MINUTES
Ann Arbor Downtown Development Authority Meeting
Wednesday, September 1, 2004

Place: Kerrytown Concert House, 415 N. Fourth Avenue, Ann Arbor, MI  48104
Time: Board Chair Fred Beal called the meeting to order at 12:12 p.m.

1. ROLL CALL

Present: Rob Aldrich, Fred Beal, Gary Boren, Ron Dankert, Rene Greff, Leah Gunn,
Roger Hewitt, Sandi Smith, Dave Solo

Absent: Dave DeVarti, Bob Gillett, John Hieftje

Staff Present: Susan Pollay, Executive Director
Joe Morehouse, Deputy Director
Adrian Iraola, Project Manager
Sarah Armstrong

Audience: Brian Barrick, Pollack Design Associates
Erica Briggs, Get!Downtown Program
Jim Corbett, Republic Parking
Ray Detter, Citizens Advisory Council
Cathi Duchon, YMCA
Bob Henderson, Citizens Advisory Council
Donna Johnson, City Planning Development
Maggie McGhee, Get!Downtown Program
Jim Mogensen, Citizen

Mr. Beal welcomed Mr. Hewitt and Ms. Smith to their first regular meeting as new
members of the DDA.

2. APPROVAL OF MINUTES

Ms. Gunn moved and Mr. Solo seconded approval of the July 7, 2004 meeting minutes,
the 2004 Annual Meeting minutes, and the Summer 2004 Retreat minutes.

A vote on the motions showed:
AYES: Aldrich, Beal, Boren, Dankert, Greff, Gunn, Hewitt, Smith, Solo
NAYS: None
Absen t: DeVarti, Gillett, Hieftje
The motion carried.

3. AUDIENCE PARTICIPATION

Erica Briggs, Get!Downtown Program Coordinator, reported that since their installation in
mid-summer, that about half of the DDA’s new bike lockers have been rented already.
Demand is great in some areas, such as at Fourth & Washington which filled up
immediately. The lockers are being promoted in the Get!Downtown newsletter, and post
cards will be mailed. Mr. Beal said that he appreciated the update, and asked Ms. Briggs to return with future reports.

Cathi Duchon, President of the YMCA, passed out information to the board and gave an update on the construction of their new facility. She also gave a brief overview of the programs they offer the community, including affordable child care for working parents, and said that the new facility will enable them to provide a fully handicap-accessible pool, an indoor walking track, family locker rooms, and expanded areas for children’s and sports activities. Ms. Duchon said that the landscaping for the project was designed to maximize storm water capture on the site.

**Mr. Gillett enters**

She said that she would appreciate an opportunity to meet with one of the DDA committees to discuss the project in greater detail in hopes of DDA support. Ms. Pollay said that she would refer this request to the various committees to determine how best to proceed.

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<th><strong>CITIZENS ADVISORY COUNCIL</strong></th>
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<td>Mr. Detter reported:</td>
<td>At last night’s CAC meeting members asked me to report and make recommendations on four major areas of development in the downtown.</td>
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1. The CAC participated in the development of the Huron/Division/Fifth Avenue study. We recommend that the DDA undertake, as the first step in implementing that study, the installation of bike paths and parking spaces on Fifth and Division. No parking meters should be placed in residential neighborhoods outside the DDA boundaries. It will not be costly, will indicate our willingness to move forward on this plan, and will show our commitment to non-motorized transportation and to improving the pedestrian experience on both these streets. (Wed., Sept. 15, 7-9 p.m., in the Community High media center, Norm Cox will present the city-wide Comprehensive Alternative Transportation Plan which includes the study’s recommendations for bicycle lane changes on these streets.)

2. In August I spoke for the CAC before City Council to support the changes in PUD requirements to permit payment to the Housing Trust Fund in lieu of placing affordable housing units on PUD development sites. The affordable housing commitment was also reduced from 20% to 10-15%. But I also emphasized CAC commitment to maintaining and encouraging affordable housing units in the downtown. We want money from the Housing Trust Fund to be spent to support affordable housing units at the 80 % of median level in the downtown as well as other areas. We also believe that some of this money should be spent to support Habitat Housing and other programs which may not be identified as “permanently affordable” simply because they permit the development of owner equity. We also believe that any PUD development that takes out currently existing affordable housing buildings and units should be required to replace those units on site—not permitted to make payments to the Housing Trust Fund in lieu of on site
construction. (We don’t want the downtown to become a place in which only the well off and the poor can live. Very low income housing already makes up 12-15% of the housing downtown.

3. The CAC wants to make clear its position in opposition to the current PUD proposal to build 14 story and 9 story towers of 150 units of non-affordable housing on the corner of N. Main and E. Kingsley. That is three stories higher than 101 N. Main.

It is not in the area of high density development encouraged by the Downtown Residential Task Force—which encouraged 4-6 stories in the N. Main corridor. It is not in the “Core” area of downtown in which taller buildings are encouraged in the Downtown and Central Area Plans. Indeed, it is in clear violation of the values and policies outlined in our Downtown and Central Area Plans—preservation of neighborhood edges, an interface area including the Farmers Market area designed for lower rise buildings, concern for issues of light and shade, it takes out four existing houses as well as St. Nicholas Church. Neighbors are increasingly united in believing that it will have a negative impact upon N. Main, 4th Ave. and the residential neighborhood to the North, East and West.

4. Last night the CAC took a strong position in opposition to many of the grandiose, long-term changes that are currently being proposed by the Johnson, Hill Land Ethics Studio, city consultants for the design and future use of the Farmers Market.

The Farmers Market should retain its historic identity as a commercial space for the sale of farm goods—It is not a public park. Construction needs should be limited to adding stalls and improving circulation by extending the middle leg (“dead man’s alley”) to Fourth Ave and adding a shed with stalls on the small area on the restroom building frontage. Crosswalks should be added linking all legs at midpoints for pedestrian circulation. Everyone agrees an underground storm water tank should be included. Vendors should be provided with water and electronic needs. Market-Day trucking decisions should be left to vendors. Any “backdrops” needed for “non-market day” activities should be the responsibility of their creative sponsors. As a final point, our members believe that the DDA should consider supplying $10,000 that it would probably take to pay the Johnson Hill Land Ethics Studio for the effort necessary to complete these simple design changes. These are the changes that the large majority of people who attended the public meetings support.

5. NEW BUSINESS

Mr. Beal reported that in June the Downtown Residential Taskforce presented its final report to Council, which was accepted by City Council in July. Mr. Beal said that with the assistance of Mr. Gillett, Ms. Pollay and others, he had developed a power point presentation in order to provide information to the Planning Commission this summer. He thought it might be useful to the DDA to see this presentation, as well. Information included the following:
· In December 2003, City Council voted to create the Taskforce, with the six month goal to research barriers to downtown residential development and possible solutions.
· The Taskforce met 14 times in open meetings, and also held a community workshop to gain feedback on the concept of increasing downtown residential units and on their draft recommendations for policy and administrative changes.
· The Taskforce benefited from the volunteer efforts of Dr. Sandy Arlinghaus, UM Professor of Geography who produced several dozens of computer generated models of downtown.
· The Taskforce resolved to focus its study on the DDA District, a one quarter radius around the District, and properties along N. Main extending up to M-14.
· A great deal of data was gathered and maps produced, which are available on the Planning Department portion of the City web site (a2gov.org).
· One interesting fact was that between the 1990 and 2000, there was an increase of only 151 people downtown.
· The overall affordability of downtown housing was an especially important issue.
· There are many benefits to increasing the number of downtown residents. Community members also expressed concerns that developments not lessen community quality of life.
· As part of its exploration the Taskforce set forward a tentative working goal of 1,000 new units of housing in the near downtown area by 2015.
· Four major categories of barriers were uncovered, including economic, city policy and culture, zoning and downtown livability barriers.
· Some recommendations to overcome these barriers included rearranging funding for such community goals as affordable housing to a more city-wide base and amending downtown zoning to allow for substantially greater height and to eliminate all obsolete "suburban style" zonings to allow the downtown and near downtown areas to develop in a more urban "urban" manner.

A variety of questions were asked and answered. Mr. Beal was thanked for the presentation.

6.      OLD BUSINESS

None.

7.      SUBCOMMITTEE REPORTS

OPERATIONS COMMITTEE
Mr. Dankert reported on the unaudited year-end financial statements. TIF revenues ended the year 4% over budget, and expenses were under budget because several construction projects had not been undertaken. Parking revenues were down 5.8% in June, but year-to-date were exactly on budget. Expenses were under budget in June, but year-to-date were 7.6% over budget. Parking revenues were down June 2004 to June
2003, and overall, the number of patrons remains down against last year. Mr. Dankert moved and Ms. Gunn seconded that the financial report be accepted.

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

CAPITAL IMPROVEMENTS COMMITTEE
State Street Area Phase III. Mr. Beal reported that work on William was completed except for streetlight installation which should be done by early October. We’ve postponed work on Thayer to coincide with the City’s street resurfacing project which had been delayed.

Alley Assessment. The inventory is complete and a report should be available in two weeks.

First/William. Mr. Beal reported that discussions with property owners to option portions of certain lots backing up to the project site continue. We received authorization to survey some parcels.

2004 Sidewalk Repairs. Repairs are underway.

Forest Parking Structure. All roof work has been completed. The City has approved a Council resolution to reimburse the DDA for the cost of repairs in the amount of $114,000.

First and Washington Repairs. Mr. Beal said that monthly monitoring continues.

Huron/Fifth/Division Urban Design Study. A final draft of the report was distributed to the DDA and will be made available to others.

PARTNERSHIPS COMMITTEE
Façade Loans. Mr. Solo said that three requests are before the Committee. Mr. Solo said that the program would run out at the end of the month and the Committee will consider whether to recommend extending the program into the future.

YMCA Redevelopment. The RFP will be discussed at the next committee meeting.

RESEARCH AND OPPORTUNITY COMMITTEE
Mr. Boren reported that the Committee will meet soon. Topics will include the benchmarking project, downtown transportation, and how the DDA should respond to grant requests.
9. OTHER BUSINESS

Mr. Solo reported that Council and the AATA board will meet September 13th at the Detroit Edison Building to discuss the YMCA site. DDA members are very welcome to attend and participate.

Ms. Greff invited everyone to the Welcome Home Olympians event which will be held September 26, and Oktoberfest will be held in the Main Street area on September 10th and 11th.

Mr. Hewitt said that at the summer retreat the City Administrator gave a presentation about the new police station/court building. He asked if it was appropriate for the DDA to respond to this presentation and if so, in what format. Mr. Beal suggested that a request be made to the City to provide a detailed proposal to the DDA in a timely manner to allow for DDA discussion. There was support for this idea, and it was agreed that a letter would be sent to the Administrator asking that a specific request be made as soon as possible, and that the request be made in its entirety.

Mr. Solo asked if the YMCA request had been assigned to a committee. Ms. Pollay said that the request could go to either the Capital Improvements or Partnerships Committee. Mr. Solo said that Partnerships would meet first and the request could be brought to them for consideration.

10. AUDIENCE PARTICIPATION

Mr. Mogensen said that he wanted to make the board aware that the UM has a parking problem, so they have entered into an agreement with AATA to enable faculty and staff to ride free on AATA busses. In August, AATA saw a 25% increase in ridership. People are also having trouble finding parking downtown so they are not going downtown. We need to think about this, and find ways to address this.

11. ADJOURNMENT

There being no further business, the meeting was adjourned at 1:25 p.m.

Respectfully submitted,
Susan Pollay, Executive Director