MINUTES
Downtown Development Authority Meeting
Wednesday, November 2, 2005

Place: Kerrytown Concert House, 415 N. Fourth Avenue, Ann Arbor, MI. 48104
Time: DDA Chair Leah Gunn called the meeting to order at 12:05 p.m.

1. ROLL CALL

Present: Fred Beal, Russ Collins, Bob Gillett, Leah Gunn, John Hieftje, Sandi Smith
Absent: Rob Aldrich, Gary Boren, Ron Dankert, Dave DeVarti, Rene Greff, Roger Hewitt

Staff Susan Pollay, Executive Director
Present: Joe Morehouse, Deputy Director
Sarah Armstrong
Joan Lyke
Richard Murphy, intern

Audience: Linda Asher, Waterscapes
Albert M. Berriz, McKinley
Janis Bobrin, Washtenaw County Drain Commissioner
Erica Briggs, Ann Arbor Area Chamber-getDowntown
Tony Bisesi, Republic Parking
Jon A. Carlson, Retro
Brandt Coultas, Ann Arbor Area Chamber
Bob Dascola, State Street Area Association
Gregory M. Lobdell, 2mission
Joan Martin, Huron River Watershed Council
Joe O’Neal, Allen Creek Greenway Conservancy
Ethel Potts, citizen
Jennifer Roth, Village Green
Frances Todoro, McKinley
Dennis Webster, The Earle Restaurant
Chris White, AATA

2. OLD BUSINESS

Ms. Gunn announced that volunteers are still needed for the Calthorpe Workshop on November 3rd.

Ms. Greff and Mr. Hewitt enter.

3. AUDIENCE PARTICIPATION

Ms. Bobrin and Ms. Martin gave a power point presentation that showed how naturalized landscaping and art could be included with projects located in floodway and floodplain locations. In some instances storm water is reused and showcased onsite, rather than hidden within underground pipes and storage tanks.

Mr. Boren and Mr. DeVarti enter.

Mr. Carlson and Mr. Lobdell came before the DDA to ask for a re-evaluation of their request for funding assistance for their project at 110-112 S. Main Street (Mayer Schairer Building). Mr. Carlson said that the revised request shows only costs associated with elements that benefit the whole block, not just their site, including a new fire hydrant, and electrical new transformer. Ms. Gunn referred the request to Partnerships for review and further discussion.

4. DOWNTOWN AREA CITIZENS ADVISORY COUNCIL

CAC member Newcombe Clark presented the report in the Chairman’s absence.
Ray Detter is away on vacation, as you may know so we had a slightly abbreviated meeting last night. For the most part we went through an overview of the most recent projects on the table in the downtown and there were two areas we did want to make sure were stressed today.

On a proposed greenway; The CAC continues to support the idea of a greenway in the downtown area insomuch as it is called for in the approved downtown plan. That said, we still are awaiting proposals and ideas of what an actual implemented greenway will entail. We continue to remain cautious of any plan that seems to be bias towards the wants and desires of one particular neighborhood or interest group over another. We ask also that the members of the DDA and hopefully those at the city administration remain equally cautious, and act with a sound and pragmatic collective mind on whatever decision they ultimately reach. We do not necessarily think the Allan Creek flood way is any better of a location for a proposed greenway than any other.

The U of M campuses have a pronounced and vastly developed system of open areas and pedestrian connection routes. Also, the recent improvements to the Broadway Bridge and Huron River shore line are a downtown area city resource that deserves equal consideration and weight in any discussion about a proposed greenway.

We on the CAC do not support any efforts to build any parks or amenities that the park system can not afford to maintain or the police department cannot afford to secure. We also certainly do not support the destruction of historic buildings, be they in the flood way or otherwise, or be they privately owned or otherwise. And ultimately we do not necessarily believe that the best use of downtown land is for the development of more large scale parks. Now we are not experts on the subject of downtown development nor claim to be. We do believe and hope that the DDA, the city staff, and their advisors are the experts.

Again, we hope that everyone acts with pragmatic caution to make the most beneficial decision for the city, and not for the relatively small segment of the population that speaks frequently at meetings and in the press. And this is regardless if they be for or against the greenway, or any other project that affects the downtown, and subsequently, affects the community at large. Please, take it all in, whatever you hear, than act with good judgment.

The other main focus of last night’s meeting was in regards to the development of more residential units in the downtown area. The CAC continues to fully support both public and private efforts to achieve diversity downtown through affordable housing. There has recently been talk of smaller units, which for many reasons, we like. Mainly however we like the idea of smaller units because they are an avenue that has not been explored with the majority of the recently proposed, and for better or worse, subsidized projects. If someone comes to the DDA requesting public funds or expects to respond to an RFP to purchase public land, why can’t we suggest and encourage tangible and permanent steps to create more affordable housing downtown? If a developer tells you they can’t build affordable small units. Why can’t we ask them why they can’t? We’re all for seeing buildings being built and tax dollars collected, but we would prefer that they are not built empty and we would prefer that they are not subsidized publicly.

Both Kingsley Lane and the Collegian expansion projects currently are proposing smaller units and we intend to fully support those efforts if for no other reason than it is something different to try when, as of yet, few projects have succeeded. We hope that the fact that a project is ambitious in its attempt to solve some of the issues facing downtown is not an immediate death sentence when it comes to your approval and your support. Thank you.

5. **NEW BUSINESS**

None.

6. **APPROVAL OF MINUTES**

Ms. Gunn moved and Mr. Beal seconded approval of the October 5, 2005 Board minutes.
A vote on the motion showed:
AYES: Beal, Boren, Collins, DeVarti, Gillett, Greff, Gunn, Hewitt, Hieftje, Smith
NAYS: None
Absent: Aldrich, Dankert
The motion carried.

7. SUBCOMMITTEE REPORTS

OPERATIONS COMMITTEE:
Financial Reports: Mr. Hewitt reported that the September 2005 financial statements reflect an increase in hourly parking income but a decrease in the number of patrons. He noted that as bonds are paid off, the DDA would no longer capture the school TIF. He said that the change in meter and off street parking rates would be seen in the October financial statements. Mr. Hewitt presented an Operating Income Statement for the parking system for FY 04/05. Mr. DeVarti expressed concern that the DDA was losing money on the leased lots at First & William, and First & Huron. A motion to accept the September 30, 2005 financial statements was moved by Mr. Hewitt, seconded by Mr. Hieftje and unanimously accepted.

Mr. Hewitt moved and Ms. Smith supported the following resolution:

RESOLUTION TO APPROVE A RENTAL ARRANGEMENT WITH METRO-PCS MICHIGAN, INC. FOR THE FOREST PARKING STRUCTURE

Whereas, The lease between the DDA and the City identified a parking system that was to be economical and self-supporting to provide for the needs of the community;

Whereas, MetroPCS Michigan Inc a wireless telecommunications company, has contacted the DDA with a proposal to install radio cabinets and antennae atop the Forest Avenue parking structure under a lease with a term of five years, with four successive five-year terms;

Whereas, This proposal would provide for a yearly license fee of $20,000 for the initial term with 15% term increases;

Whereas, The City of Ann Arbor has also entered into similar agreements, including a recent agreement with VoiceStream for the City water treatment plant and an agreement signed with Nextel on June 12, 2001 for the Manchester Water Tower for $1,500 per month;

Whereas, The DDA Operations Committee has evaluated the MetroPCS proposal as an appropriate and economical use of the space which will contribute toward a parking system that is financially self-supporting;

RESOLVED, The DDA approves a lease agreement with MetroPCS for the installation of antennae and radio cabinets on the top floor of the Forest Avenue Parking structure which begins with an initial annual payment of $20,000;

RESOLVED, The DDA Attorney will be asked to oversee drafting this agreement to ensure that the DDA’s interests are met.

Mr. Hewitt said that there is a cell tower at the Forest structure already, and that MetroPCS has agreed not to interfere with their signal. Moreover, if MetroPCS must utilize a parking space for their equipment they will pay the premium monthly charge (currently $145/month.) Mr. Boren expressed concern that it would be solely MetroPCS’s decision to renew this agreement up to 25 years, and asked if this was negotiable; Mr. Morehouse said that the DDA has an opt out clause after the tenth year in its agreement at Ann Ashley. Mr. Hieftje asked if there was any time pressures to come to agreement; Mr. Morehouse said that if directed, he would recontact MetroPCS about alternate terms.
Mr. Hewitt moved and Ms. Smith seconded the motion to return the resolution to the Operations Committee.

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

Mr. Hewitt presented 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, 2007;
Whereas, The parking lot is fully leased, and there is a waiting list for permits on this lot;
Whereas, The lease extension would increase the amount of rent from $21,068/year to $34,000/year;
Whereas, All other terms of the current lease will remain in effect;
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. DeVarti stated that surface parking lots are contrary to the Downtown Plan and he is opposed to renewal of this contract as it subsidizes a private owner. Mr. Gillett stated that the contract represented a 62% increase and he is opposed to renewing at the proposed rate. Mr. Beal recommended sending the matter back to the Operations Committee to negotiate a smaller increase.

Mr. DeVarti moved and Mr. Hieftje seconded the motion to return the resolution to the Operations Committee for further discussion.

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

PARTNERSHIPS COMMITTEE:
Former YMCA Site Brownfield Application: Ms. Smith said that HDC met with City and DDA representatives regarding a possible Brownfield application. Some of the elements that may be included in this application could be reimbursement for costs such as the addition to the Fourth & William parking structure and the sidewalk on Fifth Avenue. Brownfield funding would require a local match which may be all or some of the DDA’s TIF capture from this project. Mr. DeVarti said that HDC is potentially asking for a $9 million subsidy, and that the City Selection Committee chose this project over another that would have asked for only $3 million in subsidy for the 100 very affordable units. He cautioned the DDA to consider what other projects might be sacrificed if it forgave its TIF capture from this project. Mr. Beal said that HDC was selected because they stated they would bring new sources of funds to the project and would not
use local funds. He was concerned about a possible “bait-and-switch” if they were now changing their funding strategy. Ms. Gunn announced that the discussion is on-going and invited interested Board members to attend the Partnerships Committee meeting for more information. Ms. Smith announced that HDC was scheduled to meet with Partnerships on November 17 and invited all DDA members to attend.

1st & Washington RFP: Ms. Smith stated that the committee has nearly completed the RFP.

Ms. Smith moved and Mr. DeVarti seconded the following resolution:

RESOLUTION REQUESTING APPROVAL TO DELAY SUBMITTAL OF THE REQUEST FOR PROPOSAL FOR THE REDEVELOPMENT OF THE KLINE LOT UNTIL APRIL 2006

Whereas, The City owns a surface public parking lot located at the intersection of S. Ashley Street and William Street (“the Kline Lot”);

Whereas, City Council approved a resolution on August 1, 2005 entitled, “Resolution Requesting Preparation of Requests for Proposals for The Redevelopment of City-Owned Properties,”

Whereas, This resolution set forward goals for the redevelopment of the Kline Lot and First & Washington that would provide significant benefits to the community consistent with the 1988 Ann Arbor Downtown Plan, including, but not limited to:

- Increasing the number of market-rate and affordable housing units, which will increase the number of City residents living downtown to support Ann Arbor’s locally-owned businesses;
- Increasing the number of retail shops;
- Increasing the local tax base to enhance future tax revenues to protect Ann Arbor’s core City services; and
- More efficient land use planning.

Whereas, This resolution set forward the expectation that these RFP’s would be presented to City Council by December 5, 2005;

Whereas, The DDA/City Council subcommittee working on these RFP’s have been meeting weekly with the goal of completing these documents by the deadline established by City Council;

Whereas, Substantial progress has been made on the First & Washington RFP;

Whereas, The Committee has resolved to conduct a financial assessment and market demand analysis of the Kline lot before beginning work on that RFP and has commissioned Strategic Economics, a consulting and research firm specializing in urban and regional economics and planning to do this work;

Whereas, Strategic Economics is the firm utilized by Calthorpe Associates to assess Ann Arbor’s downtown, and the analysis of the Kline lot by this group is an important element of their larger assessment of downtown;

Whereas, An analysis of the Kline lot will likely be completed by December, and the Partnerships Committee may require up to twelve weeks to draft the RFP upon receipt of this report;

RESOLVED, The DDA requests authorization from City Council to delay submittal of the Kline lot RFP until the April 3, 2006 City Council meeting.

Ms. Smith said that the Committee had been meeting weekly to complete the First & Washington RFP and respond to other Partnerships matters. Mr. Hieftje asked what the estimated cost would be for three to five floors of underground parking at the Kline lot site. Mr. Iraola said that tests were being conducted to determine soil conditions, as this would help with any cost estimates. Mr. Hieftje requested that the results of these tests be presented before the First & Washington RFP is voted on by City Council.
A vote on the motion showed:
AYES: Beal, Boren, Collins, DeVarti, Gillett, Greff, Gunn, Hewitt, Hieftje, Smith
NAYS: None
Absent: Aldrich, Dankert
The motion carried.

Ms. Smith moved and Mr. Hewitt supported the following resolution:

RESOLUTION OF SUPPORT FOR A PARKING CONTRACT BETWEEN MCKINLEY AND THE CITY OF ANN ARBOR

Whereas, McKinley recently purchased the former TCF Bank property which includes the former TCF Bank headquarters building at the northeast corner of Liberty/Division, as well as the former training center at the northeast corner of Washington/Division and the former rental car site at the southwest corner of Washington/Division;

Whereas, McKinley has proposed the following redevelopment plans for its properties within the next five years:

Parcel #1 (former TCF headquarters) currently has 100,000 s.f. of office on four stories and 8,000 s.f. of retail on the ground floor with surface parking. The redevelopment will eliminate 25 parking spaces and the driveway onto Liberty will be removed to provide for the construction of 14,000 s.f. of new retail space facing on Liberty Street.

Parcel #2 (former rental car site) currently has 24 surface parking spaces with a 378 s.f. structure vacant for over 15 years. This site will be redeveloped with 45 rental apartments plus 3,000 s.f. of ground floor retail.

Parcel #3 (former TCF training center) has 34 surface parking spaces with a 7,076 s.f. structure, and parcel #4 has a 2,998 s.f. residential building that is currently in use as office space. The two parcels will be redeveloped with 100 below grade parking spaces, approximately 100 for-sale condominiums and approximately 8,000 s.f. ground floor retail.

Whereas, The McKinley projects are anticipated to provide significant increases in taxable value, they will provide 145 new residential units, make the area more pedestrian-friendly, and will serve as a catalyst for the redevelopment of the Liberty Street and Washington Street corridors;

Whereas, McKinley currently leases 252 monthly permits at the Liberty Street Parking Structure from Republic Parking, and has requested a contract for these permits to enable their redevelopment of parcels #1-4 to go forward;

Whereas, Under its 1992 agreement with the City, the DDA acts as manager of the City’s parking structures, including Liberty Square, until 2015 with renewals thereafter;

Whereas, The DDA Partnerships Committee reviewed this request in depth and has recommended that a parking contract be provided to McKinley with the following elements:

A contract would be approved for up to 25% of McKinley’s 252 permits after each of McKinley’s four proposed redevelopment efforts receives a certificate of occupancy from the City of Ann Arbor. No single owner associated with this project shall be provided with more than 59 permits under a contract.

Parking permits under this contract would be made available at the Liberty Square parking structure for a period of twenty years with no renewals.
During the term of the agreement, McKinley may at any time reduce the number of permits from this agreed-upon number; however, unless otherwise agreed to by the DDA, any such reduction will be permanent.

The permits under this contract would be available for use only by individuals who are occupants of the four projects listed above.

In addition to the prevailing monthly permit rate in Liberty Square, McKinley shall pay an additional thirty dollars ($30). This additional amount shall be adjusted annually by the rate of inflation as agreed to by McKinley and the DDA.

Once permits have been approved under contract, McKinley (or a subsequent legally established condominium association), shall pay to the DDA the total of permit fees for each permit issued under this agreement on a monthly basis, in a single lump sum. No assignment of these permits shall be permitted without the permission of the DDA which shall not be unreasonably withheld.

RESOLVED, The DDA approves the recommendations as set forward by the DDA Partnerships Committee.

RESOLVED, The DDA recommends to the City that these terms and conditions be included in a parking agreement between the City and McKinley, as the term of this agreement would exceed the DDA/City parking agreement;

RESOLVED, The DDA asks the City that the DDA Chair, Executive Director, and attorney be provided an opportunity to review this City agreement with McKinley to ensure that the interests of the DDA are met.

Mr. Gillett suggested adding the word “final” certificate of occupancy to the last Whereas clause on page 26. It would now read:

…After each of McKinley’s four proposed redevelopment efforts receives final certificate of occupancy from the City of Ann Arbor…

Mr. Hewitt said that he supports the resolution as it represents significant new construction in the State Street Area, the developer is not looking for DDA financial assistance, nor is he looking for additional parking beyond the permits he already has. Mr. Beal said that much of this project is associated with office space that is already in use. He said that if the DDA approved this resolution it was with the knowledge that it might need to build new parking in the State Street Area due to the impacts of this project.

The amended resolution follows:

RESOLUTION OF SUPPORT FOR A PARKING CONTRACT BETWEEN MCKINLEY AND THE CITY OF ANN ARBOR

Whereas, McKinley recently purchased the former TCF Bank property which includes the former TCF Bank headquarters building at the northeast corner of Liberty/Division, as well as the former training center at the northeast corner of Washington/Division and the former rental car site at the southwest corner of Washington/Division;

Whereas, McKinley has proposed the following redevelopment plans for its properties within the next five years:

Parcel #1 (former TCF headquarters) currently has 100,000 s.f. of office on four stories and 8,000 s.f. of retail on the ground floor with surface parking. The redevelopment will eliminate 25 parking spaces and the driveway onto Liberty will be removed to provide for the construction of 14,000 s.f. of new retail space facing on Liberty Street.
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Whereas, The McKinley projects are anticipated to provide significant increases in taxable value, they will provide 145 new residential units, make the area more pedestrian-friendly, and will serve as a catalyst for the redevelopment of the Liberty Street and Washington Street corridors;

Whereas, McKinley currently leases 252 monthly permits at the Liberty Street Parking Structure from Republic Parking, and has requested a contract for these permits to enable their redevelopment of parcels #1-4 to go forward;

Whereas, Under its 1992 agreement with the City, the DDA acts as manager of the City’s parking structures, including Liberty Square, until 2015 with renewals thereafter;

Whereas, The DDA Partnerships Committee reviewed this request in depth and has recommended that a parking contract be provided to McKinley with the following elements:

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The permits under this contract would be available for use only by individuals who are occupants of the four projects listed above.

In addition to the prevailing monthly permit rate in Liberty Square, McKinley shall pay an additional thirty dollars ($30). This additional amount shall be adjusted annually by the rate of inflation as agreed to by McKinley and the DDA.

Once permits have been approved under contract, McKinley (or a subsequent legally established condominium association), shall pay to the DDA the total of permit fees for each permit issued under this agreement on a monthly basis, in a single lump sum. No assignment of these permits shall be permitted without the permission of the DDA which shall not be unreasonably withheld.

RESOLVED, The DDA approves the recommendations as set forward by the DDA Partnerships Committee.

RESOLVED, The DDA recommends to the City that these terms and conditions be included in a parking agreement between the City and McKinley, as the term of this agreement would exceed the DDA/City parking agreement;
RESOLVED, The DDA asks the City that the DDA Chair, Executive Director, and attorney be provided an opportunity to review this City agreement with McKinley to ensure that the interests of the DDA are met.

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

RESEARCH AND OPPORTUNITY COMMITTEE
Mr. Boren moved and Ms. Smith supported the following resolution:

RESOLUTION PROVIDING FUNDS TO ASSIST WITH THE RELOCATION OF THE NEUTRAL ZONE ($100,000)

Whereas, The 2003 DDA Renewal Plan set forward that the DDA would work to promote downtown as a place for community members of all ages by supporting projects that serve families and children;

Whereas, Earlier grants have been provided to the YMCA for streetscape elements at its new building and the Hands On Museum for its building renovation;

Whereas, The Neutral Zone began in 1998 as community teen center offering a fun environment for teenagers to hang out or participate in weekly programs;

Whereas, The Neutral Zone now has 210 registered teens in its programs and sees 200 event attendees on a typical weekend;

Whereas, The Neutral Zone has a downtown property under contract that would enable it to move from S. Main Street into the core area;

Whereas, The project cost to acquire and renovate this property is $3 million, and to date $800,000 has been received from a private donor;

Whereas, The Neutral Zone submitted a request for $100,000 to the DDA and this funding request was discussed by the DDA Research & Opportunity Committee at its October meeting;

Whereas, ROC evaluated this request against the DDA’s Grant Guidelines and determined that the project makes a strong connection to a DDA Renewal Plan strategy, the program is open and available to the public, and DDA funds would be a small portion of the private, foundation and public funds needed to purchase and renovate this downtown facility, thereby meeting the criteria set forward for such grant requests;

RESOLVED, The DDA shall provide the Neutral Zone with a grant of $100,000 to support the purchase and renovation of a new facility on E. Washington Street.

RESOLVED, This funding is contingent on the Neutral Zone formulating a marketing plan which will provide details for how the DDA will receive ongoing visibility for its contribution.

Mr. Boren said that the grant met a Renewal Plan strategy and DDA Grant Guidelines. Mr. Beal noted that in other instances the DDA grants were used to support City owned facilities, which isn’t true in this instance. Ms. Greff stated that the DDA is getting away from its original plans by funding non-profit projects that would likely succeed without DDA support. Mr. Hewitt said that the DDA provided a grant to the YMCA as it benefits the whole downtown, not just members; the Neutral Zone is open to all. Ms. Smith said that bringing teens downtown fits the DDA plan. Mr. Hieftje said he supports the Neutral Zone.
Mr. Gillett stated he would be more comfortable if the grant would be secured by a 10 year declining mortgage. Mr. Beal asked what would happen if the Neutral Zone opted to sell the building after a few years; Mr. Boren suggested a friendly amendment that the grant be given with a 10-year forgivable mortgage. Mr. Beal said that if the Neutral Zone met its fund raising goal, it would own the building and operations could be paid from an endowment. He said that is a huge step toward sustainability. Mr. DeVarti said he couldn’t think of anything he would support more, as kids are our future.

The amended resolution is as follows:

RESOLUTION PROVIDING FUNDS TO ASSIST WITH THE RELOCATION OF THE NEUTRAL ZONE ($100,000)

Whereas, The 2003 DDA Renewal Plan set forward that the DDA would work to promote downtown as a place for community members of all ages by supporting projects that serve families and children;

Whereas, Earlier grants have been provided to the YMCA for streetscape elements at its new building and the Hands On Museum for its building renovation;

Whereas, The Neutral Zone began in 1998 as community teen center offering a fun, drug-free, safe environment for teenagers to hang out or participate in weekly programs;

Whereas, The Neutral Zone now has 210 registered teens in its programs and sees 200 event attendees on a typical weekend;

Whereas, The Neutral Zone has a downtown property under contract that would enable it to move from S. Main Street into the core area;

Whereas, The project cost to acquire and renovate this property is $3 million, and to date $800,000 has been received from a private donor;

Whereas, The Neutral Zone submitted a request for $100,000 to the DDA and this funding request was discussed by the DDA Research & Opportunity Committee at its October meeting;

Whereas, ROC evaluated this request against the DDA’s Grant Guidelines and determined that the project makes a strong connection to a DDA Renewal Plan strategy, the program is open and available to the public, and DDA funds would be a small portion of the private, foundation and public funds needed to purchase and renovate this downtown facility, thereby meeting the criteria set forward for such grant requests;

RESOLVED, The DDA shall provide the Neutral Zone with a grant of $100,000 to support the purchase and renovation of a new facility on E. Washington Street.

RESOLVE, This grant shall be secured by a forgivable ten-year mortgage against the property, which can be subordinate to other mortgages.

RESOLVED, This funding is contingent on the Neutral Zone formulating a marketing plan which will provide details for how the DDA will receive ongoing visibility for its contribution.

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

Mr. Boren moved and Ms. Smith supported the following resolution:
RESOLUTION AUTHORIZING THE ESTABLISHMENT OF A COMMUNICATION PROJECT BUDGET AND THE SELECTION OF RE: GROUP AS PROJECT CONSULTANT

Whereas, The DDA Research and Opportunity Committee set forward a work plan for 2005/06 that included a goal to improvement DDA communication efforts;

Whereas, As part of this goal, the Committee committed itself to selecting a firm that would help the DDA build community awareness and understanding of its activities and achievements, and determined that this effort would involve the development of such tools as an annual report and the redesign of the DDA website;

Whereas, ROC received proposals and interviewed representatives of three marketing firms;

Whereas, After much discussion, ROC has determined that the re:group proposal would best meet the needs of the DDA;

Whereas, This proposal includes the following elements:

1) Phase I: research, including a review of DDA work plans and goals, interviews and surveys with downtown stakeholders, communications audit of other communities, and a “branding” workshop with DDA board and staff.

2) Phase II: formulation of a communications plan which will include recommendations for the DDA website

3) Phase III: recommendations for graphics and other identifiers that will become part of the DDA’s visual signature.

4) Phase IV: if requested, assistance implementing the DDA’s new communication plan.

Whereas, The cost for re:group’s proposal is $48,900 plus expenses such as color laser printing or color xerography, illustration; and market research;

RESOLVED, The DDA shall establish a budget of $60,000 for its communication improvement project;

RESOLVED, The DDA approves the selection of re:group as consultant assisting the DDA with its communications efforts.

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, Collins, DeVarti, Gillett, Greff, Gunn, Hewitt, Hieftje, Smith
NAYS: None
Absent: Aldrich, Dankert

The motion carried.

Mr. Boren announced the DDA Mid-Year retreat will take place immediately after the regularly scheduled December 7 Board Meeting. The location of the Board Meeting and the Retreat will be the Michigan Theater.
CAPITAL IMPROVEMENTS:
1st & Washington: Mr. Beal said that the contractor has permits and work may begin in a week or two.

4th & William: Mr. Beal indicated that the consultant is working on the plans for the additional floor and will also explore the cost and feasibility of adding a speed ramp to the structure. If there are no delays in the design and approval process, Mr. Beal said work could begin in May and would be completed in December 2006 before the HDC project begins.

Huron: Mr. Beal stated the Huron design was presented to the Planning Commission on November 1st. It was very well received and Mr. Beal was encouraged by the response.

5th & Division: Mr. Beal said that design work has begun. Work had been slowed due to an effort to accommodate the alternative transportation elements.

Alley Repairs: Work for the 2005/06 year will be distributed this fall.

Sculpture Plaza: A meeting will be held with nearby tenants and business representatives in the next few weeks to elicit comments on how the plaza might be repaired and improved.

8. OTHER DDA BUSINESS MATTERS
Ms. Gunn reported that the Executive Committee met with the Executive Director regarding her annual review. Comments from the Board regarding the Executive Director were overwhelmingly positive. The minutes of the October 13, 2005 Executive Committee meeting were included in the Board packet.

Mr. Hieftje encouraged participation in the last Calthorpe community visioning workshop scheduled for November 3, 6:00 PM at Courthouse Square.

Mr. Gillett asked about the status of extended hours for parking enforcement that was discussed at the July retreat. Mr. Hewitt indicated that the Operations Committee decided to address the parking rates and hours of operations as two separate issues. Since the new parking rates went into effect October 1, he expects the committee to discuss the hours of operations at a meeting in the near future.

9. OTHER AUDIENCE PARTICIPATION
None.

10. ADJOURNMENT
As there was no further discussion the meeting was adjourned at 1:35 P.M.

Respectfully submitted,
Susan Pollay, Executive Director