MINUTES
Downtown Development Authority Meeting
Thursday, September 9, 1999

Place: DDA Office
301 E. Liberty, Suite 690
Ann Arbor, MI  48104

Time: The Chair, Lorri Sipes, called the meeting to order at 12:05 p.m.

1. ROLL CALL

Present: Ron Dankert, Dave DeVarti, David Fritz, Leah Gunn, Maria Harshe, Karl Pohrt, Ed Shaffran, Lorri Sipes

Absent: Neal Berlin, Bob Gillett, Deanna Relyea, Skip Ungrodt

Staff: Susan Pollay, Executive Director

Present: Joseph Morehouse, Fiscal and Administrative Manager

Audience: Kit Eagal, Gallery 212
Bob Frazier, National Garages
Hannah Harshe
Bob Henderson, Citizens Advisory Council for DDA
Donna Johnson, City Planning Department
Cathy O'Donnell, Ann Arbor News
Diyana U, Gallery 212
Michael Van Goor, Van Goor Architects
Andrew L. Wright, Citizens Advisory Council for DDA

2. APPROVAL OF MINUTES

Ms. Gunn moved, and Ms. Harshe seconded, that the minutes of the July 8, 1999 meeting be approved. The meeting minutes for the special meeting in August would be presented at the next meeting.

A vote on the motion to approve the minutes showed:
AYES: Dankert, DeVarti, Fritz, Gunn, Harshe, Pohrt, Sipes,
NAYS: None
Abstain: Shaffran
Absent: Berlin, Gillett, Relyea, Ungrodt

The motion carried.

3. CITIZEN ADVISORY COUNCIL

The Citizens Advisory Council has asked me to speak in support of the proposed DDA Resolution for Agreement with Syndeco Realty Corporation for the James Ashley Mews Project at Main/Packard. We believe this is the best project to be proposed for the downtown in over a decade. It fits perfectly into its urban-residential neighborhood and will be a major stimulus to the commercial and residential success of the downtown.

The Citizens Council has been involved in the shaping of this project for four years. Along with the DDA and the Planning Commission, we helped to put together the Request for Proposals that established the site development goals of housing, parking, good design and pedestrian friendly streets that define the project today. It was designed to conform to the Downtown and Central Area Plans that we all support.

We worked with the DDA, particularly Ed Shaffran, to develop a formula for public/private development of underground parking on the site. Ed Shaffran played a major part in the development of the concept that was unanimously approved by the Downtown Marketing Task Force in January: “RESOLVED, that the Downtown Marketing Task Force urges the Ann Arbor Downtown Development Authority to further its goal of public/private collaboration for the creation of new developments that include on-site parking...”
(particularly underground) as a part of their project and foster land use, urban design, and economic development objectives which have been given the highest priority by the community (Downtown Plan).

For over two years the DDA has had development of the Main/Packard site as one of its major downtown goals. Although, the parking partnership did not work out in this specific case, the project now includes 120 underground parking spaces that we don’t have to pay for. It also includes the housing and good design that we insisted upon. It also includes pedestrian-friendly sidewalk frontages and an internal walkway and open space that makes use of public/private collaboration and use of TIF funds may not be built around underground parking in this case. That does not exclude it from being used in other cases. But the money we are willing to commit to the walkway and street improvements in this project establish a precedent that we can use elsewhere to accomplish the goals we have set for the downtown.

We should be proud of what we have done and approve this resolution. This is a good package. Not everyone got everything they wanted, in the way they wanted. There are still some details to be worked out. But failure to approve this package would be a major community failure.

Approval of Main/Packard can set the pattern for other downtown projects. It moves toward developing the process for implementing the Downtown Plan of 1988 as well as the DDA Plan of 1982 through a pattern of City, Planning, DDA and private developer cooperation. It may define the pattern for DDA encouragement of mixed-use projects and encourage private developers to move ahead on such projects. It sets the pattern for major increases of broad spectrum downtown housing-in this case owner occupied and including eight units of affordable medium income housing. It sets a standard for underground parking, pedestrian friendly streets and public open space. As a special bonus it may even set the stage for the future development of the entire Allen Creek greenway. That walkway you are helping to finance with future TIF dollars may one day provide a welcoming pedestrian gateway to a mix of greenspace and housing and mixed use projects that extend north throughout the downtown Allen Creek area.

We believe that failure of the DDA to support this package will be a major loss for the community. It would be a major failure of the DDA.

4. AUDIENCE PARTICIPATION

Kit Eagle of Gallery 212 requested financial support from the DDA as they needed to move the gallery from Main Street, and would require significant funds to purchase a vacant lot downtown to which they would move one of the Willard houses slated for demolition. Ms. Sipes said that she and Ms. Pollay would canvas the members and see if anyone was interested in looking at this project and get back to him, hopefully next month. Ms. Pollay reported that it had been anticipated that the houses would be demolished no later than October 31st to allow for environmental analysis as well as to prepare for the structure demolition in January.

Mr. Shaffran reported that he was speaking on behalf of himself and Renee Papo who owned a building adjacent to his Ann Arbor Theater building, as they were formally asking the DDA to finance sidewalk improvements along S. Fifth Avenue. Mr. Pohrt asked to serve on the committee that would make a recommendation to the DDA on this project.

Michael Van Goor requested a letter of support for a mixed-use development at S. Ashley and E. Washington, and presented information on the project. Mr. Pohrt’s made a motion to support this project, which was seconded by Mr. DeVarti.

A vote on the motion showed:
AYES: Dankert, DeVarti, Fritz, Gunn, Harshe, Pohrt, Shaffran, Sipes
NAYS: None
Absent: Berlin, Gillett, Relyea, Ungrodt
The motion carried.

5. **NEW BUSINESS**

Ms. Harshe said she had been made aware of an opportunity for the DDA to participate in a Channel 62 advertising program promoting downtown Ann Arbor, at a cost of $2,500 to $6,000. She said it had been brought to her attention because the new 4th/Washington parking structure would be highlighted. Ms. Sipes appointed Ms. Harshe to follow through on the project, and to respond positively to the charges that Ann Arbor is too far away from the Detroit metropolitan area and that parking is not available.

Mr. Ungrodt enters.

6. **SUBCOMMITTEE REPORTS**

**FINANCE COMMITTEE**
Mr. Dankert reported that they still working on the end of year figures which will be available at the next meeting.

**FOURTH AVENUE**
Mr. Fritz announced that there will be a committee meeting on Monday, September 13 at noon in the DDA office. They will be taking a comprehensive look at what needs to be done and when.

**PARKING CONSTRUCTION COMMITTEE**

**Maynard Parking Structure**
Ms. Pollay reported the budget for the structure is now approximately $9.5 million, including costs for running a gas line to support the emergency generator, an unexpected column, and new drains. The project had also run into a series of delays and it was hoped the deck could be opened to the public by Monday, September 20th, and that she and the project team would work closely with the City Building Department to ensure public safety when the structure opened.

**Fourth/Washington**
Ms. Pollay reported that there will be a grand opening party on Friday, October 29 at 5pm. Mr. Shaffran said he was concerned about several items, including the rough concrete finish, cornices that had not been properly installed, and patching on the concrete columns did not match. Ms. Pollay said that Project Manager Adrian Iraola had been working closely with the contractor, and would be contacted to respond to these concerns.

**Forest Parking Structure**
Ms. Pollay reports that the City and University Risk Managers were still framing language related to the insurance for the new structure, and that the Agreement would likely be before the Regents on the 16th and City Council on the 20th. She said that an attorney representing the DDA had reviewed the proposed Agreement per the DDA’s request, and that she would get his comments to the DDA when available.

**PARKING OPERATION COMMITTEE**
Mr. Fritz asked if Council had passed the resolution establishing rates for the parking structures. Ms. Pollay said that City Council had elected not to comment on the new monthly permit and after-hours rates, but had overturned the proposed hourly rate for the Fourth & Washington structure. According to the DDA/City contract, City Council had 60 days to take action if it disputed the rates set forward by the DDA, and the DDA had only resolved its new hourly rates two weeks earlier. Mr. Dankert reported that a City Council work session has been scheduled for September 13, and encouraged all DDA members to participate. DDA members then discussed what they felt should be presented at the work session.
STATE STREET AREA STUDY COMMITTEE
Mr. Pohrt said there will be a community meeting at the Michigan Theater on September 22, 1999 at noon, including a presentation on updated findings, and a request for neighborhood feedback on recommended options.

PARKING PARTNERSHIPS-MAIN/PACKARD COMMITTEE
Ms. Pollay asked that the proposed resolution be tabled to allow Mr. Gillett and Mr. Berlin to participate in the discussion.

TRANSPORTATION COMMITTEE
Ms. Sipes reported that the new Downtown Transportation Coordinator had been contacting employers in anticipation of distributing free Go!Passes in October and November, and that the program had been receiving a lot of support. Ms. Sipes reminded the DDA that the goal at the end of two years would be large numbers of people riding the bus, which would lead to the continuation of the project either through additional federal, local, or private funding.

There were no reports from the Downtown Shuttles, Housing, Post 2012, Downtown Maintenance, or Allen Creek Committees.

Other DDA business matters
Ms. Sipes said a retreat has been scheduled for October 6, 1999 at 8 am at Mr. Ungrodt’s office and that the DDA would focus its discussion on the Ten-Year Financial Plan.

Mr. Pohrt reported that there had been a funding request from the Michigan Theater, and a tour of the facility was scheduled September 10 at 1:00 p.m. Mr. Pohrt said that both he and Mr. Ungrodt will work on this project.

Ms. Sipes said there would be a meeting Tuesday, September 14, at 4 p.m. with Jack Stegeman, at the DDA office, to discuss his request to the DDA for funding support of his proposed apartment building at Thompson and William. Mr. Pohrt and Ms. Gunn volunteered to represent the DDA at this meeting.

Ms. Gunn said that an evaluation form for the DDA Executive Director had been distributed, and asked that DDA members complete the form and bring it with them to the retreat.

Mr. Shaffran said it was his last meeting, and urged DDA members to continue the good work they had begun.

7. **ADJOURNMENT**
As there was no further discussion, upon motion, the meeting was adjourned at 1:15 p.m.

Respectfully submitted,

Susan Pollay, Executive Director
Secretary