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<th>1. ROLL CALL</th>
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<th>2. OLD BUSINESS</th>
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<th>3. AUDIENCE PARTICIPATION</th>
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<th>4. DOWNTOWN AREA CITIZENS ADVISORY COUNCIL</th>
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<td>Ray Detter reported: Last night the CAC had their annual meeting/dinner party at which we updated our shared information and made plans for activities in the New Year. The presence of Doug Kelbaugh at our meeting encouraged us to focus much of our discussion on our plans for a CAC response to the Calthorpe report. We are pleased that there will be many meetings that will permit the public to comment. There is still a lot to be discussed. We will be devoting the CAC January meeting to an analysis of its findings and the development of position statements on its recommendations. We want to play a positive role in implementing the recommendations of the Calthorpe report with which we agree—and to identify any that may need further refinement before they can be encouraged. We should all keep in mind that one of the reasons we are faced with the need to adopt this report is that the zoning recommendations of the 1988 Downtown Plan were never implemented.</td>
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CAC members live downtown. It is our home. We want our role in shaping the future of the downtown to be a positive and creative one. We agreed last night that the best set of goals and objectives for the downtown remain those stated in the DDA Renewal Plan. We plan to continue to remind the DDA and all elements of our community of the value of those goals and objectives.

We have most recently attempted to promote our commitment to two very specific objectives in achieving those goals—1) Encouraging affordable market rate housing at the 60-75% level in the downtown area, and 2) Identifying the Huron River as the major Greenway area in our city and encouraging its greater
connection to the downtown both physically and in the consciousness of our community. We want pedestrian and bicycle paths from every part of downtown to our wonderful city parks along the Huron River. But there are other major goals for the new year that we will also work to accomplish.

1. Moving ahead with the DDA Three Site plan as now envisaged.
2. Making the housing and transportation plans on the old YMCA site a success in relation to the expectations stated in the RFP that made them possible.
3. Encouraging wise development of downtown sites that accomplish the goals of the DDA Plan and the Calthorpe report. Let’s fulfill community expectations and values on Liberty Lofts, McKinley Town Center, Ashley Terrace, Kingsley Lane, 414 North Main—to name a few.
4. We also plan to play a significant part in the discussions that involve the future of the Library Lot and the location and development of a new City Hall.
5. We will also be adding additional historical Street Exhibits on the Broadway Bridges and plan to work for more Public Art in the downtown.

We still remain committed to the development of Lower Town as an important area related to the downtown and we will encourage the city to move forward on the implementation of the Lower Town portions of the Northeast Area Plan. We do not support the University of Michigan’s plan to turn Wall Street into a parking—transient center because it is in conflict with that Plan.

5. **NEW BUSINESS**

It was resolved by the DDA board to move its monthly January meeting to January 11th.

Ms. Pollay announced that City Council accepted the Calthorpe report and determined that three public hearings would be held during a sixty-day comment period as follows:

- Planning Commission: Tuesday, January 10th at 7pm in City Council Chambers.
- DDA: Thursday, January 26th at 7PM, DTE Building.
- City Council: Monday, February 6 at 7PM, Council Chambers.

There is a link on the City website where citizens may send comments: www.a2gov.org.

6. **APPROVAL OF MINUTES**

Ms. Greff moved and Mr. Hewitt seconded approval of the November 2, 2005 Board minutes.

A vote on the motion showed:

**AYES:** Beal, Boren, Collins, Dankert, DeVarti, Greff, Gunn, Hewitt, Hieftje, Smith
**NAYS:** None
**Absent:** Aldrich, Gillett

The motion carried.

Mr. Aldrich enters.

7. **SUBCOMMITTEE REPORTS**

**CAPITAL IMPROVEMENTS:**

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

**RESOLUTION PROVIDING FUNDS TO ASSIST WITH CAPITAL IMPROVEMENTS TO THE FARMER’S MARKET ($296,300)**

Whereas, The Farmer’s Market is a community asset owned by the City of Ann Arbor used throughout the year, including a twice-weekly Farmers Market, a weekly Artisan’s Market and an annual Book Fair;
Whereas, The Market also serves as a public parking site four days a week, and this parking is managed by the DDA under its contract with the City of Ann Arbor;

Whereas, There are maintenance needs at the Market, including painting and deteriorating asphalt, as well as improvement opportunities such as storm water management, landscaping, improved lighting and increasing the number of vendor stalls;

Whereas, Following a great deal of public input, on January 18, 2005 a Master Plan for the Market was submitted to City Council, who accepted the Plan and appointed a committee to elicit further comment to enable a consensus configuration to be developed;

Whereas, The recommended configuration provides an extension of the middle shed structure to Fourth Avenue, providing for 171 stalls under cover and open air;

Whereas, This configuration will eliminate the two dead end drive lanes in the parking lot, and create a “u” shaped drive through arrangement which will make the lot more user-friendly for parking patrons;

Whereas, This configuration will also reduce the number of parking spaces on this site slightly from 75 to 69 spaces;

Whereas, The new Plan for the Market would be implemented in three phases from early 2006 to the end of 2007 and is estimated to cost $947,500, with the City Parks and Recreation Rehabilitation Millage providing $345,300 and the Market Fund providing $305,900;

Whereas, The DDA has been asked to provide $296,300 toward the total cost;

Whereas, The amount requested addresses primarily parking-related costs, including pavement demolition and replacement, storm water management, lighting and landscaping;

Whereas, The DDA Capital Improvement Committee met with City representatives to discuss this project in detail, and have recommended approval of this funding request, with funds to be taken from the DDA’s Parking Maintenance Fund;

RESOLVED, The DDA approves a grant in the amount of $296,300 for the Farmer’s Market improvement project to be taken from the DDA’s Parking Maintenance Fund.

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

2005 Conditional Appraisal: Mr. Beal said that CWI had completed its work and the Capital Improvements and Operations Committees will study the report and make recommendations in the near future. It is anticipated that parking structure repairs will come out of the Parking Maintenance Fund.

1st & Washington Demolition: Mr. Beal said that the contractor took longer to get its permits and insurances than anticipated, but has begun shoring. Demolition will likely begin in early January.

Alley Repairs 2005/2006: Mr. Beal said bids will be solicited next week.

4th & William Addition: Mr. Beal said that we are awaiting a code interpretation by City staff as we need to determine if an elevator must be expanded to accommodate a gurney, and if so, what the costs may be. If too prohibitive, the DDA may determine it does not want to proceed with this addition.
**Tree Pit Repairs:** Mr. Beal reported that contractors were asked to provide a sample of their work so the cost and quality of their work can be compared. Unfortunately, weather conditions made it necessary to delay this analysis until spring.

**ADA Ramps:** Mr. Beal said that the suit against the City was extended to include the DDA. The DDA must inventory District ramps, determine code compliance and provide a schedule for replacements if necessary. The DDA will be provided details as they are compiled.

**5th & Division:** The next Design Advisory Committee meeting is scheduled for December 12.

**Huron:** Staff and consultants made a presentation to the Planning Commission on November 10th and received very positive feedback on project costs and design work to-date.

Mr. Gillett enters.

**OPERATIONS COMMITTEE:**

**October 2005 Financial Reports:** Mr. Hewitt reported that TIF operating expenses are over budget as the costs for the Sculpture Plaza and Huron 5th & Division projects had not yet been transferred to the TIF Maintenance Fund. The parking contractor expense is over budget due to the extra rent amount requested by the City. Parking revenues and the number of patrons are above projections for the first quarter of FY 2005. All other line items are as anticipated. **A motion to accept the October 31, 2005 statements was moved by Mr. Hewitt, seconded by Mr. Hieftje and unanimously accepted.**

Mr. Hewitt moved and Mr. Beal 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 two successive five-year terms;

Whereas, This proposal would provide for a yearly license fee of $20,000 for the initial term with 20% 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 interest are met.
Mr. Aldrich asked if the DDA had a policy for leases of this kind; Ms. Pollay said no, each was negotiated based on the precedent set by the preceding contract. Mr. Dankert suggested that the DDA include space for cell towers on any new parking structures.

A vote on the motion showed:

AYES:  Beal, Boren, Collins, Dankert, DeVarti, Gillett, Greff, Gunn, Hewitt, Hieftje, Smith
NAYS:  Aldrich
Absent:  None
The motion carried.

Mr. Hewitt moved and Mr. Beal supported 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 one more year, until November 30, 2006;

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 by the rate of inflation (4.34%) from $21,068/year to $21,982/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.

A vote on the motion showed:

AYES:  Aldrich, Beal, Boren, Collins, Dankert, DeVarti, Gillett, Greff, Gunn, Hewitt, Hieftje, Smith
NAYS:  None
Absent:  None
The motion carried.

Mr. Hewitt moved and Mr. Hieftje supported the following resolution:

RESOLUTION TO APPROVE THE REVISED DDA BUDGET FOR FISCAL YEAR 2005/2006

Whereas, The DDA Board passed a FY 2005/06 budget for the DDA based on its Ten Year Plan in February 2005;

Whereas, The DDA Board has approved items not anticipated in its FY 2005/06 budget, thus necessitating a budget revision so that expenditures will not have exceeded the budget;

Whereas, The Operations Committee recommends approval of this budget revision by the DDA;

RESOLVED, The DDA approves its FY 2005/06 budget revision.

The board asked to make the following amendments to the proposed amended budget: move $15,000 for the Community Housing Needs Assessment from the Grant line item to the Housing Fund; change
the amount designated for alley repairs to $1.2 million; revise the Link grant amount to $22,598; and add $296,300 for the Farmers Market repairs to the Parking Maintenance fund. These changes were moved by Mr. Hewitt and supported by Mr. Hieftje as friendly amendments.

Mr. Hieftje thanked the Committee for its work. Mr. DeVarti stated his discomfort that the DDA budget showed $250,000 for grants, as this suggests a DDA commitment for this total and he would prefer that the DDA decide each request on an individual basis. Mr. Beal said that the Board could create a process whereby all grants would be considered at one time. Mr. Collins suggested that this would be an appropriate discussion item for the retreat that followed. Mr. Gillett asked why the budget was to be amended midyear and why variances shouldn’t just be carried forward. Mr. Dankert expressed concern that if the budget was amended too often we would lose track of the changes. Ms. Gunn said that the budget is a living document and not set in stone, and a tool to assist the DDA in its work.

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

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

RESOLUTION APPROVING THE RFP FOR THE REDEVELOPMENT OF THE FIRST AND WASHINGTON SITE

Whereas, City Council approved “Resolution Requesting Preparation of Requests for Proposals for The Redevelopment of City-Owned Properties” on August 1, 2005, which set forward goals for the redevelopment of the Kline Lot and First & Washington;

Whereas, This resolution requested that a DDA/City Council subcommittee prepare a Request for Proposals (RFP) for Council approval to encourage the redevelopment of First & Washington with a new development to include market-rate and/or affordable housing; and public and/or private parking;

Whereas, The DDA Partnerships Committee has met weekly for several months and has formulated an RFP that would meet Council’s goals, and includes the following:

Goals for the Redevelopment of First & Washington
• Increase downtown residential density and diversity
• Replace public parking spaces on this site
• Maximize the financial return to the City for the sale of the land
• Maximize TIF revenue to the DDA for the redevelopment of this site

DDA/City Vision for a First & Washington Development
• A project design appropriate in this transitional area
• A pedestrian-friendly building that relates well to the street, and which includes setbacks as building height increases
• A project that will help activate the area
• A project that provides housing for a diversity of people, including some units affordable to downtown workers earning between 60% and 80% of area AMI
• A project that provides minimum of 120 and a maximum of 200 public parking spaces, either constructed below ground or otherwise hidden from view, build to the City’s specifications. The
parking needs of the building shall be provided by the developer separate from the public spaces on site at the developer’s sole expense.

- A project that improves the functionality of the alley
- A project that is approximately 8 inhabitable stories including parking, with a maximum of 10 stories measured from the First and Washington Street corner
- A project that will include a number of environmentally sensitive design features, and encourages the use of LEED standards

Whereas, The Partnerships Committee has recommended that the DDA provide the following incentives to enable a project to take shape on this site as follows:

- Parking: If the public parking spaces on this site are constructed above grade, the DDA will provide $35,000/car space; if the public parking on this site is constructed below grade, the DDA will provide $40,000/car space, inclusive of all project costs.
- Affordable Housing: The DDA will provide $100,000 from its Housing Fund toward the cost to construct housing units on site affordable to individuals earning up to 60% of AMI, with a maximum contribution of $400,000 for four units.

Whereas, The Partnerships Committee recommends that the DDA’s contributions to this project be limited to the two items mentioned above;

Whereas, The Partnerships Committee will present the contents of the RFP to City Council at a work session on December 12, 2005 before seeking Council approval for its distribution, as the City will be responsible for its issuance;

RESOLVED, The DDA approves the goals and vision statement for the First and Washington redevelopment project as proposed by the Partnerships Committee; and

RESOLVED, The DDA authorizes a commitment of DDA assistance for public parking and affordable housing as proposed by the Partnerships Committee.

Mr. Beal asked if the RFP will change; Ms. Pollay said that it will be presented to Council where revisions may be made. Ms. Greff asked if $40,000 is adequate to encourage below-grade parking; Mr. Beal said that this may be sufficient but it will be impossible to know until an actual proposal has been designed. Mr. Hewitt said that developers benefit by pushing parking below grade, as they then have the potential for that many more floors of residential and commercial above grade.

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

RESEARCH AND OPPORTUNITY COMMITTEE
Communication Plan. Mr. Boren said that the Committee had met with re:group to revise their proposal to better meet DDA communication goals.

Benchmark Data. Mr. Boren said that as December data is compiled it will be placed on the web site.

8. OTHER DDA BUSINESS MATTERS
None.

9. OTHER AUDIENCE PARTICIPATION
Ms. Briggs said that the getDowntown program is sponsoring a winter bike program.

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<th>ADJOURNMENT</th>
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<td>As there was no further discussion the meeting was adjourned at 1:30 P.M.</td>
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Respectfully submitted,
Susan Pollay, Executive Director