ANN ARBOR DOWNTOWN DEVELOPMENT AUTHORITY RETREAT MEETING MINUTES

May 28, 2010

Place: 150 S. Fifth Avenue, Suite 301, Ann Arbor, 48104
Time: DDA Executive Director, Susan Pollay, called the meeting to order at 2:10 PM

1. ROLL CALL

Present: Newcombe Clark, Leah Gunn, Roger Hewitt, Joan Lowenstein, John Mouat, Keith Orr, Sandi Smith, John Splitt
Absent: Gary Boren, Russ Collins, Jennifer Hall, John Hieftje
Staff Susan Pollay, Executive Director
Present: Joan Lyke, Management Assistant
Amber Miller, Planning & Research Specialist
Audience: Dave Askins, Ann Arbor Chronicle
Sabra C. Briere, Ann Arbor City Council
J. Keeping, Ann Arbor.com
Kyle Mazurek, Ann Arbor/Ypsilanti Chamber of Commerce
Josie Parker, Ann Arbor District Library
Dorothy Pirtie, Resident
Maura Thompson, Main Street Area Association

2. WELCOME

Ms. Pollay welcomed DDA Board members, and said that the purpose of this meeting was to spend a focused amount of time discussing the term sheet provided to the DDA in late April 2010, as this would give direction to the DDA members participating on the Mutually Beneficial Committee.

3. DISCUSSION

Overview: Mr. Hewitt provided an overview of the term sheet. Mr. Mouat asked about timeline, and Mr. Hewitt said that this had not yet to be determined. The group hoped to come to agreement by the end of October, but it was not clear when any change in services might take place.

Mr. Clark asked for clarification regarding the statement ...“hold the City harmless financially.” Mr. Hewitt said this was an attempt to communicate that whatever was arranged would not negatively impact the City financially. Mr. Clark stated he would like to see a long-term agreement so the City and the DDA could do financial planning without having to renegotiate their parking contract every year. Mr. Mouat suggested the DDA members focus on the philosophical issues and leave aside for the moment details like dollars or timeline.

Parking enforcement. General agreement by DDA members that enforcement is an important tool to manage parking, but should not be used to generate revenues or be overly aggressive. Optimally, enforcement and operations strategies are planned and managed together.
Ms. Lowenstein said that most midsized cities issue parking tickets, and although people may not like tickets they understand that this is a possibility if parking rules aren’t followed. Ms. Smith agreed, but said the reality is there is plenty of retail and hundreds of acres of free parking outside downtown so coming downtown is a want, not a need. Mr. Mouat said he needed to know if it was being suggested that the DDA could do a “better” job; Mr. Hewitt said it wasn’t that the DDA would do a “better” job but it would do a “different” job, in which parking management served a larger purpose of downtown vitality. Ms. Smith acknowledged the union contracts in place at the City.

A straw poll was taken on this topic – all agreed that this should be explored as part of the Mutually Beneficial discussions.

Community standards/code enforcement in the DDA. Mr. Hewitt said that this would relate solely to sidewalks (cafes, sandwich signs) and alleys (graffiti). Lots of discussion about this concept. Ms. Lowenstein said that were the DDA to manage this downtown the city would still be responsible for areas outside the DDA; Mr. Mouat expressed concern that the public would not know who to call with a complaint about code violations. Mr. Orr said the DDA doesn’t have experience with City codes as it does with parking. Mr. Orr said he thinks the MSAA Biz is moving in the right direction and it will be interesting to monitor its success.

By a straw vote, at the end of the discussion, the Code Enforcement item was removed from the list.

City services in the downtown. Mr. Hewitt said that what was being discussed was tree-related (e.g. pruning, planting/removal) and downtown parks. Mr. Clark asked if the DDA risked spending more dollars than the DDA brings in if it starts taking on City services. He also asked if those types of services fit the DDA mission. Mr. Mouat suggested this item be modified to be seen as enhanced tree and park services in the downtown.

Straw poll – the group all agreed to keep this item on the list for more exploration.

Development of City-owned downtown property. Mr. Hewitt said that the DDA has demonstrated success managing redevelopment processes (e.g., Ashley Mews) while the City’s processes (e.g. 415 W. Washington, First & Washington, and now the Library Lot) have stalled. This concept would have the DDA taking responsibility for the process, but the City would retain final decision-making authority.

Mr. Mouat said development in Ann Arbor is very difficult, and City RFPs do not give direction to developers on what to build. Mr. Mouat stated he would be more interested in looking at the economic development of downtown rather than the development of sites. Ms. Gunn agreed saying that creating a marketing package about why to move your business downtown is lacking; Ms. Smith agreed, saying that an inventory of assets should be included. Ms. Pollay asked if they were suggesting a business recruitment effort, rather than development. Ms. Gunn explained it could be a refinement of what SPARK has already created with a downtown focus. Mr. Hewitt cautioned that business recruitment seems like a major shift in direction for the DDA. There were several comments that the City’s redevelopment process hasn’t been working, and there may be better ways to pursue this.
acknowledgement that there are people in our community who would prefer that there be no new downtown development, and will push against any efforts. There was also agreement that there are higher/better uses for the city’s surface parking lots, which, though they are popular to parking patrons are not adding activity or economic vitality to the downtown.

The straw vote was taken and there was unanimous support to keep this item for further discussion.

Policing Downtown. Mr. Clark asked to have this concept discussed. Mr. Hewitt explained the term “policing” was being used as a verb, meaning it could be addressed by “ambassadors” as well as City police officers. Ms. Gunn said more information is needed on this topic. It was acknowledged that the DDA’s Partnerships Committee is currently examining this topic. It was decided to show this topic on the list, but to indicate that the DDA must do more work within itself to come to consensus on what it wants.

First & Washington. Mr. Clark asked that the Mutually Beneficial Committee help the DDA by establishing a “sunset clause” for Village Green, as they have received several extensions from the City and the DDA must carry $9.4 million in its budgets while it waits to hear if and when Village Green will move forward with its project. The City will be asked to help the DDA with its budget planning.

Permit fees/bond overhead charge: Mr. Clark said that after reimbursing the City for all bond issuance costs, the DDA then is asked to pay the City an expensive bond “overhead” charge. Also, the City bases its permit fees on project costs, rather than actual time spent reviewing plans. He asked if the Mutually Beneficial committee could work to eliminate the City’s overhead bond charge for DDA projects and set permit costs on actual time spent on plan reviews, not a calculation based on project budget. The group agreed to add this item to the list for further discussion.

Change DDA boundaries. Mr. Clark asked if the DDA would entertain the idea of reviewing its district boundaries, as other DDA’s changed boundaries regularly. He named Lowertown and North Main as areas with the potential of gaining from the DDA’s involvement and investment. Ms. Gunn said that in these tough economic times she didn’t believe that any of the municipal entities where a percentage of their taxes are captured by the DDA’s TIF would favorably view giving more TIF potential. The group decided not to add this item to the list.

12. ADJOURNMENT

There being no further business, the meeting was adjourned at 4:45PM by Mr. Splitt.

Respectfully submitted,
Susan Pollay, Executive Director