MINUTES
Downtown Development Authority Meeting
Wednesday, December 6, 2000

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

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

1. ROLL CALL

Present: Rob Aldrich, Fred Beal, Neal Berlin, Ron Dankert, Rene Greff, Leah Gunn, Karl Pohrt, Lorri Sipes, Skip Ungrodt

Absent: Dave DeVarti, David Fritz, Bob Gillett

Staff: Susan Pollay, Executive Director

Present: Sarah Armstrong

Joe Morehouse, Fiscal and Administrative Manager

Audience: Ray Detter, Citizens Advisory Council

Julie Egan, University of Michigan, Department of Urban Planning

Bob Frazier, National Garages, Inc.

Adrian Iraola, City of Ann Arbor, Engineering/DDA Project Manager

Donna Johnson, City of Ann Arbor, Planning Department

Martha Johnson, Ann Arbor Area Chamber of Commerce

Cathy O'Donnell, Ann Arbor News

Eileen Ryan, City of Ann Arbor, Community Development Department

2. APPROVAL OF MINUTES

Ms. Gunn moved and Mr. Berlin seconded the approval of the November 1, 2000 meeting minutes.

A vote on the motion showed:

AYES: Aldrich, Beal, Berlin, Dankert, Greff, Gunn, Pohrt, Sipes, Ungrodt

NAYS: None

Absent: DeVarti, Fritz, Gillett

The motion carried.

3. CITIZEN ADVISORY COUNCIL

Mr. Detter reported as follows:

Every December the regular monthly Citizens Advisory Council's meeting becomes a holiday party with lots of food and drink and discussion of plans and strategies for the coming year. Following our regular agenda at last night's meeting, we devoted a major part of our time to a discussion of the DDA's new draft of "Development Plan Goals and Objectives" as well as proposed "Strategies for Reaching These Goals." Although we only had time to discuss specific projects in the category of "Mixed-Use, Public-Private Developments," all of our members were impressed with the direction the DDA Board is taking in laying out plans for renewal of the Authority for another thirty years. I have asked Citizen Council members to make recommendations to me or Susan regarding any suggestions they might have of items that might be included in your draft. I look forward to presenting these recommendations at next week's DDA Retreat.

Last night, Citizens Council members also asked me to request your approval of a resolution in support of restricting skateboarding on North Main Street from Huron to Catherine. This is not a new
issue for us. For many months we have noted the growing number of skateboarders on North Main, particularly along the side the Courthouse on the East side of Main between Huron and Ann. The skateboarders not only discourage pedestrians from walking on that side of the street, they have caused major damage to the marble retaining walls beside the courthouse and we believe they are responsible for some damage to the recently installed Courthouse Square Historic Exhibit at Huron and Main. I am passing around centerfold photographs recently published in the Michigan Daily that document the destructive and dangerous activities of skateboarders next to the courthouse. We have also contacted Tom Freeman, Director of Washtenaw County Facilities Management, to ask for the county's support in restricting skateboarding from this area.

Much has changed on North Main since 1988 when the City of Ann Arbor passed the first resolution restricting skateboarding from certain locations in the downtown. At that time City Council recognized the potential danger to pedestrians and skateboarders as well as the damage to public and private property that had already occurred. For many years since then we have all worked to make North Main Street a desirable corridor for increased pedestrian traffic. The DDA has committed millions of dollars for pedestrian improvements to the downtown area that includes this section of North Main. We have completed the Courthouse Square Exhibit as the first installation of the Downtown Ann Arbor Historical Street Exhibit Program. We now look forward to completion of the new businesses along North Main. We anticipate that these changes will further add to the pedestrian traffic. These pedestrian walkways were developed for the use of citizens at large. We do not want these positive downtown developments threatened by the dangerous and destructive activities of skateboarders.

I have spoken to representatives of the Ann Arbor Police Department as well as City officials. We have been told that nothing can be done to solve this problem except by including these blocks of North Main among those areas already designated in the existing ordinance restricting skateboarders. The Citizens Advisory Council requests that the DDA pass a resolution supporting the prohibition of skateboarding from the two blocks of North Main between Huron and Catherine. All of us should then actively encourage the City Council to approve it.

Mr. Fritz enters.
Mr. Gillett enters.

4. AUDIENCE PARTICIPATION
None.

5. NEW BUSINESS
Mr. Ungrodt moved and Ms. Sipes seconded the following resolution:

RESOLUTION ASKING CITY COUNCIL TO RESTRICT SKATEBOARDING ON TWO BLOCKS OF MAIN STREET

Whereas, The DDA has as one of its most important goals the promotion of downtown Ann Arbor as a walkable, pedestrian-oriented center;

Whereas, Accomplishing this goal requires a number of elements, including the installation of attractive streetscape elements to encourage walking;

Whereas, Downtown sidewalks are utilized by a diverse variety of people, including the elderly and individuals with disabilities, and this diversity is to be encouraged and protected;
Whereas, The use of skateboards on downtown sidewalks often conflicts with these goals, as skateboard velocity puts pedestrians in danger and their impact against steps, curbs, planters, historic markers and other sidewalk elements causes substantial and expensive damage;

Whereas, In 1988 the City approved a “Resolution to Regulate The Use Of Skateboards,” in which it was recognized that “damage to public and private property has been the result of skateboard activity” and that “potential danger to pedestrians and skateboarders has been observed,” and to that end, skateboard use was prohibited in heavy pedestrian traffic areas:
- South Main Street, from Huron Street to William Street
- East Liberty Street, from Main Street to State Street
- South State Street, from Washington Street to William Street
- South University Avenue, from Forest Avenue to E. University Avenue
- Liberty Plaza

Whereas, Recent development and organizational efforts by Washtenaw County have substantially increased pedestrian traffic along North Main Street, between Huron and Catherine Streets;

Resolved, The DDA shall urge City Council to emend its 1988 resolution to restrict the use of skateboards in the Downtown Development District.

Mr. Berlin asked for a friendly amendment to request that Washtenaw County prohibit skateboarding on its parking garage and parking lots. Ms. Gunn said that she would be willing to submit the request to the County Board of Commissioners.

It was observed that if skateboarding was excluded in certain areas of downtown, it was apt to appear in new areas, as skateboarders use downtown as others do, because this is “where the action is.” The situation was analogous to a “water balloon,” in that pressure just pushes the problem elsewhere. A second friendly amendment was made that extended the skateboard restriction area throughout the DDA district.

A vote on the amended motion showed:
AYES: Aldrich, Dankert, Fritz, Greff, Gunn, Pohrt, Sipes, Ungrodt
NAYS: Beal, Berlin, Gillett
Absent: DeVarti
The motion carried

6. OLD BUSINESS
None.

7. SUBCOMMITTEE REPORTS

OPERATIONS COMMITTEE
Mr. Aldrich reported on the highlights of the financial statements, including the TIF, Parking, and Housing Fund balances. He said that revenues and expenses were on budget through October.

Mr. Aldrich reported that the Committee met with the DDA’s new Parking Operator, Republic Parking, to discuss their proposed contract, and he thought this contract would be ready for DDA approval in
January. There had been meetings and interviews with the current National Garages staff, and at this time it was anticipated that the new operators would continue to offer the existing wage scale. Mr. Berlin asked Ms. Pollay to provide a report on anticipated wages to City Council.

Mr. Aldrich said that First Martin had renewed its proposal to the DDA to lease the Fifth/Huron lot, but that the Committee communicated its position that they were unwilling to lease this lot without negotiations at the same time for the Brown lot, which is a year before the existing lease is set to expire. Thus far First Martin was not willing to connect the two leases in their negotiations.

Mr. Aldrich moved and Ms. Gunn supported the following resolution:

RESOLUTION AWARDING AN ANNUAL EMPLOYEE BONUS FOR NATIONAL GARAGES, INC.

Whereas, The current Agreement between DDA and National Garages, Inc., dated February 1, 1998, provides in paragraph 4(b) and 4(c) that the DDA may provide National Garages, Inc., two bonuses: one for the benefit of the employees and the other for the benefit of the management company, National Garages;

Whereas, The Employee Bonus can be up to $20,000, it being National Garages' intent to pay all of this amount to its employees;

Whereas, The Management Company Bonus can be up to three and one-half tenths of one percent (.35%) of the net revenue, which at this time is estimated to be $15,000;

Whereas, These bonuses are based on results of customer satisfaction surveys, unannounced random facility inspections and general satisfaction with the performance of the contract;

Whereas, The DDA approved Employee Bonuses for National Garages in the amount of $20,000 in 1999, 1998, 1997 and 1996; and

Whereas, The DDA Parking Operations Committee has reviewed National Garages' performance during the past year and recommends the DDA provide $20,000 as a bonus to National Garages' employees for calendar year 2000;

RESOLVED, The DDA authorizes a payment in December 2000 of $20,000 to the employees of National Garages, Inc., as provided for in the agreement between the DDA and National Garages;

RESOLVED, That the DDA directs that a no more than 50% of this employee bonus may be paid to the management personnel of National Garages; and

RESOLVED, That prior to the distribution of the employee bonus, National Garages must furnish the DDA with a list of recipients and the amounts they shall receive as a result of this DDA bonus.

A vote on the motion showed:
AYES: Aldrich, Beal, Berlin, Dankert, Fritz, Gillett, Greff, Gunn, Pohrt, Sipes, Ungrodt
NAYS: None
Absent: DeVarti
The motion carried.
Mr. DeVarti enters.

PARTNERSHIPS COMMITTEE
Mr. Gillett reported that Committee members had had discussions with Mr. John Carlson on the possibility of a lease agreement at the Ann/Ashley site for a restaurant. Nothing was decided and it is expected that Mr. Carlson will soon respond to DDA proposals on specific terms. Ms. Pollay said she was researching related issues, including the possible widening of the sidewalk for café seating and storm water retention implications.

Mr. Gillett reported that the First & Washington RFQ has been mailed, and an informational meeting will be held Friday, December 8 at 2:00 p.m. at the Fire Station conference room. All DDA members were welcome to attend. Additional information will be forthcoming at the next DDA meeting.

The Committee had received a request from Spoon Equities L.L.C. for assistance with free parking at the Maynard deck to enable him to provide one affordable housing unit in his new development on Maynard at the site of the former McDonald’s. The Committee would review this request at its next meeting.

Mr. Gillett moved and Ms. Greff seconded the following resolution:

RESOLUTION APPROVING DDA FUNDING ($10,000) FOR A HOUSING COORDINATOR FOR 2000/2001

Whereas, The DDA has a commitment to maintaining and increasing the supply of housing in the downtown area, and encourages public programs and private sector development which provide a broad spectrum of housing opportunities that are affordable to people at all income levels.

Whereas, The DDA created a DDA Housing Fund in 1997 with the understanding that it would be used to support the overall housing goal of the DDA to encourage residential development in the downtown and help facilitate a balanced housing environment in the downtown;

Whereas, The DDA approved “Criteria to Evaluate Proposals for Use of the DDA Housing Fund” in May 2000;

Whereas, An important criterion states that the project involves funds from sources in addition to the DDA;

Whereas, The Ann Arbor Chamber of Commerce and the City of Ann Arbor have proposed the creation of a Housing Coordinator to implement the actions identified by the City’s Affordable Housing Taskforce aimed at increasing the availability of housing for households earning up to 95% of the area median income;

Whereas, The Task Force has identified four goals for action, which are as follows:
- Convert at least 250 units of existing housing into permanent, affordable housing.
- Provide at least 10 families per year with a first time home ownership opportunity.
- Identify and establish 3 new income sources for affordable housing.
- Review City of Ann Arbor regulatory ordinances and development review process to give priority to affordable housing.
Whereas, The Chamber and City have approached the DDA as a potential partner in this three-year project, whereby a Coordinator would be guided by a committee with representatives from the DDA, the Chamber, and the City Community Development Department;

Whereas, The Housing Coordinator would be expected to work with the DDA to determine the feasibility of adding affordable housing units in the downtown area;

Whereas, The three-year project costs are expected to be $141,120;

Whereas, The Chamber will provide the rent, equipment, and supplies valued at $15,000;

Whereas, The City has committed $27,000 for F/Y 2000/2001;

Whereas, The Ann Arbor Community Foundation has been asked to contribute $15,000 to this project;

Whereas, The DDA has been asked to contribute $10,000 year for three years beginning F/Y 2000/2001;

Whereas, This question had been considered at the November DDA meeting, but tabled for further review;

Whereas, The DDA Partnerships Committee has discussed this project, and recognizes the importance of collaboration to achieve residential development goals;

Whereas, The DDA Partnerships Committee also recognizes that the issue of increasing the stock of affordable housing is a regional concern that can not be met merely by focusing on Ann Arbor resources, and urges the Chamber and City to expand the focus of the project to work in cooperation with Washtenaw County, the Townships, and the University of Michigan;

RESOLVED, The DDA approves funding for a Housing Coordinator position for fiscal year 2000/2001 for the total amount of $10,000.

Mr. Gillett said that this resolution was tabled at the previous DDA meeting so the Committee could meet with Chamber of Commerce and the Community Development staff to discuss the scope of the position. The resolution has since been revised to remove any reference to a requirement for matching funds from the County and townships, and now showed a single one-year commitment from the DDA to allow the position to be created while enabling the DDA to reserve the option for any future funding.

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

CAPITAL IMPROVEMENTS COMMITTEE
Fourth/William Parking Structure Repairs - Project Status
Mr. Beal asked Mr. Iraola to report on the temporary repairs underway.  Mr. Iraola reported that there had been about a week's delay in completing the work.  All work was now at the ground level and there had been unanticipated problems with getting vehicles in and out of the deck quickly.  A meeting would be held on site at 3:00 p.m. today to address these problems.  This work should be completed by mid-December.

Mr. Beal stated that at their next Committee meeting they hope to have the engineers report on the status of the larger Fourth & William repair project currently under design.

**State Street Area Improvements - Project Status**

Mr. Beal said that a SSA Design Advisory Committee meeting was held at which Peter Pollack presented a series of design concepts.  There will be two community meetings held on December 7th to elicit public input on these designs.  An important issue also under investigation is the possible impact the storm water retention ordinance will have, as this could significantly impact the budget for this project.

**Fourth Avenue Improvements - Project Status**

A meeting was held with Mitchell & Mouat, and it was agreed that given the limits of the project budget, the first priority would be repairs, then additional lighting as needed, and then other construction or improvements as funds allow.  The Committee will recommend that additional lighting on Fourth near William be provided by affixing light to the parking structure as it would be significantly less expensive than installing light poles in the sidewalk.

**Additional Lights on Huron Street**

Mr. Beal reported that the Committee received a funding request for lights on W. Huron St. to assist the new emergency homeless shelter.  The Committee will support some funding but want the engineering and design analysis to be done by the Shelter Design team, and that Ms. Sipes had agreed to assist.  The DDA would be notified once detailed cost estimates are available.

**Ann/Ashley Project Status – Construction Issues**

Mr. Beal said that if a restaurant were added, the DDA would have to address storm water retention for the entire Ann Ashley deck.  While there may be benefits to going forward with this, including the acquisition of new TIF because of private investment, perhaps the DDA might do well to wait until the County determines if it requires construction of additional floors sometime in the near future.

**Other Capital Improvement Issues**

Mr. Iraola reported that the Forest structure is 2/3 complete, and the schedule for completion is still early summer/late spring 2001.  Work will continue through the winter.  He said that the UM receives copies of all testing reports, minutes and field notes so they are fully informed.  Mr. Morehouse reported that he has been working with Traffic and Safety and the UM on access card technology.

Mr. Beal reported on the status of Mr. Peter Bilakos’ request for DDA funding assistance for his N. Fourth Avenue sidewalk.  It was said that the City Building Department requirement to make the sidewalk ADA compliant had resulted in the creation of a problematic 3” drop between the sidewalk and the brick which had been temporarily filled.  Ms. Donna Johnson said that there was more background information on the situation.  Ms. Pollay suggested that Building Department staff be invited to the next Capital Improvements Committee meeting to provide details on the situation.

**PLANNING COMMITTEE**
Ms. Sipes reminded DDA members that the Midyear Retreat would take place December 11th. The agenda will include a review of goals set at the June 2000 retreat, followed by extensive discussion of the 2012 Plan. The latest draft plan was provided for review prior to the retreat. She asked DDA members to anticipate participating in a work session with City Council on February 26, 2001 to discuss the 2012 plan. There will also be a series of meetings with stakeholders to discuss the plan.

She said that the Committee had met with Mr. Peter Allen to discuss his proposed project on E. Liberty, and that Ms. Pollay had been instructed to send a general letter of support. The letter indicated DDA appreciation for neighborhood involvement in the project design, as well as his ideas for promoting the block as a Historic District. Ms Pollay said copies of this letter were available in the Board packet for review.

### 8. Other DDA Business

Ms. Pollay said she had received a letter from the Jackson/Huron Neighborhood Association asking for a DDA member to be involved in their efforts to have Huron St. designated as a Heritage Route. If anyone is interested, please let her know.

Ms. Sipes reported that she and other architects, developers, Chamber representatives, and engineers had attended meetings to discuss the recently-revised Storm Water Ordinance. There is a growing awareness of the unintended consequences of the ordinance, notably the resistance by developers to renovate or develop their property, much of which is in the downtown. This is a topic for the DDA to revisit in the future.

Mr. Dankert reported on a Planning initiative being considered to decrease the parking requirements for the City’s general office district from one space per 250 S.F. to one space per 333 S.F. and to limit the maximum number of spaces. This will affect only the areas outside the DDA district.

### 9. Adjournment

As there was no further discussion, upon motion, the meeting was adjourned at 1:48 p.m.

Respectfully submitted,
Susan Pollay, Executive Director