Minutes
Downtown Development Authority
Board Meeting
December 12, 1996

Place: Fourth Floor Conference Room - Guy C. Larcom, Jr., Municipal Building,
100 North Fifth Avenue, Ann Arbor, Michigan 48107

Time: The Chair, Karl Pohrt called the meeting to order at 5:05 P.M.

1. Roll Call

Members Present: Neal Berlin, Dave DeVarti, David Fritz, Robert Gates, Robert Gillett,
Leah Gunn, Maria Harshe, Karl Pohrt, Edward Shaffran, Lorri Sipes, Paul Ungrodt.

Members Absent: Deanna Relyea.

Staff Present: Susan Pollay, DDA Executive Director.

Audience Participation: Jerry Billiter, National Garages, Inc.
Ray Detter, DDA Citizens Advisory Council
Jerald Lax, DDA Board Attorney

There was a moment of remembrance and reflection on Reuben Bergman.

2. Minutes

Ms. Gunn made a motion and Mr. Shaffran supported that the Board meeting minutes
dated November 14, 1996 be approved.

A vote on the motion showed:

NAYS: None.

Absent: Gillett, Relyea.

The motion carried.

Mr. Gillett entered.

3. Report by DDA Citizens Advisory Council

Ray Dettter presented the following report:

Members of the Citizens Advisory Council asked me to once again urge the DDA to do whatever possible as a Board and as individuals to encourage the Ann Arbor City Council and the Planning Commission and Department to move promptly to revise downtown zoning laws, codes, premium requirements and planning processes to implement the recommendations of the Downtown Plan adopted in 1988. You have a copy of our letter to Mayor and Council making this request and also asking them to allocate the funds necessary for Planning Department staff to complete this task.

We believe it is urgent to proceed with implementation. The more successful our downtown becomes, the greater the danger is that some outside developer will try to take advantage of our inadequate requirements and attempt to move through the approval process without conforming to community expectations as stated in our Downtown and Central Area Plans. For our part, as individuals and as a group, we will begin contacting the Mayor, Council, City Administrator and Planning Department in the New Year by phone and in person to attempt to encourage and monitor their progress in implementing the Downtown Plan. We will do everything we possibly can to help them. Members of the Citizens Council have asked me to request that you do the same.

Last night the Citizens Council began the process of reviewing their stated goals and objectives statements for the downtown in the areas of housing, parking, pedestrian improvements, historic preservation, parks and open space, public art and crime and safety. We expect to have this task completed in the next few months. As we have done in the past, these statements will be distributed to the DDA, Mayor, Council, developers, and every area of City government. We believe the downtown has changed considerably over the last five years and we want our carefully developed positions in all these areas to help provide both a vital economic future and a quality residential environment for the downtown. We believe these two broad goals are inseparable.
We have decided also to expand our membership from its present number of 13 to at least 20 in order to make the Citizens Advisory Council as broadly representative of the neighborhood areas and concerns of downtown residents. Last night our meeting was attended by Meg and Brian Delaney who live on First Street. They wish to join the Council and have a desire to serve as Citizens Council representatives to your Pedestrian Improvements Committee as soon as that meets with your approval. We wish to add one or more people to the Council from the Courthouse Square Apartments as soon as it is open. We also wish to ask you to put us in touch with anyone you might want to suggest from the State Street and South University areas. We want our membership to be as diverse as our downtown. Our only requirement is that they live in the DDA area and be committee to its success. As a major part of the downtown residential population, we would welcome a student representative -- particularly from the South University area.

Citizens Advisory Council members have asked me to express our appreciation for your willingness to have two of our group -- Joe Arcure and Marlow Bonner work with you on the Parking Committee dealing with the urgent problem of our decaying downtown parking structures. We are also pleased that you are planning broader citizen involvement in the process of finding solutions. However, Citizens Council members asked me to stress a number of points we have made before:

While adequate downtown parking is essential, it should be developed and maintained with a long range vision for the downtown's future that puts major emphasis upon the support and encouragement of existing and future broad spectrum downtown housing. There is currently an unmet demand for downtown housing at all income levels. The importance of downtown residents to the future of the area should be constantly remembered and their parking needs planned for. We must not chain any area of the downtown to a parking structure without considering its future impact upon housing.

As an immediate corollary, we believe that parking developments and changes being considered should be encouraged only if the full impact upon present and future residents of the downtown has been considered.

We further believe that all our parking plans should be made with a constant awareness of other possibilities for bringing people and cars into the area. Further means need to be encourage to insure that those people who don't have to park in the downtown are given reasonable alternatives.

1. Parking in less desirable structures with adequate shuttle service to places they need to go.

2. Structure rates to encourage people to park in less desirable structures.
(3) Further encouragement by the City and University of efficient shuttle systems from outside the central.

4. **Audience Participation**

None.

5. **New Business**

**Revised By-Laws**

Ms. Pollay referred the Board to pages 27-34 in the Board package that included a memorandum from her, dated 4 December 1996 regarding DDA By-Laws, and a copy of the By-Laws. She stated that a series of DDA By-Laws amendments dating back to 1989 were never brought before City Council for their approval. If the DDA is still resolved to support these changes, then the adopted by-law amendments should be forwarded to the City Administrator for placement on an upcoming City Council agenda for approval. Mr. Lax added that the Board should have City Council approve the amended By-Laws retroactively to the date or ratify actions taken by the Board.

There was discussion regarding Section VI - Quorum and Voting; the language in Sections X - Contents of Resolution; Section XI - Requests for Funding; and the need for sections X and XI.

Mr. Berlin made a motion that the DDA Board approve the By-Laws, and submit them to City Council, and separate out Sections X and XI for a separate vote. If there is a need for editorial changes, authorize Susan Pollay to make the necessary changes.

A vote on the motion showed:

**AYES:**

**NAYS:**
None.

**Absent:**
Relyea.

The motion carried.

Mr. DeVarti made a motion that Sections X and XI of the By-Laws be placed on the table for discussion. Mr. Shaffran supported.
There was discussion regarding the need for Section X. Mr. Ungrodt moved the question.

A vote on the motion showed:

**AYES:** Berlin, DeVarti, Fritz, Gates, Gillett, Gunn, Harshe, Pohrt, Shaffran.

**NAYS:** Sipes, Ungrodt.

**Absent:** Relyea.

The motion carried. Section X, Contents of Resolution was deleted.

Ms. Gunn made a motion that Section XI remain in the By-Laws. Mr. Shaffran supported the motion.

A vote on the motion showed:

**AYES:** Berlin, Fritz, Gates, Gillett, Gunn, Harshe, Pohrt, Shaffran, Sipes, Ungrodt.

**NAYS:** DeVarti.

**Absent:** Relyea.

The motion carried.

Gates made a motion to ratify any action taken by the Board in reliance on the By-Laws as the Board understood them. Ms. Gunn supported the motion.

A vote on the motion showed:

**AYES:** Berlin, DeVarti, Fritz, Gates, Gillett, Gunn, Harshe, Pohrt, Shaffran, Sipes, Ungrodt.

**NAYS:** None.

**Absent:** Relyea.

The motion carried.
1997 Meeting Schedule

Ms. Pollay informed the Board that due to a conflict with DDA meeting dates and standard City processes, the financial reports included in the Board package will be two months behind. She recommended that the Budget Finance Committee be empowered to focus on the financial reports, and take responsibility for keeping the Board informed and point out items to the Board that need special consideration.

Mr. Shaffran made a motion and Ms. Gunn supported that the Budget/Financial Committee implement the financial reports as part of their regular monthly report to the Board. The Board will continue receiving the financial reports for approval.

A vote on the motion showed:


NAYS: None.

Absent: Relyea.

The motion carried.

Resolution Regarding Annual Bonus to National Garages, Inc.

Mr. Shaffran reported that the Parking Committee met on 12/11/96 and they discussed a bonus payment to National Garages, Inc. He stated that due to the condition of the parking structures, funds are needed for upgrading. Therefore, the Parking Committee is recommending that the DDA pay National Garages, Inc., an additional amount of $20,000.

Mr. Shaffran made a motion and Ms. Harshe supported that the Board adopt the following resolution:

Resolution

Regarding Additional Payments to National Garages, Inc.

WHEREAS, the first extension of the Agreement between the DDA, and National Garages, Inc., dated November 9, 1992, as amended, provides, in paragraph 4(b), that the DDA shall pay to National Garages, Inc., an additional amount equivalent to no more than 3% of net revenue at the conclusion of each 12 month period (December 1 to November 30) if their performance has been to the satisfaction of the DDA, and
WHEREAS, National Garages, Inc., has performed satisfactorily during the 12 month period beginning December 1, 1996 and ending November 30, 1996.

BE IT NOW THEREFORE RESOLVED, that the DDA Board authorizes an additional payment in December 1996 of $20,000 to National Garages, Inc., in accordance with the provisions of paragraph 4(b) of the above mentioned Agreement.

There was discussion regarding the resolution. Jerry Billiter stated that some of the funds provided by the DDA last year was left in escrow. Therefore, they support the recommendation made by the Parking Committee. Mr. DeVarti stated that he is in support of National Garages allocating the majority of the bonus to lower paid employees. Ms. Pollay recommended that a pro-active method be used in giving an employee a bonus. Hard working employees should be given extra incentives.

A vote on the motion showed:


NAYS: None.

Absent: Relyea.

The motion carried.

6. Financial Reports

The Financial Reports will be discussed at the January 1997 Board meeting.

7. Subcommittee Reports

Executive Director's Report

Ms. Pollay informed the Board that Monday, January 13, 1997, the DDA has been invited to participate in a work session with City Council. Also, on January 14, 1997, the DDA will be meeting with the four merchant associations to discuss some of their issues. She will inform the Board of the meeting location.
The Board recommended Ms. Pollay draft a list of items to be discussed at the work session, and share it with the Chair of each subcommittee for their input, and present it to the Board at the January 9, 1997 Board meeting.

**South Forest Street Structure**

Ms. Harshe distributed a task force timeline. She stated that it includes a sketch of what the Committee wants to do with the Forest Street Structure. They plan to involve members of the community. A meeting has been scheduled with the University of Michigan. Also, the Committee plans to make a presentation to the merchant groups once a rough sketch is developed. She stated that she and Ms. Pollay met with Jack Stegeman about a possible public/private partnership. He would like to make a presentation to the Parking Committee.

**Maintenance/Pedestrian Improvements Committee**

Ms. Sipes referred the Board to a diagram that will assist the Committee with creating a position statement regarding the DDA’s responsibilities with maintenance and pedestrian improvements. She stated that the Committee plans to have the mission statement completed by Summer 1997.

**1st & Washington/4th & Washington Committee**

Mr. Shaffran reported that the 1st & Washington/4th & Washington Committee has met several times, and decided that public input will be very important for the two projects. The committee is recommending that an architect be hired to evaluate the project and provide consultation.

Mr. Shaffran made a motion and Ms. Gunn supported the following resolution:

**Resolution for Approval of Expenditures for Site Evaluations**

*Whereas, the Downtown Development Authority (DDA) is currently evaluating all the parking structures.*

*Whereas, in order to facilitate the cost to repair and or replace certain structures, the newly formed S. Forest Street Structure Committee, First/Washington and 4th/Washington Committee and the Finance Committee has requested the assistance of a parking consultant firm to prepare Site Evaluations of not to exceed twelve (12) sites. The Site Evaluations will provide estimated construction costs of constructing a variety (size, e.g., number of parking spaces) of structures on specific (up to 12) sites.*
Whereas, Carl Walker, Inc., will be the parking consultant firm to prepare the Site Evaluations.

Whereas, the Board hereby grants its Executive Director, Susan Pollay, the authority to enter into a contract with Carl Walker, Inc., for not more than $15,000 for said Site Evaluations.

THEREFORE, BE IT RESOLVED, the DDA Board hereby approves the expenditure of not to exceed $15,000 for the Site Evaluations.

There was discussion regarding the resolution. Board members agreed that community input will be important, and the Board needs to educate the public by identifying the problems and possible alternative solutions. Mr. Ungrodt requested that the records reflect that he is opposed to repairs on the three lots in discussion. He stated that he feels they should be torn down.

A vote on the motion showed:


NAYS: None.

Absent: Relyea.

The motion carried.

Parking Committee

Mr. Shaffran made a motion and Ms. Gunn supported the following resolution:

Resolution for Approval of Expenditure for
the Conditional Appraisal of the Maynard Street, Fourth & William,
Forest Avenue, Ann & Ashley and Liberty Square Parking Structures

Whereas, the Downtown Development Authority (DDA) has the obligation to maintain the City of Ann Arbor’s parking structures in good condition.

Whereas, the DDA Board at its March 14, 1996 meeting approved a resolution to evaluate the parking structures.

Whereas, the task of evaluating the structures was split into two phases. Phase I of the condition evaluation was awarded to Carl Walker, Inc., of Kalamazoo, Michigan and is now complete.
Whereas, certain personnel of the City of Ann Arbor Engineering Department, Parking Committee Chair, Ed Shaffran and Executive Director Susan Pollay ("Group") interviewed three (3) parking consultant firms to complete the condition evaluation of the parking structures, Phase II.

Whereas, the Group recommends Carl Walker, Inc., of Kalamazoo, Michigan be awarded the contract.

Whereas, the Parking Committee concurs with the Group.

THEREFORE, BE IT RESOLVED, the DDA Board hereby approves the expenditure of $56,600 for the Conditional Appraisal of the Maynard Street, Fourth & William, Forest Avenue, Ann & Ashley and Liberty Square parking structures by Carl Walker, Inc., together with an additional $30,000 for various City of Ann Arbor Engineering fees and expenditures, total not to exceed $85,000.

There was discussion regarding the RFPs. Ms. Pollay stated that all bids came in at a comparable cost. City of Ann Arbor Engineering personnel will be working with Carl Walker, Inc.

A vote on the motion showed:


NAYS: None.

Absent: Relyea.

The motion carried.

Finance & Planning Committee

Mr. Gates gave the Board an overview of what the Finance Committee has been doing. The Committee has met twice. They have met with Steve Hendel from the City Finance Department to review the DDA’s estimated bonding capacity based on TIF revenues.
8. **Other DDA Business Matters**

Ms. Harshe stated that she and Ms. Pollay explored the City policies for giving a bonus to Joan Lyke who provided extraordinary assistance for the DDA and the Board often beyond here pay level, while the executive director's position was vacant.

Ms. Gunn made a motion and Ms. Harshe supported that the issue be referred to the Executive Committee.

A vote on the motion showed:

**AYES:** Berlin, DeVarti, Fritz, Gates, Gillett, Gunn, Harshe, Pohrt, Shaffran, Sipes, Ungrodt.

**NAYS:** None.

**Absent:** Relyea.

The motion carried.

9. **Adjournment**

Mr. Shaffran made a motion and Ms. Sipes supported that the meeting adjourn.

A vote on the motion showed:

**AYES:** Berlin, DeVarti, Fritz, Gates, Gillett, Gunn, Harshe, Pohrt, Shaffran, Sipes, Ungrodt.

**NAYS:** None.

**Absent:** Relyea.

The motion carried.

There being no further business, the meeting adjourned at 6:50 P.M.

Respectfully submitted by:
Susan Pollay, Recording Secretary