MINUTES
Downtown Development Authority
Thursday, December 11, 1997

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

Time: The Chair, Maria Harshe, called the meeting to order at 5:05 p.m.

1. Roll Call

Present: Neal Berlin, David DeVarti, David Fritz, Bob Gates, Leah Gunn, Maria Harshe, Karl Pohrt, Ed Shaffran

Absent: Bob Gillett, Deanna Relyea, Lorri Sipes, Skip Ungrodt

Staff
Present: Susan Pollay, Executive Director

Audience: Tom Bartlett, Citizen's Advisory Council
Joan Blos, Citizen's Advisory Council
Ray Detter, Citizen's Advisory Council
Bob Frazer, National Garages
Sue Gott, Johnson, Johnson & Roy
Adrian Iraola, Engineering Division, City of Ann Arbor
Matt Jobin, Rich & Associates
Donna Johnson, Planning Department
Dick Mitchell, Mitchell & Mouat Architects
Peter Pollack, Pollack Design Associates
Richard Roberts, Dahlmann Properties
Kent Whiteman, South University Area Association
Steve Zarnowitz, Dahlmann Properties

2. Approval of Minutes

Mr. Shaffran made a motion, and Mr. Gates seconded, that the minutes of the November 13, 1997 meeting be approved.

A vote on the motion showed:

AYES: Berlin, DeVarti, Fritz, Gates, Gunn, Harshe, Pohrt, Shaffran
NAYS: None
Absent: Gillett, Relyea, Sipes, Ungrodt

The motion carried.
3. Report by DDA Citizen's Advisory Council

[A transcript of the December 1997 report provided by Citizen’s Advisory Council Chair Ray Detter will be provided at a later date.]

Ms. Harshe asked Mr. Detter to relay to the Citizen’s Advisory Council the DDA’s thanks for their efforts this year, and expressed enthusiasm for working together on projects in the new year.

Ms. Relyea enters.

4. Audience Participation

Richard Roberts introduced himself as the Manager of the City Center Building, and explained that Dahlmann Properties has invested three years and a great deal of money renovating the office building. One of the biggest problems to development has been parking. This autumn they lost an important anchor tenant, as A.G. Edwards chose to relocate in the Briarwood area, primarily due to the loss of parking in the Fourth & Washington parking structure. Several other current and potential tenants have also decided to locate in more suburban locations where parking was ample and free. Steve Zarnowitz, also with Dahlmann Properties, reminded the DDA that they recently received a letter indicating the City Center Building interest in committing to a long-term lease for a level designated for permit parking in the new Fourth & Washington parking structure. He understands there are also downtown residents interested in procuring permit parking in the facility, however, the tenants plan to park during the day while many residents will be out of the area working. Thus, there would be minimal conflict in providing permit parking to the City Center Building, as well as downtown residents.

Mr. DeVarti expressed concern that a potential tenant had overheard laughter when asking the National Garages office staff to place him on a waiting list for permits. Ms. Harshe thanked Mr. Roberts and Mr. Zarnowitz for attending the DDA meeting, and looked forward to continuing the discussion of permit allocation at a later date.

5. New Business

None
Parking Construction Committee
Ms. Pollay introduced members of the Fourth & Washington parking structure design team, including Dick Mitchell, Matt Jobin, Sue Gott, and City Engineer, Adrian Iraola. Mr. Iraola described briefly the public input process to date for the new parking structure, and introduced Mr. Mitchell who provided an outline of the recommendation put forward by the Design Committee for the Fourth & Washing parking structure, a committee composed of DDA members, Citizen’s Advisory Council members, City staff, and downtown business owners.

Mr. Mitchell described the layout of the old structure, and reported that the footprint of the structure will remain the same, although a new design will allow more room on the sidewalk as well as higher ceiling clearances. Stairwells and elevators will be moved to the outside of the building, and could be glass-enclosed, thus, increasing the perception of safety. Several different layouts for the new facility have been explored by the Design Committee and put aside in favor of “Scheme A.1,” which maximized the amount of vehicle parking, while at the same time, provided the most safety for pedestrians within the structure. The central elevator/stairwell shaft will be located at the corner of Fourth & Washington, and an additional stairwell will be located at the northeast corner near Courthouse Square Apartments.

Mr. Iraola was asked why the design didn’t make use of the adjacent alley. Mr. Iraola reported that: a). a major electrical transformer would have to be moved, which would be very expensive, b). the alley provides access for adjacent buildings and a dumpster servicing the bank, thus, the extra spaces could not begin until a cantilevered area three-stories above the alley, c). using the existing foundations (which saves a great deal of money) does not take into account the need to cantilever over the alley, and d). the small number of spaces that would be gained by extending over the alley did not warrant the added costs. Mr. Berlin asked who would make the determination about how tall the structure will finally be, to which Ms. Gott replied that the engineers will assess possible construction costs and the number of floors could be determined by budget limitations. Mr. Berlin asked if the kind of material selected may affect these costs, to which Mr. Mitchell said yes. Mr. Shaffran stated that the cost for the facade and other non parking related aspects of the project could effect what’s available for construction. Ms. Gunn suggested that the construction budget could be supplemented by pursuing Mr. Dahlmann’s offer to purchase the rights to a level designated to monthly permits. Mr. DeVarti stated that he favored building a structure with as many parking spaces as possible, within reason. Ms. Harshe asked that the incremental costs to adding additional floors be provided to the DDA for their consideration. Ms. Gott stated that she
will convey the spirit of the DDA’s debate to the Design Committee, communicating that as many spaces as possible should be considered.

Mr. Shaffran asked that a resolution be approved by the DDA, selecting Scheme A.1 as the design for the new structure, with a structure providing approximately 317 parking spaces and being as high as eight stories.

As part of the additional discussion, Ms. Gunn thanked the design team for its hard work. Mr. Gates asked when construction was expected to begin, to which Mr. Jobin replied that documents will be completed in mid-May and put out to bid. It could be anticipated that construction will begin July 1, 1998. Mr. Shaffran asked why the site plan approval process was anticipated to extend as long as first anticipated, as the Mayor had requested that the Planning Department work to expedite their process. All encouraged the Planning Department to expedite their work as quickly as possible.

Mr. Shaffran made the motion, with support from Ms. Gunn. A vote on the motion showed:

AYES: Berlin, DeVarti, Fritz, Gates, Gunn, Harshe, Pohrt, Relyea, Shaffran
NAYS: None
Absent: Gillett, Sipes, Ungrodt

The motion carried.

Mr. Shaffran reported that bids had been received for the demolition of the Fourth & Washington structure, and upon motion by Mr. Shaffran with support by Mr. Pohrt, the following resolution was put forward:

RESOLUTION TO RECOMMEND A CONTRACT WITH RICHTER’S CONTRACTING, INC. FOR DEMOLITION OF FOURTH & WASHINGTON PARKING STRUCTURE

Whereas, the DDA resolved at its August 1997 meeting to support a multi year parking structure repair and replacement plan;

Whereas, One of the first phases of this multi year repair and replacement plan calls for the demolition of the current parking structure at South Fourth Ave. and Washington St;

Whereas, Thirteen sets of plans and specifications were distributed to contractors who had expressed interest in the project and three bids for the work were received and opened;
Whereas, Richter’s Contracting, Inc. has submitted to the City, on December 9, 1997, a bid for said work in the amount of $377,620.00 which amount is the lowest responsible bid;

RESOLVED, That the DDA recommends approval of a contract with Richter’s Contracting, Inc. in the amount of $377,620.00 for demolition of the Fourth and Washington Parking Structure;

RESOLVED, That the total budget for the project be approved at $549,020.00, which will include costs for engineering services, sidewalk and other permit fees, consulting and professional services, as well as contingencies and other miscellaneous costs.

Mr. Shaffran reported that project budget included costs for vibration monitoring, and that saw cutting the entire structure could have cost as much as $1 million.

Mr. Shaffran made the motion, with support from Ms. Gunn. A vote on the motion showed:

AYES: Berlin, DeVarti, Fritz, Gates, Gunn, Harshe, Pohrt, Relyea, Shaffran
NAYS: None
Absent: Gillett, Sipes, Ungrodt

The motion carried.

Ms. Relyea asked that the City Council waive the sidewalk and other permit fees, estimated at this time to be $40,000. Mr. DeVarti requested that the City be asked to expedite the approval process, not waive fees, to which Ms. Gunn suggested it was reasonable to ask for both.

Upon motion by Ms. Relyea, with support from Ms. Gunn, an amendment to the previous resolution was put forward to ask the City to waive all permit fees for the demolition.

A vote on the motion showed:

AYES: Fritz, Gates, Gunn, Harshe, Pohrt, Relyea, Shaffran
NAYS: Berlin, DeVarti
Absent: Gillett, Sipes, Ungrodt

The motion carried.
Mr. Shaffran reported that the DDA request to the Public Services Department to assign a City Engineer to act as Project Manager, specifically Adrian Iraola, had not been answered to date. To this end, upon motion by Mr. Shaffran with support from Ms. Gunn, the following resolution was put forward:

RESOLUTION TO REQUEST THE CITY ADMINISTRATOR ASSIGN THE DDA A CITY ENGINEER AS PROJECT MANAGER FOR THE PARKING REPAIR/REPLACEMENT PROGRAM

Whereas, The DDA resolved at its August 1997 meeting to approve an ambitious multi-year parking construction program including five parking structure repairs and two complete parking structure replacements;

Whereas, At its August 1997 meeting, the DDA also approved the creation of a Project Manager position to be principally responsible for overseeing parking structure repair and construction projects;

Whereas, After careful evaluation of the current parking repair/replacement program, and the necessary engineering skills and oversight responsibilities required to ensure the appropriate review by the DDA Executive Director and Board of existing and future independent consulting and construction contractors, the DDA Parking Construction Committee has recommended to the Board the need to immediately fill the position of Project Manager;

Whereas, DDA Parking Construction Committee and the DDA Executive Director have determined that the position can best be filled within the time constraints presented by the current construction schedule by requesting that the City Administrator assign a City Engineer to the DDA; and

Whereas, The DDA Parking Construction Committee further recommends that the DDA request the City Administrator consider the assignment of Adrian Iraola to the DDA as Project Manager based on his familiarity with the Parking Repair/Replacement Program, the selected consulting firms, his extensive background in working with the DDA Board and its Committees on a number of previous DDA projects;

Resolved, The DDA shall request the City Administrator assign a City of Ann Arbor Engineer to serve as DDA Project Engineer for the duration of the parking repair program;

Resolved, The DDA shall specifically request that the City Administrator consider assignment of Adrian Iraola as Project Manager given his engineering qualifications and previous experience working on DDA projects;
Resolved. The DDA Executive Director is authorized to complete the necessary administrative and budgetary documentation to implement this request if approved by the City Administrator.

Mr. Pohrt reported that he supported this idea, to which Ms. Relyea agreed.

A vote on the motion showed:

AYES: Berlin, DeVarti, Fritz, Gates, Gunn, Harshe, Pohrt, Relyea, Shaffran
NAYS: none
Absent: Gillett, Sipes, Ungrodt

The motion carried.

Mr. Shaffran reported that bids have been received for work in Ann/Ashley and Liberty Square, however, some details remained to be worked out. The demolition of the Forest Structure roof level was delayed while investigation continued into other options. A special DDA meeting will be called when more information is known.

Public Relations Committee
Ms. Relyea reported that a grant will be submitted to the Michigan Council for the Arts and Cultural Affairs (MCACA) to support the installation of art in the Fourth & Washington parking structure. With a total project budget of $70,000, the state will be asked for $50,000, with the remainder provided by a grant from the Bergman family in memory of Reuben Bergman and from the DDA. Ms. Relyea asked to be reimbursed $100 for the application fee and for a resolution from the DDA supporting this grant application, as well as designating her to sign official documents on behalf of the project. Upon motion by Mr. Berlin, with support from Mr. Shaffran.

A vote on the motion showed:

AYES: Berlin, DeVarti, Fritz, Gates, Gunn, Harshe, Pohrt, Relyea, Shaffran
NAYS: none.
Absent: Gillett, Sipes, Ungrodt

The motion carried.

Ms. Relyea was warmly thanked for her efforts writing this grant application.
Mr. Pohrt reported that he has invited Julie Ellison, from the University of Michigan, to come to the DDA January meeting to describe the projects that YOHA (Year of the Humanities and Art) has undertaken. In addition to the importance of public art, he urged the DDA to show its support for YOHA, as it has great ramifications for encouraging the UM to become more involved downtown. He also asked that the DDA approve a letter of support for a YOHA grant application, to which all agreed. Ms. Pollay volunteered to write the letter and provide it by the next morning in time for the grant submittal.

**Spaces Between Buildings Committee**

Ms. Harshe reported that Ms. Sipes, unable to attend the December meeting, had provided a report on the status of the Committee’s work. Much focus has been given to prioritizing DDA energy and funding. One of the most significant changes will be a project focus - rather than a committee orientation. Projects will be funded within the DDA budget, rather than providing a set amount of money to each committee. Mr. Pohrt said that projects have a beginning and end, which allows DDA members to focus in a more organized fashion. Mr. DeVarti commented that the new system will subsume the Housing Committee, although he was comfortable with the change. Mr. Berlin asked how money would be added to the newly founded Housing Fund. Mr. Shaffran suggested that it would take two actions, creating an action budget for the year and then separately setting aside money for a Housing Fund. Upon motion by Ms. Gunn, with support from Mr. Pohrt, a resolution to formally adopt a project-orientation was put forward. Mr. DeVarti said again, he liked the concept, but has concerns. Mr. Gates reminded everyone that the DDA Bylaws stipulate that all funding requests must come from Committees. Ms. Gunn suggested that all requests could filter through the Finance Committee, and Ms. Pollay suggested that the project groups could act as ad hoc committees. Mr. DeVarti asked that allowances be built into the new system that would allow requests from the community. Mr. Shaffran suggested that the action be tabled for further discussion. The action was withdrawn.

**Parking Operations Committee**

Ms. Gunn reminded the DDA that a meeting has been scheduled with the South University Area Association for December 16th. A Parking Operations Committee meeting has been set for January 5 from 12:00-2pm in the DDA office.

**Finance Committee Report**

Mr. Gates reported that the 003 fund account statements seemed to be in good order. The 063 fund also seemed to be in good order. However, he will investigate validation
income. He reported that the second Budget Committee meeting has been set for December 18th at 7:30 a.m. in the DDA office.

**Housing Committee Report**
Mr. DeVarti reported that the Housing Committee met to begin defining what the DDA would like to see in the RFP for selling the City parcel at Main-Packard. Ms. Pollay reported that a copy of the draft RFP had been provided by the City Planning Staff. Mr. Pohrt and Mr. DeVarti agreed to schedule a Housing Committee meeting to discuss the document sometime before the January meeting.

**Pedestrian Improvements Committee Report**
No report.

**Executive Director's Report**
Ms. Pollay reminded everyone of the 1998 DDA meeting dates, and asked once again that DDA members resolve whether they wanted to continue meeting in City Council chambers or in the DDA office, as chambers has to be reserved for the year. She reported that she will be out of the office December 22 through 26.

7. **Other DDA Business Matters**

None.

8. **Adjournment**

There being no other business, upon motion by Gunn, with support from Harshe, the meeting was adjourned at 7:15 p.m.

Respectfully submitted,

Susan Pollay, Recording Secretary