MINUTES
Downtown Development Authority Meeting
Wednesday, October 1, 2003

Place: Kerrytown Concert House, 415 N. Fourth Avenue, Ann Arbor, MI 48104
Time: DDA Chair Rene Greff called the meeting to order at 12:04 p.m.

1. Roll Call

Present: Rob Aldrich, Ron Dankert, David DeVarti, Dave Fritz, Bob Gillett, Rene Greff, Leah Gunn, Lorri Sipes, Dave Solo

Absent: Fred Beal, Gary Boren, John Hieftje

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

Audience: Kurt Brandle, AA Architect
Judy Brandle
Brandt Coultas, Ann Arbor Chamber of Commerce
Ray Detter, Citizens Advisory Council
Jeff Fisher, HBA of Washtenaw County
Bob Henderson, Citizens Advisory Council
Mark Hodesh, Downtown Home and Garden
Donna Johnson, City Planning Department
Emily Kirkland, David Milling & Associates, Architects
Pete Long, Attorney
Jim Mogensen, Citizen
Brian Nemerovski, WEMU
Cathy O'Donnell, Ann Arbor News
Peter Pollack, Pollack Design Associates
Ethel Potts, Citizen
Craig Welch, Washtenaw Citizens for Responsible Growth

2. APPROVAL OF MINUTES

Ms. Gunn moved and Mr. Gillett seconded the approval of the September 3, 2003 minutes.

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

3. AUDIENCE PARTICIPATION

Ms. Donna Johnson, City Planning Department, reported that SEMCOG would be conducting surveys in the downtown area relating to alternative transportation.

Ms. Pollay announced that the Historical Street Exhibit program was given a Merit Award at the IDA conference in Cleveland – one of only a few awards out of 80 applications. (all clapped.) Ms. Gunn thanked Ray Detter for his work, saying he was the driving force behind this project. Mr. Detter thanked the DDA for their support.

Mr. Brandt Coultas reported that the Chamber of Commerce voted to not take a position on the Greenbelt proposal.
4. CITIZENS ADVISORY COUNCIL

At last night’s meeting, 1st Ward Councilman Bob Johnson was present to discuss the Greenbelt Proposal on the November ballot. With ten CAC members present, we decided to give our full support to the ballot proposal. We urge the DDA to also do so. But there were several important qualifications to our support that were discussed during the course of our meeting with Bob Johnson.

The CAC has been a long-time advocate for turning two vacant and blighted lots near downtown into public parks. The northeast corner of Summit and N. Main, as well as the southwest corner of N. Division and Detroit, are two gateway locations to the downtown area that are a disgrace. They are seen by anyone who enters and leaves town via N. Main or Broadway. CAC members argued that we could not support spending park money outside the city if the Parks Advisory Commission (on which Bob Johnson sits) continues to reject the acquisition of these two locations because the city lacks the money to turn them into parks. Councilman Johnson informed us that this matter was currently being investigated and that a positive outcome was still possible.

CAC members also expressed their approval of Mayor Hieftje’s recent support for increasing density of housing development in the downtown and in the entire city. We believe this direction is essential if we were to use our tax money to purchase out of town development rights and thereby push sprawl development further away from the city. CAC members rejected the idea of limiting building heights in the downtown to four stories and argued that higher density in the city is absolutely essential if we are to offer more housing alternatives to urban sprawl. Members hoped that Councilman Johnson would also fully back the Mayor. It was pointed out that Councilman Johnson seemed to be moving in the direction of opposing the Broadway Village proposal for Lower Town because of his opposition to buildings higher than four stories. We support the current Broadway Village proposal. Councilman Johnson explained that his opposition to Broadway Village was not based on height but on the amount of public subsidy for the project. We will observe his position in the upcoming City Council votes on this issue.

CAC members also stressed the necessity of township financial participation to implement the Greenbelt proposal and purchase future land development rights. We also stressed the need to work toward a regional plan for affordable housing and adequate transportation. Councilman Johnson agreed. He explained that this was a part of the program’s goals.

Susan Pollay has presented you with the Award for Public Places given yesterday in Cleveland by the International Downtown Association. This award recognizes your vision in supporting the Downtown Ann Arbor Historical Street Exhibit Program over the course of many years.

During the three days that I attended the Cleveland conference of the IDA, I attended four exceptionally good meetings on housing, partnerships, retail development and overcoming development barriers. I came away from these meetings with a greater awareness that Ann Arbor problems are not especially unique. But a more important point was made clear in all these sessions—the need for a well-conceived and clear sense of common vision if one is to succeed. We must decide what the best approach is to make that vision a reality and seek total community involvement in achieving it.

In relation to the value of having a broad and clear vision, the CAC wishes to praise the DDA for moving ahead in the development of a mixed-use neighborhood west of Main Street that includes the First and William, First and Washington and Ashley and William sites. As exhausting as it may be, we urge you to begin thinking now about the relation of your emerging plan to the future of the YMCA site, the DTE parking site and the Library Lot. If we don’t have a vision, we may find our future will be shaped by expedient political needs.
5. **NEW BUSINESS**

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

**DDA RESOLUTION TO SUPPORT THE CITY OF ANN ARBOR MILLAGE PROPOSAL TO EXPAND THE PURPOSE AND TERM OF THE MILLAGE TO ACQUIRE AND MANAGE LAND AND LAND RIGHTS FOR PARKS, OPEN SPACE AND SOURCEWATER PROTECTION**

Whereas, Our community has long been identified as a desirable place to live, work, and visit in part because of the presence of parks, open space, natural habitats, and farmland in and around the Ann Arbor area;

Whereas, Ann Arbor City Council approved a resolution on August 18, 2003 to propose an amendment to the City’s existing Millage for Land Acquisition and Management of Land and Land Rights for Parks, Open Space, and Sourcewater Protection; and

Whereas, This amendment would enable the City to levy an annual tax of one-half mill on all taxable real and personal property situated within the City for the purpose of funding the acquisition of land and land rights both within and outside the City of Ann Arbor for the purpose of preserving and protecting open space, natural habitats and city sourcewaters; and

Whereas, In July 1998 the DDA voted to support the Washtenaw County ballot proposal regarding agricultural lands and open space, noting that Washtenaw County’s landscape was undergoing rapid change, with sprawl development overtaking farmland at a rate of 4,000 acres a year, at the same time County downtowns struggle to maintain their vitality; and

Whereas, In October 2000, the DDA resolved to support the Washtenaw County Natural Areas Millage Proposal B, which acts to preserve natural area such as valuable wetlands and other water resources, land which serves as important wildlife habitat and land which provides a buffer to these properties, and in so doing, affirmed a believe that land preservation will help sustain the quality of life in Ann Arbor, and encourage the redevelopment and infill in the more urban areas; and

Whereas, In its 2003 Renewal Plan, the DDA affirmed its support for sustainable practices, and specifically said it would “Encourage the preservation of open space, natural beauty, historic buildings, and critical environmental areas”;

Resolved, The Ann Arbor Downtown Development Authority endorses the City of Ann Arbor Millage Proposal to Expand the Purpose and Term of the Millage to Acquire and Manage Land and Land Rights for Parks, Open Space and Sourcewater Protection.

Ms. Gunn proposed the following friendly amendment – “Whereas, The DDA advocates increasing downtown density as a tool to combat sprawl while recognizing that preservation on the outskirts only works when paired with increasing density of core.” Then to the end of the Resolved add “…and encourage Council to facilitate increased density in the City.” These amendments were accepted as friendly. Mr. Aldrich stated that he felt uncomfortable supporting the resolution as written when it’s not just a DDA matter and there are many details that still need to be worked out to ensure that it’s being used as a proper tool outside the City.

A vote on the amended resolution showed:

**AYES:**  Dankert, DeVarti, Fritz, Gillett, Greff, Gunn, Sipes, Solo

**NAYS:**  Aldrich

**Absent:**  Beal, Boren, Hieftje
The motion carried.

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<th>OLD BUSINESS</th>
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<th>SUBCOMMITTEE REPORTS</th>
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<td><strong>OPERATIONS COMMITTEE</strong></td>
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<td>Mr. Dankert reported on the highlights from the August financial statements. It’s still too early in the fiscal year to get a good bearing on where we will end up, but TIF is slightly over budget and expenses are under budget, mostly due to capital improvement project timing. Parking revenue is down at the Kline and 1st &amp; Huron lots, and compared to August of 2002, parking revenues are down by almost 9% or $80,000. The Housing fund has $652,000 at this time, and $200,000 is to be transferred from our TIF Fund later this year. Mr. Dankert moved and Mr. DeVarti seconded acceptance of the August financial report.</td>
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A vote on the motion showed:

**AYES:** Aldrich, Dankert, DeVarti, Fritz, Gillett, Greff, Gunn, Sipes, Solo

**NAYS:** None

**Absent:** Beal, Boren, Hieftje

The motion carried.

Republic Parking Contract. Mr. Dankert reported that the Republic Parking contract is approaching the end of their three-year term, and it was resolved by the Committee to utilize one of the three one-year options to extend the contract.

Community High Lot. Mr. Dankert reported that this lot is generating more cost than revenue. The City waived enforcement during Market days, and the parking equipment is obsolete. We are talking with a school representative to see if we can renegotiate the terms of the lease.

Free Holiday Parking. Mr. Dankert moved and Ms. Sipes seconded the following resolution:

**RESOLUTION AUTHORIZING FREE HOLIDAY PARKING IN DDA STRUCTURES AND $5,000 FOR COOPERATIVE HOLIDAY ADVERTISING**

Whereas, In 2002 the DDA Operations Committee resolved to provide free parking in the downtown parking structures on Fridays and Saturdays over three weekends between Thanksgiving and Christmas, as well as funding toward the cost of cooperative holiday advertising;

Whereas, The effort received an enthusiastic response from the area associations and their members, and has been requested again for the 2003 holiday season;

Whereas, DDA advertising dollars will be available for cooperative advertising arrangements for three or more downtown businesses, which may or may not be members of or affiliated with the downtown area associations;

Whereas, The lost revenue for the free parking in the structures was estimated to be $73,000 in 2002;

Whereas, The Operations Committee has recommended that the same program be implemented this year, with the exception that free parking be provided in the structures on all four Saturdays between Thanksgiving and Christmas, as well as the Friday after Thanksgiving;
RESOLVED, The DDA will provide free parking in the parking structures on Friday November 28, Saturday November 29, Saturday December 6, Saturday December 13, and Saturday, December 20, 2003, as well as $5,000 for cooperative holiday advertising.

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

Mr. Dankert reported that Republic Parking had made some changes in staffing, and Mr. Wayne Mixtdorf will now oversee off-street parking and Mr. Jeff Lampman will oversee on-street parking.

CAPITAL IMPROVEMENTS COMMITTEE
In Mr. Beal’s absence, Mr. Iraola gave the following report:

First/Washington. About eighteen steel beams have been installed, and repairs are nearly complete.

State Street Area. The contractor is completing punch list items, and a meeting will be held with the contractor to discuss disputed project elements.

E.U./Church/Forest Sidewalk Repairs. The concrete poles have been delayed again, and are now due to arrive in mid-October and will be installed soon thereafter.

Forest Structure. Mr. Iraola reported that there is no change since the last report. They are meeting to decide who is doing the repairs to the roof.

Baker Commons. Work is completed, and a thank you will be sent to the DDA for its help.

Bike Lockers. The preferred vendor provided a quote far in excess of what had been originally proposed. An alternate vendor has been asked to provide a price quote.

Huron/Fifth/Division. RFP’s were mailed to twenty firms, and proposals will be received October 21.

First/William Deck. Proposals will be received October 2 with interviews held October 20. The Ann Arbor Railroad and the County Drain Commissioner are being kept informed as to who received bids.

PARTNERSHIPS COMMITTEE
First/Washington-Status. Mr. Solo reported that a Residential Roundtable was held with downtown residents and residential developers, and a lot of good advice and input was gained. He anticipates the next meeting would be scheduled with residents in the adjoining neighborhood. A financial analysis will be done using different scenarios to come up with information on height and massing.

Artist Studio Space. The topic was discussed, but as there is no specific group to work, this issue is still pending. Mr. DeVarti is continuing his research and conversations with arts organizations.

Public/Public Partnership at City Hall. Mr. Solo reported that discussions are beginning around the potential for a City/DDA partnership as the 15th District Court will be moving back to City Hall sometime in 2008 and planning must take place now to determine how to address their space needs.

YMCA. The Committee met just prior to this meeting to discuss the potential sale of the YMCA. It’s clear that should the City exercise its right of first refusal, the DDA may be asked to partner with the City on this site purchase and redevelopment.
PLANNING COMMITTEE

State Street Area Bike/Pedestrian Study. Ms. Pollay reported that Norm Cox is planning for another public meeting during the week of October 13th at which potential recommendations will be presented.

Retreat. Ms. Pollay said that an initial survey of the board showed four potential dates, and asked for a preferred date. October 14 was selected. The meeting would be held at Arbor Brewing Company.

Renewal. Mr. Aldrich congratulated Ms. Greff and everyone that worked on the renewal for their hard work. (all applauded)

8. OTHER BUSINESS

Ms. Greff announced that there is a new business group forming in Washtenaw County called the Washtenaw Living Economy Network. It’s an alliance of independently owned and operated businesses that support buying locally, practicing business practices that are friendly to the local environment, providing a living wage, and basically doing things for the local economy and quality of life. There will be a presentation the evening of October 14 by the founder of the national committee, Judy Wicks. Everyone is invited.

9. AUDIENCE PARTICIPATION

Mr. Mogensen commented on the State Street area. He said he felt that the intersection of State/William is dangerous and would like someone to look into this.

10. ADJOURNMENT

As there was no further discussion the meeting was adjourned at 1:13 p.m.

Respectfully submitted,
Susan Pollay, Executive Director