MINUTES
Downtown Development Authority Meeting
Wednesday, September 3, 2003

Place: Kerrytown Concert House, 415 N. Fourth Avenue, Ann Arbor, MI 48104
Time: DDA Vice Chair Fred Beal called the meeting to order at 12:06 p.m.

1. Roll Call

Present: Fred Beal, Gary Boren, Ron Dankert, Dave Fritz, Leah Gunn, John Hieftje, Lorri Sipes, Dave Solo

Absent: Rob Aldrich, Dave DeVarti, Bob Gillett, Rene Greff

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

Audience: Brian Barrick, Pollack Design
Jim Corbett, Republic Parking
Ray Detter, Citizens Advisory Council
Mark Hodesh, Downtown Home and Garden
Donna Johnson, City Planning Department
Cathy O'Donnell, Ann Arbor News
Ethel Potts, Citizen

2. APPROVAL OF MINUTES

Ms. Gunn moved and Mr. Dankert seconded the approval of the July 2, 2003 and Annual Meeting minutes.

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

3. AUDIENCE PARTICIPATION

None.

4. CITIZENS ADVISORY COUNCIL

Last night’s Citizen Advisory Council meeting was largely a celebration of several important summer accomplishments in the downtown.

The renovations to Liberty Plaza, financed by the DDA and the Parks Department, are now complete. Thanks to a lot of people: Mayor Hieftje, Police Chief Dan Oates, Susan Pollay and the DDA, Andy McGowan and the Friends of Liberty Plaza-- and so many others-- the park has been transformed. A party to celebrate completion of this major urban renewal project will be held in the Park this Friday, 5-7. We hope everyone will plan to attend.

Historians are already hard at work developing 35 more porcelain enamel wall images for the next phase of the Historical Street Exhibit Program. We want to thank the Mayor for declaring the week of our July 1st celebration “Downtown Ann Arbor Historical Street Exhibit Week.” Over fifty downtown merchants expressed their support for the program by donating a portion of their week’s earnings. The amount contributed was over $8,000.

Many of us joined in celebrating the completion of the State Street Improvements and the change from one-way to two-way traffic in the area. It appears that the change has taken place with no major problems and few complaints. This is in spite of earlier dire predictions from some members of the City Transportation Dept.
At the same time, AATA's new Link commuter has begun its downtown run. One of our Citizens Advisory Council members, who was a part of the AATA task force that helped plan it, is using it every day to get back and forth in the downtown.

We are also looking forward to moving ahead soon on the development of the bicycle/pedestrian plan for the State Street area. A public meeting is planned for this month, but no specific date has been set.

Some of us have met with Mayor Hieftje, Police Chief Dan Oates, and Norm Cox of Greenway Collaborative and we came away believing there should be no obstacle to placing signs asking cyclists to walk their bikes on certain sidewalks in the State and Liberty area. The need for this change is urgent and should be done soon in order to take advantage of the period in which motorists, cyclists and pedestrians are adjusting to the other changes in the State Street Area. In the last two weeks one of our members was knocked to the ground by a cyclist on State Street. The cyclist did not stop. Also, the wife of the Secretary of the Old Fourth Ward Neighborhood Association was walking her small dog on a sidewalk in the area and a cyclist ran into the dog. The cyclist said he was sorry and moved on. The dog ended up at the vets.

One final item. A downtown resident has brought to our attention the fact that a request for a change in the PUD for Ashley Mews was recently rejected by the Planning Commission. You may recall that Ashley Mews was approved with a requirement that the first floor area be used as retail sales space. As you know, Syndeco has never been able to rent the first floor for retail sales. The people at Ashley Mews asked that the PUD requirement be modified to permit them to use the space for retail services as well as retail sales. The change would permit such uses as beauty parlor, cleaners, barber, and even a brokerage service. The CAC wants Ashley Mews to succeed. The Planning Department supported the change. It appears that the downtown would also benefit. We are planning to speak in favor of the modification when it comes before the City Council on September 15th. Perhaps a member of the DDA might also speak in favor of the change.

Mr. Gillett and Mr. Aldrich enter.

5. NEW BUSINESS
None.

6. OLD BUSINESS
None.

7. SUBCOMMITTEE REPORTS

OPERATIONS COMMITTEE
Mr. Dankert reported on the highlights from the June financial statements. TIF revenue was 2% under budget and expenses were 2.9% under budget. Parking revenue was 8.64% over budget and expenses were 7% over budget. Parking revenue last year, in general, was 6.59% over budget. Financial information was not available from the City by the end of August, so there will be no report until the next meeting.

First/Huron Lot-Status. Mr. Dankert reported that the repairs are coming along fine. The asphalt is in place. The remaining work involves the placement of the parking booth and controls for operating the new vehicle entrance from Ashley Street.

Parking rate study-status. Mr. Dankert reported that the DDA’s intern, Jay, assembled parking-related information from 23 other cities to assist the Committee in determining what course the DDA might take sometime in the future. It appears that the parking rates in Ann Arbor are in the middle of the range found in other cities. Copies of the study were included in the packet for the board’s review.

Other. Mr. Dankert moved and Ms. Gunn seconded the following resolution:

RESOLUTION FOR THE DDA TO EXTEND THE CURRENT LEASE WITH CITY HALL LLC FOR THE SURFACE PARKING LOT LOCATED AT THE CORNER OF FIFTH AND HURON

Whereas, The DDA currently has a two year lease with City Hall LLC for the parking lot at the corner of Fifth Avenue and Huron Streets, which began December 1, 2001;
Whereas, City Hall LLC has offered to extend this lease for two more years, until November 30, 2005;

Whereas, The parking lot is fully leased, and there is a short waiting list for permits on this lot;

Whereas, As with the current lease, the lease extension would limit the annual rent increases to the rate of increase of the Consumer Price Index;

Whereas, All other terms of the current lease will remain in effect;

Whereas, The DDA requested and received a modification to the lease for the 1st & Huron lot increasing the amount of the termination fee to reflect the actual costs of resurfacing that lot;

Whereas, The DDA’s Operations Committee has voted to recommend this resolution;

RESOLVED, The DDA approves the lease extension for the Fifth and Huron parking lot with City Hall LLC, and authorizes the Operations Committee Chair, Executive Director and DDA attorney to execute this agreement.

Mr. Dankert explained that the lease renewal is for two more years at essentially the same terms.

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

CAPITAL IMPROVEMENTS COMMITTEE
State Street Area-Status. Mr. Beal reported that work was substantially completed prior to the August 22 traffic conversion. A great deal of effort was made to notify people about the traffic change, and it appears that things are going pretty well. The City Signs/Signal crews are working on refining the signal timing to help traffic flow as smoothly as possible. There were some complaints about trucks not using the loading zones and obstructing traffic, which will be addressed. The contractor is working on punch list items and Mr. Iraola has been keeping close tabs on the budget. Between Phase I and Phase II, we have spent the entire budget, as Phase II was paid for out of the Phase I contingency. At the next meeting the Committee will bring forward a resolution for the board’s consideration that the DDA complete the remaining SSA alternates next year, as the DDA has already invested in their design and a qualified contractor is available to complete them at acceptable prices. These are elements that were included in the DDA approved plan, but there were not sufficient funds in the approved project budget. It is estimated that these items will be in the range of about $400,000.

E.U./Church/Forest Sidewalk Repairs-Status. Work is completed except for light poles that are being shipped on September 15th and will be installed shortly thereafter.

First/Washington Parking Structure. We continue to inspect it on a twice-monthly basis. Minor repairs will be completed by the end of the month.

Baker Commons. Chiller installation should be completed by Friday. Mr. Beal asked Mr. Iraola if the entry improvements were completed, to which Mr. Iraola said that he thought they were underway.

Bike Lockers-Status. Mr. Iraola has met with the Get!Downtown coordinator twice to determine locations, and the final order will be placed soon. Mr. Iraola said it would be 4-6 weeks before installation.

Liberty Park Plaza. The improvements are complete. A celebration will be held Friday, and everyone is invited.

First/William site. RFQ’s were mailed to design firms. Eight responses were received and six were selected to receive an RFP, which will be due back in three weeks. Each respondent team will need to provide a detailed work plan for how this
The project is anticipated to come together, including securing the necessary permits, providing for public input, etc. Mr. Beal was asked how long it might take to construct the new deck, and he said that upon site plan and permit approval, it might take 18 months or so.

Access to Downtown. A great deal of information about Fifth, Division and Huron has been gathered, and the survey is nearly complete. The next step will be to use an RFQ process to select a design team to help us conduct a short version of the process that led to the State Street Area Urban Workbook, which provided detailed information into the area’s strengths and opportunities for improvements and partnerships. It is hoped this study might take less than six months.

PARTNERSHIPS COMMITTEE
First/Washington-Status. Mr. Solo said that the Committee spent time talking about next steps, and resolved to schedule a Residential Roundtable on September 19th from 12noon-1:30pm with downtown residential developers and downtown residents to elicit information about such questions as condo’s versus apartments, preferred amenities, and successful price points. If there was an interest in inviting others or participating, Mr. Solo asked that he or Ms. Pollay be contacted as soon as possible.

Artist space in downtown-Status. Mr. Solo said that Mr. DeVarti is researching how Tech Center artist studio space might be replaced. He hopes to bring something to the Committee soon.

Other. The annual grant given to the merchant associations was discussed, as some felt that it should be more project oriented. This may come to the DDA within the next couple months.

PLANNING COMMITTEE
Bike Study. Ms. Pollay reported that they are working with the Greenway Collaborative to schedule a public meeting later this month to continue developing plans to improve conditions for pedestrians and bicycles in the State Street area.

Other. Ms. Pollay reminded everyone that there will be a public hearing and a second reading on September 15th for the DDA Renewal.

8. OTHER BUSINESS
Mayor Hieftje reported that he has asked Planning staff to come up statistics for how many residential units have been created downtown, and to look at areas where the height restriction could be lifted so as to encourage more residential development downtown.

9. AUDIENCE PARTICIPATION
Mr. Barrick, of Pollack Design, asked if there’s been any thought given as to where the current patrons at First/William will be relocated when construction for the new deck begins. Ms. Pollay said that this hadn’t yet been discussed, but perhaps 4th/William might be used. Mr. Beal said that the DDA may also look to use the lot the south.

10. ADJOURNMENT
Mr. Beal welcomed Mr. Boren to the Board. All extended their welcome, as well. Mr. Beal encouraged Mr. Boren to look at what the various committees do and think about what committee he would like to serve on.

As there was no further discussion the meeting was adjourned at 12:45 p.m.

Respectfully submitted,
Susan Pollay, Executive Director