generally rejects that direction. It would not necessarily benefit downtown. It would most likely not encourage a more predictable and consistent approach to downtown zoning and development. However, if we are ever able to
complete the rezoning and zoning overlays for the downtown, some of us might push for rewarding more market rate 60-80% of median housing in developments by permitting them to add more floors where appropriate.

Mr. Detter said that everyone was invited to the party on June 15 at 6:30pm at 120-126 N. Division.

7. SUBCOMMITTEE REPORTS

OPERATIONS COMMITTEE:
April 2006 Financial Reports: Mr. Hewitt reported that TIF Income is at budget and expenses are under budget due to unspent Huron, 5th & Division professional fees. Parking expenses are over budget due to the purchase of new parking equipment, and the Parking Maintenance Fund expenses are under budget due to construction timing issues. A motion to accept the April 2006 statements was moved by Mr. Hewitt and seconded by Mr. Hieftje and unanimously accepted.

Mr. Hewitt explained the State Law requires revising the budget to match actual expenses and revenues. He moved and Mr. Dankert supported the following resolution:

RESOLUTION TO APPROVE THE REVISED DDA BUDGET FOR FISCAL YEAR 2005/2006

Whereas, The DDA Board passed a FY 2005/06 budget for the DDA based on its Ten Year Plan in February 2005;

Whereas, The DDA Board has approved items not anticipated in its FY 2005/06 budget, thus necessitating a budget revision so that expenditures will not have exceeded the budget;

Whereas, The Operations Committee recommends approval of this budget revision by the DDA:

RESOLVED. The DDA approves its FY 2005/06 budget revision.

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

Summer Free Parking Program at Ann Ashley: Mr. Hewitt reported that the initiative appears to be successful as patron numbers are approximately three times what we saw last year. Signs have been posted at 1st & Huron and 1st & Washington directing patrons to Ann Ashley for free parking.

Capital Improvements Committee:
Mr. Beal moved and Mr. Dankert seconded the following resolution:

RESOLUTION TO INCREASE THE DDA PROJECT BUDGET FOR THE FOURTH & WILLIAM PARKING STRUCTURE ADDITION TO $5.1 MILLION

Whereas, On August 1, 2005 City Council voted to approve the “Resolution Requesting Preparation of Requests for Proposals for the Redevelopment of City Owned Properties” and in this resolution authorized the DDA to “immediately take the necessary action to construct an additional floor of public parking at the Fourth & William garage as soon as possible”;
Whereas, The increasing numbers of workers in the Ashley Mews building, the William Street Station project and other nearby developments are placing immediate demands on the structure;

Whereas, The DDA approved a resolution on October 5, 2005 to pursue the construction of an additional floor to the Fourth & William structure which set forward a project cost estimate of $4 million which would generate approximately 125 new public parking spaces;

Whereas, This resolution authorized the DDA Chair, Capital Improvements Committee Chair, and Executive Director to issue bid documents and contract with Carl Walker Inc. (CWI) to prepare construction drawings for this project;

Whereas, In its resolution the DDA determined that it would have the opportunity to select the contractor for this project once bids have been received and a recommendation put forward by the Capital Improvements Committee.

Whereas, CWI has produced construction drawings that are 90% complete, and which include elements that were not anticipated at the time the DDA approved its October 2005 resolution, including additional structural bracing, a new speed ramp, ramp extension, and deck coating for the additional floor;

Whereas, A soil analysis determined that additional bracing would be needed to add this new floor as the Fourth & William structure had not been engineered to carry this additional weight;

Whereas, The proposed speed ramp would eliminate 18 spaces and cost $312,000 but would do a great deal to ease traffic congestion in the structure by making it easier for patrons to utilize the Fourth Avenue exit which can become inaccessible during peak periods;

Whereas, The ramp extension would add 23 new parking spaces and would cost approximately $432,000;

Whereas, Deck coating should be applied to the additional floor to safeguard it against future deterioration, and the cost for this application is estimated to be $180,000;

Whereas, These four elements would increase the project cost for the addition to the Fourth & William project budget to $5.1 million, which includes a 25% factor for soft costs including contingencies;

Whereas, The project would result in approximately 123 new parking spaces and would provide much easier exiting for patrons leaving the structure during peak periods;

Whereas, Carl Walker Inc. also put forward an alternate to upgrade the lighting at the structure at an estimated cost of $270,000 and the DDA Capital Improvements Committee resolved to set this aside for consideration by the Operations Committee as part of its ongoing work to improve the facilities;

RESOLVED, The DDA resolves to increase its project budget for the Fourth & William addition to $5,100,000 which will include the provision of a new speed ramp, an extra floor of parking, and deck coating.

Mr. Beal said that the initial estimate to add the extra floor was $4 million, but unanticipated costs such as additional bracing increased the cost of the project. Mr. Beal said that he would not support a lighting upgrade as part of the project, but would suggest that the Operations Committee
look at this issue separately. Mr. Hieftje suggested that LED lights be used if the lighting system is upgraded. Mr. Dankert asked about the structure’s deck-coating; Mr. Iraola said that this was last done five years ago, and that isolated areas will be repaired this summer under the Operations Committee direction. Mr. Boren asked if the speed ramp could be bid as an alternate. Mr. DeVarti said that he had been parking in the structure for three weeks and has not experienced any difficulty in exiting the structure, thus he may not support the cost of installing a speed ramp. Mr. Hewitt expressed concern about the estimated cost/space; Mr. Gillett said that if the speed ramp and lighting were not included the estimated cost would be $4.6 million or just over $30,000 per space.

Mr. Beal suggested that the resolution be amended as follows:

**RESOLUTION TO INCREASE THE DDA PROJECT BUDGET FOR THE FOURTH & WILLIAM PARKING STRUCTURE ADDITION TO $4.6 MILLION**

Whereas, On August 1, 2005 City Council voted to approve the “Resolution Requesting Preparation of Requests for Proposals for the Redevelopment of City Owned Properties” and in this resolution authorized the DDA to “immediately take the necessary action to construct an additional floor of public parking at the Fourth & William garage as soon as possible”;

Whereas, The increasing numbers of workers in the Ashley Mews building, the William Street Station project and other nearby developments are placing immediate demands on the structure;

Whereas, The DDA approved a resolution on October 5, 2005 to pursue the construction of an additional floor to the Fourth & William structure which set forward a project cost estimate of $4 million which would generate approximately 125 new public parking spaces;

Whereas, This resolution authorized the DDA Chair, Capital Improvements Committee Chair, and Executive Director to issue bid documents and contract with Carl Walker Inc. (CWI) to prepare construction drawings for this project;

Whereas, In its resolution the DDA determined that it would have the opportunity to select the contractor for this project once bids have been received and a recommendation put forward by the Capital Improvements Committee.

Whereas, CWI has produced construction drawings that are 90% complete, and which include elements that were not anticipated at the time the DDA approved its October 2005 resolution, including additional structural bracing, a new speed ramp, ramp extension, and deck coating for the additional floor;

Whereas, A soil analysis determined that additional bracing would be needed to add this new floor as the Fourth & William structure had not been engineered to carry this additional weight;

Whereas, The proposed speed ramp would eliminate 18 spaces and cost $312,000 but would do a great deal to ease traffic congestion in the structure by making it easier for patrons to utilize the Fourth Avenue exit which can become inaccessible during peak periods;

Whereas, The ramp extension would add 23 new parking spaces and would cost approximately $432,000;

Whereas, Deck coating should be applied to the additional floor to safeguard it against future deterioration, and the cost for this application is estimated to be $180,000;
Whereas, These four elements would increase the project cost for the addition to the Fourth & William project budget to $5.1 million, which includes a 25% factor for soft costs including contingencies;

Whereas, The project would result in approximately 123 new parking spaces and would provide much easier exiting for patrons leaving the structure during peak periods;

Whereas, Carl Walker Inc. also put forward an alternate to upgrade the lighting at the structure at an estimated cost of $270,000 and the DDA Capital Improvements Committee resolved to set this aside for consideration by the Operations Committee as part of its ongoing work to improve the facilities;

RESOLVED, The DDA resolves to complete design and engineering for all components required above, understanding that if all were accepted would total $5,100,000 for the project;

RESOLVED, The DDA resolves to increase its project budget for the Fourth & William addition to $4.6 million with lighting and speed ramp as alternative bid items.

A vote on the motion showed:
AYES:   Beal, Boren, Dankert, DeVarti, Gillett, Gunn, Hieftje, Smith
NAYES:   Hewitt
Absent:   Aldrich, Collins, Greff
The motion carried as amended

Fifth & Division:  Mr. Beal reported that meetings are taking place with stakeholders along the streets and he will meet soon with the design team to determine the estimated project cost.

Huron Street:  Mr. Beal indicated that the committee is reviewing comments from MDOT, including their estimate for traffic growth far in excess of WATS and City of Ann Arbor estimates.

Alley Repairs:  Mr. Beal stated that alley work is on-going this week at 4th & Washington between Comerica and the structure.  Work will begin shortly in the Washington alley near Blue Nile.

Sculpture Plaza:  Mr. Beal announced that another public meeting is scheduled for this afternoon.

Sidewalk repairs:  Mr. Beal reported that miscellaneous repairs began today in the State Street area.

Research and Opportunity Committee:
Mr. Boren moved and Ms. Smith supported the following resolution:

RESOLUTION AUTHORIZING THE ESTABLISHMENT OF A DDA PARKING STUDY BUDGET AND THE SELECTION OF NELSON/NYGAARD AS PROJECT CONSULTANT

Whereas, The DDA Research and Opportunity Committee (ROC) set forward a work plan for 2005/06 that included a goal to commission a comprehensive study of the public parking system, to be used to develop future parking policies and development strategies;

Whereas, ROC distributed an RFP on March 28th, and on May 8th six proposals were received;
Whereas, The ROC met on May 15\textsuperscript{th} to discuss the proposals and resolved to interview two consultant teams;

Whereas, Interviews were held on June 5\textsuperscript{th} and after much discussion, ROC determined that Nelson/Nygaard should be selected as project consultant for the DDA parking study;

Whereas, The cost for Nelson/Nygaard’s proposal is $55,553 plus expenses;

RESOLVED, The DDA shall establish a budget of $75,000 for its parking study project;

RESOLVED, The DDA approves the selection of Nelson/Nygaard as project consultant for the DDA’s parking study;

RESOLVED, The DDA Chair, Research and Opportunity Committee Chair and Executive Director are authorized to oversee and execute documents pertaining to this project;

RESOLVED, ROC shall provide monthly updates to the DDA board on the progress of this project until completion.

Mr. Boren stated the committee added approximately $19,000 to the Nelson/Nygaard proposal to facilitate additional data collection. The study will begin in September and will be completed by the end of the year. Mr. Boren accepted Mr. DeVarti’s suggestion to delete the words “plus expenses” from the 5\textsuperscript{th} Whereas. Mr. Hewitt asked if the DDA members would meet with the consultants; Mr. Boren said yes, that ROC members would have regular contact.

The amended resolution is as follows:

**RESOLUTION AUTHORIZING THE ESTABLISHMENT OF A DDA PARKING STUDY BUDGET AND THE SELECTION OF NELSON/NYGAARD AS PROJECT CONSULTANT**

Whereas, The DDA Research and Opportunity Committee (ROC) set forward a work plan for 2005/06 that included a goal to commission a comprehensive study of the public parking system, to be used to develop future parking policies and development strategies;

Whereas, ROC distributed an RFP on March 28\textsuperscript{th}, and on May 8\textsuperscript{th} six proposals were received;

Whereas, The ROC met on May 15\textsuperscript{th} to discuss the proposals and resolved to interview two consultant teams;

Whereas, Interviews were held on June 5\textsuperscript{th} and after much discussion, ROC determined that Nelson/Nygaard should be selected as project consultant for the DDA parking study;

Whereas, The cost for Nelson/Nygaard’s proposal is $55,553;

RESOLVED, The DDA shall establish a budget of $75,000 for its parking study project;

RESOLVED, The DDA approves the selection of Nelson/Nygaard as project consultant for the DDA’s parking study;
RESOLVED, The DDA Chair, Research and Opportunity Committee Chair and Executive Director are authorized to oversee and execute documents pertaining to this project;

RESOLVED, ROC shall provide monthly updates to the DDA board on the progress of this project until completion.

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

Area Association Grants: Mr. Boren reported that ROC approved DDA grants to SSAA and SUAA for sidewalk cleaning and handbill removal; and $12,500 to MSAA and KDA for special events/area promotions.

DDA Summer Retreat and Annual Meeting: Mr. Boren reported that an all-day retreat has been scheduled for July 10th at the Michigan League, Third Floor, Room D, and will be facilitated by Ms. Fran Alexander.

Communication Plan: Mr. Boren stated that Re:Group will present ideas for a DDA logo at the next meeting scheduled for June 12 at 4:30 pm. All were invited to attend to help select the best design.

Partnerships Committee:
Kline Lot: Ms. Smith reported that the Committee continues to develop an RFP following the example established with the 1st & Washington RFP. Thus far, it has been agreed that the site will be a PUD, it will contain some number of residential units, and it must draw energy and activity from Main Street to Ashley Street somehow. The committee will table the question about the number of public parking spaces on this site until the parking study is completed, and hopes to complete the rest of the RFP by the end of July so they work on other projects. Mr. Hieftje encouraged the committee to consider including the incubation of locally owned retail in the project. Mr. Beal encouraged the committee to consider what would benefit downtown the most, and that they be cautious about precluding stores that will draw large numbers of people downtown, i.e., Crate & Barrel. He said that perhaps the committee could encourage the inclusion of both types of retail.

First & Washington: Ms. Smith said that City Council appointed a Selection Committee, which includes two DDA members (Ms. Gunn and Mr. Dankert), plus Council members Easthope and Teall, Planning Commissioner Bona, Old West Side resident Dan Madaj, Main Street Area Association member Jill Damon and Commerce Bank President Richard Dorner. Interviews will take place June 14th with Village Green Companies and Diverse Downtown Housing, LLC. All are welcome to attend.

AATA Bus Service Between Ann Arbor and Ypsilanti: Ms. Smith reported that the Committee discussed recent news articles focusing on the City of Ypsilanti’s need to cut its General Fund support for AATA service into/out of Ypsilanti. The Committee felt that in the future transportation issues will need to be addressed on a more regional level. Mr. Hieftje stated that AATA has been invited to attend the next Metro Alliance meeting.

8. OTHER DDA BUSINESS MATTERS
Mr. Hieftje said that the Community Security and Public Space Task Force is exploring the feasibility of a Court facility on the Larcom site and the Library Lot. Mr. Hieftje invited Ms. Kopelman and others to call the Clean Community hotline at 99-Green to report properties that are dirty and/or unsightly. He also suggested that downtown cleanliness be added to the July retreat agenda for discussion. Mr. Hieftje announced a transportation-visioning event scheduled for Thursday, June 8 with city, county and state leaders. The event will include a train ride from Ann Arbor to Brighton to promote a passenger rail/bus line to help alleviate traffic on US 23.

9. OTHER AUDIENCE PARTICIPATION

Mr. White said that recent news stories about funding shortages for Ypsilanti/Ann Arbor routes had inaccuracies. The AATA board has decided not to increase fees or delete any routes for at least one year, and will begin studying the feasibility of a potential countywide millage to fund service to/from communities outside Ann Arbor. This would not be a millage to balance the AATA budget.

Ms. Briggs announced that the results from the Curb Your Car month promotion are being finalized and will be posted on the web site next week. She also announced that getDowntown! Program will sponsor a Bike Festival as part of the Green Fair on June 16.

10. ADJOURNMENT

As there was no further discussion the meeting was adjourned at 1:16 P.M.

Respectfully submitted,
Susan Pollay, Executive Director