1. Roll Call
   Micah Bartelme, Tom Crawford, Alexandra Dieck, Bob Guenzel, Tyler Kinley, Marie Klopf, Jessica A. S. Letaw, Molly McFarland, Darren McKinnon, Rishi Narayan, Keith Orr, Phil Weiss

2. Approval of the Board Meeting Agenda

3. Audience Participation (4 people maximum, 4 minutes each)
   1.
   2.
   3.
   4.

4. Reports from City Boards and Commissions

5. DDA Members Communications

6. Executive Director Report
   · Resolution Thanking Keith Orr (Page 19)

7. Approval of June 2020 Minutes (Pages 3-18)

8. Subcommittee Reports

   A. Operations Committee – P. Weiss
      · Resolution to Approve a Contract with RAM Construction Services for FY21 Parking System Repairs and Establish a Project Budget (Pages 20-22)
      · Resolution to Approve a Project Budget for Ann Ashley Parking Structure Elevator Repairs (Page 23)
      · Resolution to Reinstate Late Payment Processes for Overdue Parking Accounts
      · Revenue update (Pages 24-25)
      · Parking & Transportation Update
      · Next Committee meeting: Wednesday, August 26 at 11 am

   B. Finance Committee – B. Guenzel
      · Resolution to Establish Signatories Trust Account (Pages 26-28)
      · Resolution to Establish Signatories Checking Account (Pages 29-31)
      · Committee Calendar
      · Next meeting: Thursday, August 27 9:30 am
C. Capital Improvements Committee – J.A.S. Letaw, M. McFarland
   · Project Updates
   · Next meeting: Wednesday, July 15 at 11 am

D. Partnerships Committee – T. Kinley
   · Committee Update
   · Next meeting: Wednesday, July 15 at 9 am (with Partners)

E. Executive Committee – K. Orr
   · Next Committee meeting: Wednesday, September 2 at 11 am

9. New Business

10. Other Audience Participation (4 minutes each)

11. Adjournment
Mr. Orr said this was the DDA’s first Informational Meeting for 2020. Ms. Pollay gave a presentation on DDA projects and impacts, including highlighting its response during the COVID-19 pandemic.

Ann Arbor Downtown Development Authority Meeting Minutes
Wednesday, June 3, 2020

Place: Virtual Meeting--Zoom link: (see above)
Time: Chair Orr called the meeting to order at 12:20 pm

1. ROLL CALL

Present: Micah Bartelme, Tom Crawford, Alexandra Dieck, Bob Guenzel, Tyler Kinley, Marie Klopf, Jessica A.S. Letaw, Molly McFarland, Darren McKinnon, Rishi Narayan, Keith Orr, Phil Weiss
Absent: None.
Staff: Susan Pollay, Executive Director
Sara McCallum, Deputy Director
Jada Hahlbrock, Parking Services Manager
Maura Thomson, Communications Manager
Amber Miller, Capital Projects Manager
Kelley Graves, Management Assistant
Liz Rolla, Project Manager
Others: Mike McKiness/Republic Parking System
Chris Simmons/getDowntown
Oliver Kiley/SmithGroup
Public: Members of the public were on the Zoom meeting but did not identify themselves.

2. APPROVAL OF BOARD MEETING AGENDA

Ms. Klopf moved and Ms. Letaw seconded the motion to amend the agenda, moving the Finance Committee earlier on the agenda.

A consent vote on the motion amend the agenda showed:
Ayes: Bartelme, Crawford, Dieck, Kinley, Klopf, Letaw, McFarland, McKinnon, Narayan, Orr, Weiss
Nays: None
Ann Arbor DDA Monthly Meeting  
June 3, 2020  

2

Absent:  Guenzel
The motion to amend the agenda passed.

Mr. Weiss moved and Ms. Klopf seconded the motion to approve the amended agenda.

A consent vote on the motion to approve the amended agenda showed:
Ayes:  Bartelme, Crawford, Dieck, Kinley, Klopf, Letaw, McFarland, McKinnon, Narayan, Orr, Weiss
Nays:  None
Absent:  Guenzel
The motion passed.

3.  AUDIENCE PARTICIPATION
None.

4.  REPORTS FROM CITY BOARDS AND COMMISSIONS
Downtown Area Citizens Advisory Council: Mr. Kaplan said that attendees at last night’s CAC meeting shared their experiences as downtown residents over the past three months during the shutdown. They discussed possible changes the pandemic may bring to downtown.

5.  DDA MEMBER COMMUNICATIONS
Ms. Letaw requested a moment of silence in response to the death of George Floyd in Minneapolis and the ongoing nationwide issues surrounding racism. She spoke of the need for change.

6.  EXECUTIVE DIRECTOR REPORT
Ms. Pollay thanked the DTE Foundation for its donation of 500 COVID-kits, each containing 100 disposable masks, 200 disposable gloves, a gallon of hand sanitizer and a large hand sanitizer bottle and said that downtown stakeholders should contact the DDA if they’d like a free kit. She gave kudos to DDA and City staff and the Area Associations for their collaboration on the temporary street closures resolution approved at the June 1 Council meeting in support of downtown businesses as they reopen with capacity restrictions in place.

7.  APPROVAL OF MINUTES
Ms. Letaw moved and Mr. Bartelme seconded the motion to approve the May minutes.

A consent vote on the resolution showed:
Ayes:  Bartelme, Crawford, Dieck, Kinley, Klopf, Letaw, McFarland, McKinnon, Narayan, Orr, Weiss
Nays:  None
Absent:  Guenzel
The resolution passed.
8A. SUBCOMMITTEE REPORTS –FINANCE COMMITTEE

Ms. Klopf reported the City Council had approved the FY21 budget as originally submitted; the next step is DDA approval of its FY21 budget. She noted that because it had been prepared pre-pandemic, it will be closely monitored and adjustments made as needed in response to contain costs.

Ms. Klopf moved and Mr. Weiss seconded the following resolution:

**RESOLUTION TO ADOPT THE DDA BUDGET FOR FISCAL YEAR 2021**

Whereas, PA 57 of 2018 requires that the Director of the Authority will prepare and submit for the approval of the Board a budget for the operation of the Authority for the ensuing fiscal year;

Whereas, The statute also requires that the budget be prepared in the manner and contain the information required of municipal departments;

Whereas, The DDA has submitted its FY21-FY26 capital improvement items for inclusion in the City of Ann Arbor’s Capital Improvement Plan and that Plan has been approved by the Planning Commission for inclusion in the FY21 Budget;

Whereas, The DDA’s Finance Committee has reviewed the DDA’s updated Ten-Year Plan which includes long range capital improvements, debt service, parking operations, and details the financial assumptions that have gone into that Plan;

Whereas, Before the budget may be adopted by the board, the statute requires that it be approved by the governing body of the municipality;

Whereas, The Director has prepared and submitted a budget as required by PA 57, and the Ann Arbor City Council did approve the FY21 DDA budget as presented at its regular meeting on May 18, 2020;

Whereas, The Finance Committee now recommends the adoption of the FY21 Budget by the DDA Board as required by PA 57;

NOW THEREFORE, BE IT RESOLVED, That the Ann Arbor Downtown Development Authority hereby adopts the following revenue and expenditure appropriations as its fiscal year 2021 budget:

A consent vote on the resolution showed:

**Ayes:** Bartelme, Crawford, Dieck, Kinley, Klopf, Letaw, McFarland, McKinnon, Narayan, Orr, Weiss  
**Nays:** None  
**Absent:** Guenzel  

The resolution passed.
Ms. Klopf said the February, March and April expense registers and the third quarter financial statements were reviewed by the Committee.

The next Finance Committee meeting will be on Thursday, June 25 at 11:00 am.

**SUBCOMMITTEE REPORTS - CAPITAL IMPROVEMENTS COMMITTEE**

Ms. Miller and Mr. Kiley gave a presentation on the DDA’s pandemic response strategies, noting that these strategies support the DDA’s long-term goals and mission. Ms. McFarland said the Committee had five resolutions, both in response to the COVID-19 pandemic, and to support downtown resiliency; some will be implemented, monitored and managed by the DDA, and others will be implemented by the Area Associations or individual businesses.

Ms. Letaw moved and Ms. Klopf seconded the following resolution:

**RESOLUTION TO APPROVE FUNDS FOR SIDEWALK AND SEPARATED BIKEWAY PILOT PROJECTS**

Whereas, The DDA’s Development Plan highlighted identity, infrastructure, and transportation as key strategy areas, and included transformative and strategic street projects as important tools to achieve DDA goals;

Whereas, The DDA has taken action to support downtown in response to the COVID-19 pandemic, including providing 143 free pickup/delivery locations, covering the cost of annual sidewalk permits, providing a discount and deferring late payment penalties for monthly parking permit accounts;

Whereas, Over the past weeks DDA and City staff have developed strategies for how downtown streets, sidewalks, and parking lots can be utilized to support economic recovery and build a more resilient community, including supporting physical distancing, encouraging patronage of downtown businesses, and reinforcing core values of safety, mobility, equity, and downtown vitality;

Whereas, In December 2019 the DDA Board approved a $10M project budget for People-Friendly Streets Round 2; installing pilot projects now can help address the need for safe biking and walking space and improve access for residents, employees, businesses, and others, while engaging the community and guiding future improvements

Whereas, The cost of pilot project implementation is estimated at $60,000, which includes expanded seating and sidewalk space on State Street and separated bike lanes installed in and within a ¼ mile of the DDA District to allow for meaningful connections;

Whereas, To support physical distancing and access, these pilots require lane reductions, which would need city council approval prior to implementation;

RESOLVED, The DDA Board approves a pilot project budget of $60,000 to be paid from the General Fund (248), allowing staff to respond quickly and flexibly with City Council approval;
RESOLVED, That the Ann Arbor DDA Executive Director is authorized to sign the necessary contracts to implement the pilot.

A consent vote on the resolution showed:
Ayes: Bartelme, Crawford, Dieck, Kinley, Klopf, Letaw, McFarland, McKinnon, Narayan, Orr, Weiss
Nays: None
Absent: Guenzel
The resolution passed.

Ms. Letaw moved and Mr. Bartelme seconded the following resolution:

RESOLUTION TO APPROVE FUNDS TO PARTNER WITH LOCAL ARTISTS AND THE ARTS ALLIANCE ON DDA PILOT PROJECTS

Whereas, The DDA’s Development Plan highlights identity, infrastructure, and transportation as overarching strategy areas, which include improving safety and economic vitality through pedestrian & bicycle improvements;

Whereas, The DDA has taken action to support downtown in response to the COVID-19 pandemic, including providing 143 free pickup/delivery locations, covering the cost of annual sidewalk permits, providing a discount and deferring late payment penalties for monthly parking permit accounts;

Whereas, Over the past weeks DDA and City staff have developed strategies for how downtown streets, sidewalks, and parking lots can be utilized to support economic recovery and build a more resilient community;

Whereas, As part of the DDA’s pilot efforts, staff recommend partnering with the Arts Alliance, a non-profit arts organization, to involve local artists and build community during a time when many are economically effected by the pandemic and necessary stay at home order;

Whereas, Similar projects have been implemented all-over the Country pre-pandemic, including Spirit Plaza in Detroit, and Smart Growth for America is now encouraging communities to include artists in their rapid response projects;

Whereas, To support local artists while meeting other DDA goals for access, safety, and vibrancy, staff recommend that the DDA provide up to $35,000 to cover the costs for 4 project installations, including artist time and materials and the Arts Alliance cost to manage the program;
Whereas, The project would provide a living wage to artists, who would be asked to develop design elements for such street elements as including barricades, corner bump outs, bike lanes, and seating areas;

Resolved, The DDA approves spending up to $35,000 from the General Fund (248) to cover the cost of artist time, materials, and Arts Alliance support.

A consent vote on the resolution showed:
Ayes: Bartelme, Crawford, Dieck, Kinley, Klopf, Letaw, McFarland, Narayan, Orr
Nays: Weiss
Absent: Guenzel
The resolution passed.

Ms. Letaw moved and Mr. Bartelme seconded the following resolution:

RESOLUTION TO APPROVE BARRICADE FUNDING FOR COMMERCIAL ACCESS DURING THE TIME OF MANDATED SOCIAL DISTANCING

Whereas, The DDA’s Development Plan highlights identity, infrastructure, and transportation as overarching strategy areas, which include improving safety and economic vitality through pedestrian & bicycle improvements;

Whereas, The DDA has taken action to support downtown in response to the COVID-19 pandemic, including providing 143 free pickup/delivery locations, covering the cost of annual sidewalk permits, providing a discount and deferring late payment penalties for monthly parking permit accounts;

Whereas, Over the past weeks DDA and City staff have developed strategies and programs for how downtown streets, sidewalks, and parking lots can be utilized to support economic recovery and build a more resilient community, including supporting physical distancing, encouraging patronage of downtown businesses, and reinforcing core values of safety, mobility, equity, and downtown vitality;

Whereas, A necessary part of these programs will be the use of PVB and Type 3 barricades, and grabber cones to temporarily close streets, repurpose on-street parking spaces;

Whereas, Staff have recommended that the DDA waive all meter bag fees and provide up to $50,000 total to the four downtown area associations to cover their cost of installing, removing, and renting this equipment during the time of mandated physical distancing and economic recovery and this recommendation is supported by the Capital Improvements Committee;

Resolved, The DDA approves waiving all meter bag fees and spending up to $50,000 from the General Fund (248), to cover the cost of the downtown area associations installing, removing, and renting barricades and grabber cones to temporarily close streets and repurpose parking spaces.
A consent vote on the resolution showed:
Ayes: Bartelme, Crawford, Dieck, Kinley, Klopf, Letaw, McFarland, McKinnon, Narayan, Orr, Weiss
Nays: None
Absent: Guenzel
The resolution passed.

Ms. Letaw moved and Ms. McFarland seconded the following resolution:

RESOLUTION TO APPROVE FUNDS TO RENT, INSTALL, AND SERVICE TEMPORARY HAND
WASHING/SANITIZING STATIONS DOWNTOWN

Whereas, The DDA’s Development Plan highlights identity, infrastructure, and transportation as
overarching strategy areas, which include improving safety and economic vitality through
pedestrian & bicycle improvements;

Whereas, The DDA has taken action to support downtown in response to the COVID-19
pandemic, including providing 143 free pickup/delivery locations, covering the cost of annual
sidewalk permits, providing a discount and deferring late payment penalties for monthly
parking permit accounts;

Whereas, Over the past weeks DDA, City staff, and the downtown area associations have
developed strategies and programs for how downtown streets, sidewalks, and parking lots can
be utilized to support economic recovery and build a more resilient community, including
supporting physical distancing, encouraging patronage of downtown businesses, and
reinforcing core values of safety, mobility, equity, and downtown vitality;

Whereas, To improve safety and comfort as downtown restaurants and retail reopen, with a
stronger outdoor presence, staff recommend that the DDA provide up to $25,000 to rent and
install temporary hand washing/sanitizing stations downtown (approx. 6 – 8 stations);

RESOLVED, The DDA approves spending up to $25,000 to cover the cost of the renting, placing,
and servicing temporary hand washing stations downtown to be paid from the General Fund
(248).

Prior to the vote, questions were asked and answered.

A consent vote on the resolution showed:
Ayes: Bartelme, Crawford, Dieck, Kinley, Klopf, Letaw, McFarland, McKinnon, Narayan, Orr, Weiss
Nays: None
Absent: Guenzel
The resolution passed.
Ms. Letaw moved and Ms. McFarland seconded the following resolution:

RESOLUTION TO APPROVE AN AMENDMENT TO THE AGREEMENT WITH HERITAGE LAWN CARE FOR GENERAL ROW REPAIR SERVICES

Whereas, The DDA’s Development Plan highlights identity, infrastructure, and transportation as overarching strategy areas, which includes improving economic vitality through pedestrian improvements;

Whereas, In May 2017 the DDA issued a Request for Proposals (RFP) for general ROW repair services, including brick repairs, tree plantings, banner installation, bike parking, and landscape maintenance as needed;

Whereas, The DDA received two responses and selected Heritage Lawn Care based on their proposal response and lower fees and entered into an agreement for FY 18, and subsequent extensions for FY 19 and 20 services;

Whereas, The downtown area associations have experienced significant revenue shortfalls due to the impacts of COVID-19, and they have asked the DDA for assistance this year maintaining the planters and landscaping in their areas as they do not have the funds;

Whereas, To respond to this request as quickly as possible, staff recommend the DDA approve a one-year extension to its contract with Heritage that would also include landscape maintenance in the four commercial areas, and this recommendation is supported by the Capital Improvements Committee;

Resolved, The DDA Board approves an amendment to the Professional Services Agreement with Heritage Lawn Care not to exceed $100,000 for 2021 for General ROW Repair Services, including landscape support throughout the four commercial areas to be paid from the General Fund (248); and authorizes the DDA Board Chair and DDA Director to execute the contract amendment.

Questions were asked and answered. It was acknowledged that the map included in the board packet had been created to answer a specific question and was creating confusion.

A consent vote on the resolution showed:

Ayes: Bartelme, Crawford, Dieck, Kinley, Klopf, Letaw, McFarland, McKinnon, Narayan, Orr, Weiss

Nays: None

Absent: Guenzel

The resolution passed.

Project Updates: Ms. Letaw said the remaining punch list items and clean-up on Huron will be done next week. MDOT signal work is scheduled for spring 2021. William Street pavement markings are scheduled to begin this week, weather permitting. First Street construction for the
next few weeks will consist of grading and installing storm sewer, conduit, concrete and light pole foundations on east side from William to Huron. Paving at First/Jefferson begins this week and west side of First expected to begin early July.

The next Capital Improvements Committee meeting will be scheduled for Wednesday, June 17 at 11:00 am.

8C. SUBCOMMITTEE REPORTS – OPERATIONS COMMITTEE

Ms. Hahlbrock and Ms. McCallum gave a presentation previously presented to the Operations Committee on strategies to reduce parking expenses in response to anticipated COVID-19 parking revenue losses. Questions were asked and answered.

Mr. Weiss moved and Ms. Letaw seconded the following resolution:

RESOLUTION TO APPROVE A PROJECT BUDGET FOR FOURTH & WASHINGTON PARKING STRUCTURE ELEVATOR REPAIRS

Whereas, The DDA mission is to strengthen the downtown area and attract new private investments, and it manages the public parking system as a means to help it accomplish its mission;

Whereas, The Fourth & Washington parking structure operates with a single elevator and the reliable operation of this elevator is integral to the functioning of the structure;

Whereas, The DDA’s elevator contractor, Schindler Elevator Corporation, recommends replacement of the door operating hardware, as the elevator is experiencing recurrent functional issues;

Whereas, The total cost for this work will be $79,344.00;

Whereas, A contingency equal to 15% of the estimated work will be set aside, thus creating a project budget of $91,245.00;

Whereas, The DDA Operations Committee approves this work;

RESOLVED, The DDA Board establishes a project budget for this elevator work at Fourth & Washington of $91,245.00, to be paid for with funds from its FY21 parking budget.

A consent vote on the resolution showed:
Ayes: Bartelme, Crawford, Dieck, Kinley, Klopf, Letaw, McFarland, McKinnon, Narayan, Orr, Weiss
Nays: None
Absent: Guenzel
The resolution passed.
Mr. Weiss moved and Ms. McFarland seconded the following resolution:

RESOLUTION TO APPROVE THE ANNUAL MANAGEMENT INCENTIVE FOR REPUBLIC PARKING - CONTRACT YEAR 2019/2020

Whereas, The DDA entered into a contract with Republic Parking System (RPS) beginning July 1, 2017 for management of the DDA’s parking system;

Whereas, According to this contract the fee paid to RPS is paid in two parts: The first part, $125,000 is paid on a monthly basis. The second part, up to $50,000, is paid on the anniversary date of the contract based upon a DDA review of RPS’s performance;

Whereas, After reviewing RPS’s performance, and in acknowledgement of their efforts this year, the Operations Committee recommends that the DDA provide RPS with the full $50,000 year-end management incentive;

RESOLVED, The DDA authorizes a 2019/2020 year-end management incentive of $50,000 for Republic Parking System.

Questions were asked and answered.

A consent vote on the resolution showed:
Ayes: Bartelme, Crawford, Dieck, Kinley, Klopf, Letaw, McFarland, McKinnon, Narayan, Orr, Weiss
Nays: None
Absent: Guenzel
The resolution passed.

Parking Operations Update: Ms. Hahlbrock reported that given the Governor’s most resent Executive Order removing Stay Home restrictions, normal parking system operations will resume on Monday, June 8. RPS offices/cashier booths have been modified to meet social distancing requirements to protect staff and public. In alignment with best practices, RPS staff will go through training and daily screenings.

Parking Permit Receivables: As of last week, 55% of permit holder accounts are fully paid compared to 90% at this time last year. The Committee will review a timeline for reinstating late payment penalties for past due accounts at its June meeting.

The next Operations Committee meeting is scheduled for Wednesday, June 24 at 11 am.
Mr. Kinley moved and Mr. Bartelme seconded the following resolution:

RESOLUTION APPROVING A $265,000 GRANT TO FUND THE COSTS TO PURSUE APPROVAL OF A PRE-ENTITLEMENT PLAN FOR THE 350 S. FIFTH AVENUE SITE

Whereas, The DDA is a catalyst for strengthening economic vibrancy and quality of life in the downtown area, and to meet its mission, DDA has supported a variety of downtown affordable housing projects using its Housing Fund, with total grants now surpassing $5M;

Whereas, The lack of affordable housing in Ann Arbor has become urgent;

Whereas, The City commissioned a feasibility analysis of the development of affordable housing on multiple city-owned properties which included eight downtown sites, including the 350 S. Fifth Avenue (former Y-Lot) property;

Whereas, On April 20, 2020 City Council approved Enactment R-20-139, which was a resolution to direct the City Administrator, Ann Arbor Housing Commission (AAHC) and Planning Commission to create proposed application materials, review and recommend development entitlements to the City Council for 350 S. Fifth Avenue;

Whereas, Funds are needed to support the cost of planners, material development, and other costs associated with this entitlement process;

Whereas, The AAHC has requested a $265,000 grant from the DDA’s Housing Fund FY21 budget to fund the cost to pursue pre-entitlement approval of a future development on 350 S. Fifth Avenue which will include a substantial number of new affordable housing units;

Whereas, The DDA has previously provided $300,000 in grants to sponsor public engagement and analyses of the 350 S. Fifth Ave, 415 W. Washington, 353 S. Main, 721 N. Main, S. Ashley lot, and Catherine/4th lot, in addition to a downtown parking study and downtown housing study;

Whereas, DDA staff recommends approval of this request and the Partnerships Committee also recommends approval of this request;

RESOLVED, The DDA approves grants to the City for $265,000 from its FY21 Housing Fund budget to support the pre-entitlement work on the 350 S. Fifth Ave site in pursuit of the future construction of affordable housing units on this site.

A consent vote on the resolution showed:
Ayes: Bartelme, Crawford, Dieck, Kinley, Klopf, Letaw, McFarland, McKinnon, Narayan, Orr, Weiss
Nays: None
Absent: Guenzel
The resolution passed.
Partner Updates: Mr. Kinley said most of the Partner reports focused on agency responses to the COVID-19 pandemic. AAATA reported on staff layoffs, and adjustments to their scheduling. AADL reported that they had been providing services to patrons online since March. The City reported that a City Hall reopening plan was been developed, and that COVID impacts to City budget will be felt in FY21 and FY22. WCC reported that all training groups were cancelled this summer, and fall classes were likely to be online this fall with the exception of some lab classes. The Planning Commission is discussing an ordinance change so solar panels would not be included in the building’s total height calculation.

The next Partnerships Committee meeting is scheduled for Wednesday, June 10 (DDA only) at 9:00 am.

8E. **SUBCOMMITTEE REPORTS- EXECUTIVE COMMITTEE**

Mr. Orr reported the Executive Committee did not meet today. The July 1 Board meeting will be followed immediately by the DDA’s Annual Meeting.

The next Executive Committee is scheduled for Wednesday, July 1 at 11:00 am.

9. **NEW BUSINESS**

None.

10. **OTHER AUDIENCE PARTICIPATION**

None.

11. **ADJOURNMENT**

There being no other business, Mr. Bartelme moved and Ms. Klopf seconded the motion to adjourn. A consensus vote showed no objections. Mr. Orr declared the meeting adjourned at 2:07 pm.
PARTNERSHIPS & ECONOMIC DEVELOPMENT COMMITTEE MEETING MINUTES

Wednesday, June 10, 2020

Place: Virtual Meeting-Zoom link: https://us02web.zoom.us/j/84803769553 or by phone 1-877-853-5257 (Meeting ID: 848 0376 9553 Password: 910490)

Time: 9:00 a.m.

Committee Present: Micah Bartelme, Bob Guenzel, Tyler Kinley

Committee Absent: None

Other DDA Present: Keith Orr

DDA Absent: Tom Crawford, Alex Dieck, Marie Klopf, Jessica A.S. Letaw, Molly McFarland, Darren McKinnon, Rishi Narayan, Phil Weiss

Staff: Susan Pollay, Jada Hahlbrock, Sara McCallum, Kelley Graves

Public: Members of the public were on the Zoom meeting but did not identify themselves.

Committee Review: Committee Chair Kinley said that the meeting focus was to discuss the Partnership Committee’s purpose in anticipation of the DDA Annual Meeting. Ms. Pollay provided a brief history, saying it began as a Planning Committee overseeing the DDA’s Renewal planning in 2000; upon approval of the amended DDA plan it morphed into the Partnerships Committee as a way to help the DDA remain in close contact with representatives of the taxing authorities whose tax revenues were included in the DDA’s TIF. Another key role has been oversight of the DDA’s Housing Fund, including recommending Housing grants. Although the full name includes “economic development”, the Committee hasn’t focused much on this. Mr. Kinley said early in the year he had proposed that the meetings focus on a topic of shared interest in addition to Partner updates. Initially this seemed to work well and was well received; more recently COVID-19 has made this format more complicated.

Mr. Guenzel emphasized the importance of continuing work on affordable housing. Mr. Bartelme asked if there were specific goals; many said the benefit came from connecting with Partners. It was suggested to extend a meeting invite to Partner board members, as well as the directors. Another idea was to invite UM, SPARK and the Area Associations to future meetings. There was support to recommend to the Board to retain the committee, change the name of the committee to the “Housing and Economic Development Committee” and revise the description. Mr. Kinley and Mr. Bartelme have agreed to co-chair the committee.

Public Comment: Mr. Honeyman said he supported the committee’s focus on strengthening the relationships with the taxing authorities. He said this an opportunity for more engagement and collaboration. He recommends joint initiatives through small grants for pilot programs with the taxing authorities. He would like to see more climate change initiatives brought forward by the DDA.

The next Partnerships Committee meeting (with Partners) is scheduled for July 15th at 9 am, which is one week later than usual due the Fourth of July holiday.

The meeting adjourned at 10:00 am.

Respectfully submitted,
Susan Pollay, Executive Director
Place: Virtual meeting—Zoom link: https://us02web.zoom.us/j/88620821932 or by Phone: 1-877-853-5227 (Meeting ID: 886 2082 1932 Password: 479338)

Time: 12:00 Noon

Committee Present: Robert Guenzel, Darren McKinnon, Keith Orr, Phil Weiss

Committee Absent: Tyler Kinley

Other Board Mbrs: Jessica A.S. Letaw

Board Mbrs Absent: Micah Bartelme, Tom Crawford, Alexandra Dieck, Marie, Klopf, Molly McFarland, Rishi Narayan

Staff: Susan Pollay, Sara McCallum, Jada Hahlbrock, Maura Thomson, Kelley Graves

Other Attendees: Mike McKiness/RPS, Chris Simmons/GetDowntown

Public: Members of the public were on the Zoom meeting but did not identify themselves.

Virtual Meeting Guidelines: Mr. Weiss read the virtual meeting guidelines outlining the authority given to municipalities to hold electronic meetings for a period of time during the COVID-19 pandemic to conduct necessary business of public bodies as outlined in Governor Whitmer’s Executive Order #2020-129.

Resolution FY21 Parking System Repairs: Ms. Hahlbrock reported DDA staff worked with WGI engineers to defer all non-urgent work and has focused FY21’s scope of work on essential repairs. The RFP was released in May. After review of the bid submissions by WGI, RAM Construction Services was identified as the lowest responsible vendor with a bid of $1.143M. With a 20% contingency, staff requests approval of a $1.372M project budget. There was committee consensus to bring the resolution to the Board.

Resolution to Set Budget for Ann Ashley Elevator Repairs: Ms. Hahlbrock reported that after speaking with Republic Parking System, WGI, Inc. and Schindler Elevator, it has been determined the repairs to the Ann Ashley elevators are essential. The elevators are 33 years old and as an external elevator are impacted significantly by environmental elements, namely moisture. The door hardware is deteriorated and rusted, the canopies and ceilings are sagging, the flooring is leaking and has damaged the subflooring. Service calls to Schindler, the DDA’s elevator maintenance vendor doubled from 2018 to 2019 with 73% of the calls related to the door hardware, last replaced in 2012. Mr. Weiss, Guenzel and Orr expressed support for the project. Mr. McKinnon expressed concern about the project cost and it not being bid out. He suggested hiring an elevator engineering firm to oversee the work. Ms. Hahlbrock stated that the maintenance agreement with Schindler Elevator was renewed in 2018, extending it to 2023 and suggested that hiring someone to oversee elevator work be considered for future projects.
but that the Ann Ashley work should proceed at this time. She recommended that next year when the DDA begins working with WGI to create the new 20-year capital projects plan, this type of project oversight could be added into the plan. The committee agreed with this direction. There was consensus to bring the resolution to the Board.

**Revenue Update:** Ms. McCallum provided parking revenue and accounts receivable information through May, showing no significant difference between actual and projections at this point in time. Receivables at May 31 were $638,800, of which 74% are past due. It is anticipated that some part of this will be uncollectable. Ms. McCallum shared the RPS data on receipts/revenue collected hourly for both on- and off-street and validation for the first half of June. She discussed how the June daily collections compared to projections that were provided last month and said she expects assumption adjustments won’t be made until after July revenues are known. Questions were asked and answered.

**Resolution to Reinstate Late Payment Processes for Overdue Parking Accounts:** Ms. Hahlbrock presented a draft resolution to end the waiver of late payment fees for parking permit holders that was approved by the Board on April 1 and move forward with reestablishing the DDA’s monthly permit account payment collection process as of July 1, 2020. The recommended process would require notifying customers that they have 30-days to contact RPS to either pay their account in-full or, request a repayment schedule. It was agreed that December 31, 2020 would be the initial end date for repayment but, the committee is aware that some customers may require additional time. The committee agreed that Ms. Hahlbrock and Mr. McKiness’ RPS team may make decisions for extensions on repayment on a case-by-case basis. Questions were asked and answered. There was consensus to bring the resolution to the Board.

**Parking and Transportation Updates:** Mr. McKiness reported that operations are going well and that staff are adapting to the new norms required due to COVID-19 and reopening of the State. Mr. Simmons reported that due to the AAATA’s staff reductions, changes in TheRide office operations are being adopted and will take effect in August. More information on this phase of recovery will be forthcoming next month.

**Public Comment:** Mr. Honeyman expressed his appreciation of the DDA Board and Staff for its efforts to support the City.

The July 29 Operations meeting is cancelled. The next Operations Committee meeting is scheduled for Wednesday, August 26 at 11 am.

The meeting adjourned at 12:10 pm.

Respectfully submitted by
Susan Pollay, Executive Director
Place: Virtual Meeting--Zoom Link: https://us02web.zoom.us/j/85858127714 by Phone: 1-877-853-5227 (Meeting ID: 858 5812 7714 Password: 371213)

Time: 9:30 am

Committee Present: Bob Guenzel, Rishi Narayan, Marie Klopf
Committee Absent: Phil Weiss
Other Board Absent: Micah Bartelme, Tom Crawford, Alex Dieck, Tyler Kinley, Jessica A.S. Letaw, Molly McFarland, Darren McKinnon, Keith Orr
Staff: Susan Pollay, Sara McCallum, Jada Hahlbrock, Maura Thomson, Amber Miller
Other Attendees: None
Public: None

Virtual Meeting Guidelines: Mr. Guenzel read the virtual meeting guidelines outlining the authority given to municipalities to hold electronic meetings for a period of time during the COVID-19 pandemic to conduct necessary business of public bodies as outlined in Governor Whitmer’s Executive Order #2020-129.

Expense Registers: The May expense register was reviewed. Discussion ensued.

Resolutions to Establish Signatories Trust Account and Checking Account: McCallum reviewed the provisions of the annual Resolution to Establish Signatories. Suggested changes were described and discussed including a new requirement for 2 signatures on all checks, the removal of the ability to make wire transfers from the investment accounts, a change in who signs checks, and the implementation of facsimile signatures. Discussion ensued regarding statutory requirements and best practices. It was decided that the Auditor be requested to review the recommendations and provide a memo as a due diligence measure. The Committee also requested written procedures be provided regarding facsimile signatures, which is to be worked out between the signatories.

Fiduciary Duties: A table outlining the fiduciary duties of staff, committee, and board was presented for the committee’s review.

Committee Calendar: An updated calendar was presented for the committee’s review which calls for 7 regular meetings per year. A proposal was discussed to shift the meeting time/day to avoid conflicts that members were having with other commitments.

Public Comment: None.
The next Finance Committee meeting is scheduled for Thursday, August 27, 2020 at 9am.

The meeting adjourned at 10:26 am.

Respectfully submitted by
Susan Pollay, Executive Director
RESOLUTION THANKING KEITH ORR

Whereas, Keith Orr has served with distinction on the Ann Arbor Downtown Development Authority board since 2008;

Whereas, Keith Orr brought great intelligence and careful deliberation to the discussion of important DDA projects and policies, as well as a solid commitment to the values, purpose and mission of the DDA;

Whereas, Keith Orr’s concern for the unique needs of small independent businesses and their importance to the special quality and attractiveness of the downtown has been an important factor in the goals and achievements of the DDA over the past twelve years;

Whereas, Keith Orr has championed transformative street projects and transportation initiatives aimed at making downtown safer and more enjoyable for pedestrians both at the DDA and at the Washtenaw Area Transportation Study, where he served as DDA representative;

Whereas, Keith Orr skillfully took on leadership roles throughout his time on the DDA, including Co-Chairing the Operations Committee, serving on the Executive Committee, and serving as DDA Chair this year;

Whereas, Keith Orr’s remarkable commitment to the DDA and its mission will be sorely missed, and his devotion to the downtown and community is an inspiration to all who have had the good fortune to work beside him;

RESOLVED, The Ann Arbor Downtown Development Authority, on behalf of the downtown and the community, thanks Keith Orr for his great service and abundant contributions to the downtown, and indeed to the community as a whole, through his work on the Ann Arbor Downtown Development Authority.
Memo
To: DDA Operations Committee
From: Jada Hahlbrock, Manager of Parking Services
Date: June 24, 2020
Re: Contract with RAM Construction Services for FY21 Parking Facility Repairs

Overview: Annually the DDA undertakes repairs and maintenance work in the parking structures based on a 20-year repair plan tri-annually produced by WGI. To implement the repairs, DDA establishes a project budget and contracts with a construction firm specializing in parking facility restoration.

The FY21 work had been budgeted at $3.1M. Given the anticipated losses in parking revenues due to the COVID-19 pandemic, DDA and WGI staff worked closely to thoroughly review the proposed scope of work and identify which elements were urgent and which could be delayed. The identified deferrals totaled $1.8M. It is important to remember that this is a deferral of expenditures to a future year, not an elimination. The work will still need to be done, we are just prioritizing, and choosing to tackle only the most critical repairs this year.

These critical repairs are as follows:
4th & Washington- Stair replacement at the SE stair tower
4th & William- Coating repairs at SW stair tower
Ann Ashley- Concrete repairs, waterproofing and striping work at roof level
Maynard- Concrete, joint and floor drain repairs. Waterproofing and striping work at roof level.
Forest- Concrete and joint repairs. Waterproofing, coating, and striping work.
Library Lane- Concrete repair. Exhaust fan repairs.

Bid documents were developed and posted in May. Eight companies attended a pre-bid meeting and four companies submitted bids. RAM Construction Services submitted the lowest responsible bid in the amount of $1,143,238.01.

The work is expected to begin in July following Board approval and will last through fall.

DDA Goals: The expenditure meets the following DDA Renewal Plan Principles:

<table>
<thead>
<tr>
<th>DDA Plan Principles/Goals</th>
<th>Advances Fully</th>
<th>Helps Support</th>
<th>Counter To</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identity</td>
<td></td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Infrastructure</td>
<td>Yes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transportation</td>
<td></td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Business Encouragement</td>
<td></td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td>Housing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Development Partnerships</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sustainability</td>
<td>Yes</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
**Action Recommended:** DDA staff recommends approving a contract with RAM Construction Services for FY21 repairs in the amount of $1,143,238.01, and to establish a project budget of $1,371,885.62 with funds coming from the DDA’s Parking Capital Improvements Fund.

---

**Full list of DDA Development Plan Principles below, for reference.**

**Identity** - Celebrate what makes Ann Arbor special. Support Ann Arbor’s unique character, make improvements that express values, & shape memorable outdoor experiences.

**Infrastructure** – Improve & maintain to enhance development and quality of life. Particularly parking facilities, streets, alleys, and utilities.

**Transportation** – Encourage a menu of options to access downtown. Manage parking, using TDM. Foster other means of access, particularly transit, walking, and biking.

**Business Encouragement** – Promote downtown as the commercial center of our community. Express this value in the implementation of other goals, from capital projects to partnerships.

**Housing** – Support a 24 hour downtown and a variety of housing options. Recognize and support the relationship between residential density, retail, and transportation. Preserve & improve the relationship between downtown and near-in residential neighborhoods.

**Development Partnerships** – Leverage private & public partners funds to increase community benefit.

**Community Services** - Maintain the district as center for public & community services. Engage in long-range planning & partnerships.

**Sustainability** – Encourage economic, infrastructure, social, & environmental sustainability. Meet the needs of the present, without compromising the future.
RESOLUTION TO APPROVE A CONTRACT WITH RAM CONSTRUCTION SERVICES FOR FY21 PARKING STRUCTURE REPAIRS AND ESTABLISH A PROJECT BUDGET

Whereas, The DDA has managed the public parking system since 1992 in support of its mission;

Whereas, Annually the DDA undertakes necessary repairs to keep its eight parking structures in good condition;

Whereas, Annually this repair work is adopted in the CIP plan;

Whereas, The DDA’s engineer, WGI Inc., has provided the DDA with a list of recommended parking structure repairs for the 2020 construction season based on the 20 year plan of work;

Whereas, DDA staff worked with WGI engineers to defer all non-urgent work and has focused this year’s scope of work on essential repairs;

Whereas, The work was bid out, and four companies submitted a bid;

Whereas, RAM Construction Services submitted the lowest responsible bid in the amount of $1,143,238.01;

Whereas, Given the age of many garages and the issues that may arise during repairs, a contingency equal to 20% of the estimated work will be set aside, thus creating a project budget of $1,371,885.62;

RESOLVED, The DDA Board establishes a project budget of $1,371,885.62 for Parking Structure Repairs to be paid from its Parking Capital Improvement Fund;

RESOLVED, The DDA Board accepts the bid for $1,143,238.01 from Ram Construction Services for Parking Structure Repairs, and authorizes the Board Chair and Executive Director to execute contract documents and change orders as necessary up to $1,371,885.62.
RESOLUTION TO APPROVE A PROJECT BUDGET FOR ANN ASHLEY PARKING STRUCTURE ELEVATOR REPAIRS

Whereas, The DDA mission is to strengthen the downtown area and attract new private investments, and it manages the public parking system as a means to help it accomplish its mission;

Whereas, Annually parking system repairs, including elevator repairs, are adopted in the CIP plan;

Whereas, The DDA’s elevator contractor, Schindler Elevator Corporation, recommends replacement of the canopies, ceilings, flooring, and door operating hardware on both Ann Ashley parking structure elevators due to deterioration and recurrent maintenance problems;

Whereas, The total cost for this work will be $220,245.00;

Whereas, A contingency equal to 15% of the estimated work will be set aside, thus creating a project budget of $253,281.00;

Whereas, The DDA Operations Committee recommends the DDA approve this project budget so the work can proceed;

RESOLVED, The DDA Board establishes a project budget of $253,281.00 for elevator repairs at the Ann Ashley Parking Structure, to be paid from its Parking CIP Fund;

RESOLVED, The DDA Board accepts the proposal from Schindler Elevator Corporation for $220,245.00, and authorizes the Executive Director to execute documents and change orders as necessary up to $253,281.00.
MEMO

Date: June 24, 2020
To: DDA Operations Committee
From: Jada Hahlbrock, DDA Manager of Parking Services
Re: COVID-19 Parking Account Related Board Actions

In April 2020, in response to COVID-19 impacts the DDA Board passed a resolution temporarily waiving any penalties on unpaid monthly permit accounts. This waiver temporarily forestalled standard actions including deactivating permit cards, issuing late fees, or turning over the accounts to collection agencies.

When the DDA Board resolves to end its temporary waiver, DDA staff recommend the following process for reestablishing the DDA’s monthly permit account payment collection process.

Republic Parking will notify monthly permit account holders (by email and by mail) of the following process and timelines.

- Accounts must be paid in full or have a payment plan in place with Republic Parking within 30 days, with a minimum 25% payment toward the balance owed.
- Repayment plans must call for regular monthly payments, with the account fully up-to-date and past-due amounts repaid by December 31, 2020.
- Unpaid balances at December 31 will result in cancellation of the permit account and the past-due balance will be turned over to a collection agency.
- Access cards will be kept active throughout this payment plan period so long as repayment plan payments continue to be made.
- Permits on any account not paid in full or not having established a repayment plan with Republic Parking within 30 days of DDA action to reinstate standard account receivable processes will be deactivated.
- Deactivated accounts that remain unpaid at 60 days will be considered permanently cancelled and turned over to collections.
- Repayment in full on past-due amounts within an approved repayment period may result in reinstatement of permits.
- Failure to make payments as agreed in a payment plan will result in immediate deactivation, permanent cancellation, and submittal to collections.
- Accounts wishing to reduce the number of permits on their account must pay or make payment arrangements for any past due balances for the original quantity of permits.
RESOLUTION DIRECTING REPUBLIC PARKING TO REINSTATE STANDARD PROCESSES FOR UNPAID OR LATE MONTHLY PARKING PERMIT ACCOUNTS

Whereas, The DDA has managed the Ann Arbor Public Parking System in support of its mission since 1992;

Whereas, In response to COVID-19 pandemic impacts in downtown, at its April 2020 meeting the DDA board voted to direct its parking operator Republic Parking to temporarily waive standard processes for unpaid or late monthly parking permit accounts until further notice;

Whereas, This has included suspension of permit deactivation, penalties, and forwarding past due accounts to collection agencies;

Whereas, Recently government restrictions have been lifted and the downtown economy has started to revive;

Whereas, Reinstating standard processes for unpaid or late monthly parking permit accounts is critical to collecting parking revenues needed for the operation and maintenance of the public parking system in addition to revenues needed by the City to fund services;

Whereas, Staff and the Operations Committee recommend the DDA restore standard processes for unpaid or late monthly parking permit accounts beginning July 1, 2020;

RESOLVED, The DDA authorizes restoration of standard processes for unpaid or late monthly parking permit accounts beginning July 1, 2020;
Presented for your consideration are the annual resolutions to approve signatories for the DDA’s checking and investment accounts. Staff has reviewed the provisions in these resolutions and is recommending some changes from previous years.

The DDA currently has the following accounts with The Bank of Ann Arbor:

- Incorporated Checking Account – a pooled (all funds) checking account for the payment of bills
- On-Street Checking Account – a deposit only account for receipt of on-street parking revenues
- Off-Street Checking Account – a deposit only account for receipt of off-street parking revenues
- Investment Account – a pooled (all funds) investment account managed by BOAA

**Prior practice:**
It has been the practice of the DDA to annually establish five signatories for these accounts: the executive director and the four board officers. It has also been the practice to require 2 signatures for checks of $25,000 or more. Checks under $25K required a single signature only. In addition, the investment resolution delegated authority to the accounting director to make interfund transfers between DDA accounts, and wire transfers from the investment account to Republic Parking.

**Check signatures:**
Upon review of PA 57 and the DDA’s bylaw, staff recommends that 2 signatures be required on all checks regardless of amount. This is in keeping with industry best practice recommendations, and statutory requirements specific to DDA’s.

Staff also recommends establishing three signatories: the executive director, the deputy director, and the treasurer. Staff believes this practice will be more practical and will conform more closely to statutory provisions.

**Interfund Transfers:**
The provision authorizing the accounting director to make interfund transfers remains the same. This is limited to transfers between DDA accounts.
**Wire Transfers:**
Republic Parking is now paid by ACH so the provision allowing a wire transfer to them from the investment account is no longer needed and has been removed. External wire transfers will be limited to the checking account going forward which will provide a better safeguard of funds since the balance in that account is kept to a minimum.

**Facsimile Signatures:**
Currently checks are signed by hand. Facsimile signatures are an option that is supported by the Accounts Payable software which provides security controls over their use. Facsimile signatures are more commonly used by larger government units (including the City of Ann Arbor) where signing a high volume of checks individually is not practical. But during this time of concern about social distancing, facsimile signatures also provide the benefit of a check approval process that does not require physically touching the documents. Remote review of a detailed listing of checks would be used instead to reduce staff and board member interactions, while maintaining internal controls.

The Resolution to Establish Signatories includes a provision for facsimile signatures, which may be used or not as the Committee prefers. Staff requests direction from the Committee whether it prefers that facsimile signatures be implemented.

**ACTION REQUESTED:**
Recommend to the DDA Board the Resolutions to Establish Signatories, and direct staff regarding the implementation of facsimile signatures.
Ann Arbor Downtown Development Authority
RESOLUTION TO ESTABLISH SIGNATORIES

I hereby certify that the following Resolution was duly approved and adopted by the Board of Trustees (herein after referred to as the Board) of Ann Arbor Downtown Development Authority at a meeting held on July 1, 2020 at which a quorum was present and acting throughout.

WHEREAS, the Board has opened an account with the Bank of Ann Arbor for banking and/or investment management purposes and those accounts are:

- Ann Arbor DDA Investment Account #19-1022, opened March 2, 2004

NOW THEREFORE, BE IT RESOLVED, that the Board hereby ratifies the establishment of these account(s) with the Bank of Ann Arbor, dated July 1, 2020, and currently known as the Investment Account;

FURTHER, BE IT RESOLVED, that the Board hereby designates the following individuals as duly authorized and gives these individuals the authority to direct Bank of Ann Arbor via emails, telephone conversations, in writing, and/or any other form necessary regarding deposits, transfers, and withdrawals from any accounts held at the Bank of Ann Arbor (retail or trust), and to conduct any other business as deemed necessary and, further, grants Bank of Ann Arbor, Agent, the authority to follow without question the direction of the following named individuals:

<table>
<thead>
<tr>
<th>Names(s)</th>
<th>Susan Pollay</th>
<th>Executive Director</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
<td></td>
<td>Title</td>
</tr>
<tr>
<td>Sara McCallum</td>
<td>Accounting Director/Deputy Director</td>
<td></td>
</tr>
<tr>
<td>Name</td>
<td></td>
<td>Title</td>
</tr>
<tr>
<td>Marie Klopf</td>
<td>Treasurer</td>
<td></td>
</tr>
<tr>
<td>Name</td>
<td></td>
<td>Title</td>
</tr>
</tbody>
</table>

FURTHER, BE IT RESOLVED, that the Board hereby designates the following individual as duly authorized and gives this individual the authority to direct Bank of Ann Arbor via emails, telephone conversations, in writing, and/or any other form necessary regarding inter DDA fund transfers and access to any information from any accounts held at the Bank of Ann Arbor (retail or trust).

<table>
<thead>
<tr>
<th>Names(s)</th>
<th>Sara McCallum</th>
<th>Accounting Director/Deputy Director</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name</td>
<td></td>
<td>Title</td>
</tr>
</tbody>
</table>

By: ____________________________
Darren McKinnon
Its: Secretary
Corporate Authorization Resolution

BANK OF ANN ARBOR

125 S. FIFTH AVENUE
ANN ARBOR, MI 48104

By: ANN ARBOR DOWNTOWN DEVELOPMENT AUTHORITY

150 S 5TH STREET #301
ANN ARBOR, MI 48104

Referred to in this document as "Financial Institution"

I, Darren McKinnon, certify that I am Secretary (clerk) of the above named corporation organized under the laws of The State of Michigan, Federal Employer I.D. Number 61-1460602, engaged in business under the trade name of ANN ARBOR DOWNTOWN DEVELOPMENT AUTHORITY, and that the resolutions on this document are a correct copy of the resolutions adopted at a meeting of the Board of Directors of the Corporation duly and properly called and held on July 1, 2020 (date). These resolutions appear in the minutes of this meeting and have not been rescinded or modified.

Agents. Any Agent listed below, subject to any written limitations, is authorized to exercise the powers granted as indicated below:

<table>
<thead>
<tr>
<th>Name and Title or Position</th>
<th>Signature</th>
<th>Facsimile Signature (if used)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. SUSAN POLLAY</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>B. SARA MCCALLUM</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>C. MARIE KLOPF</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>D.</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>E.</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>F.</td>
<td>X</td>
<td></td>
</tr>
</tbody>
</table>

Corporation Authorization
Bankers Systems™
Wolters Kluwer Financial Services © 2018

CA-1 7/1/2018
(1907).01
Page 1 of 3

29
Powers Granted. (Attach one or more Agents to each power by placing the letter corresponding to their name in the area before each power. Following each power indicate the number of Agent signatures required to exercise the power.)

<table>
<thead>
<tr>
<th>Indicate A, B, C, D, E, and/or F</th>
<th>Description of Power</th>
<th>Indicate number of signatures required</th>
</tr>
</thead>
<tbody>
<tr>
<td>N/A</td>
<td>(1) Exercise all of the powers listed in this resolution.</td>
<td></td>
</tr>
<tr>
<td>N/A</td>
<td>(2) Open any deposit or share account(s) in the name of the Corporation.</td>
<td></td>
</tr>
<tr>
<td>A,B,C</td>
<td>(3) Endorse checks and orders for the payment of money or otherwise withdraw or transfer funds on deposit with this Financial Institution.</td>
<td>2</td>
</tr>
<tr>
<td>N/A</td>
<td>(4) Borrow money on behalf and in the name of the Corporation, sign, execute and deliver promissory notes or other evidences of indebtedness.</td>
<td></td>
</tr>
<tr>
<td>N/A</td>
<td>(5) Endorse, assign, transfer, mortgage or pledge bills receivable, warehouse receipts, bills of lading, stocks, bonds, real estate or other property now owned or hereafter owned or acquired by the Corporation as security for sums borrowed, and to discount the same, unconditionally guarantee payment of all bills received, negotiated or discounted and to waive demand, presentment, protest, notice of protest and notice of non-payment.</td>
<td></td>
</tr>
<tr>
<td>N/A</td>
<td>(6) Enter into a written lease for the purpose of renting, maintaining, accessing and terminating a Safe Deposit Box in this Financial Institution.</td>
<td></td>
</tr>
<tr>
<td>N/A</td>
<td>(7) Other:</td>
<td></td>
</tr>
</tbody>
</table>

Limitations on Powers. The following are the Corporation's express limitations on the powers granted under this resolution.

Resolutions

The Corporation named on this resolution resolves that,

(1) The Financial Institution is designated as a depository for the funds of the Corporation and to provide other financial accommodations indicated in this resolution.

(2) This resolution shall continue to have effect until express written notice of its rescission or modification has been received and recorded by the Financial Institution. Any and all prior resolutions adopted by the Board of Directors of the Corporation and certified to the Financial Institution as governing the operation of this corporation's account(s), are in full force and effect, until the Financial Institution receives and acknowledges an express written notice of its revocation, modification or replacement. Any revocation, modification or replacement of a resolution must be accompanied by documentation, satisfactory to the Financial Institution, establishing the authority for the changes.

(3) The signature of an Agent on this resolution is conclusive evidence of their authority to act on behalf of the Corporation. Any Agent, so long as they act in a representative capacity as an Agent of the Corporation, is authorized to make any and all other contracts, agreements, stipulations and orders which they may deem advisable for the effective exercise of the powers indicated in this resolution, from time to time with the Financial Institution, subject to any restrictions on this resolution or otherwise agreed to in writing.

(4) All transactions, if any, with respect to any deposits, withdrawals, rediscouts and borrowings by or on behalf of the Corporation with the Financial Institution prior to the adoption of this resolution are hereby ratified, approved and confirmed.
(5) The Corporation agrees to the terms and conditions of any account agreement, properly opened by any Agent of the Corporation. The Corporation authorizes the Financial Institution, at any time, to charge the Corporation for all checks, drafts, or other orders, for the payment of money, that are drawn on the Financial Institution, so long as they contain the required number of signatures for this purpose.

(6) The Corporation acknowledges and agrees that the Financial Institution may furnish at its discretion automated access devices to Agents of the Corporation to facilitate those powers authorized by this resolution or other resolutions in effect at the time of issuance. The term "automated access device" includes, but is not limited to, credit cards, automated teller machines (ATM), and debit cards.

(7) The Corporation acknowledges and agrees that the Financial Institution may rely on alternative signature and verification codes issued to or obtained from the Agent named on this resolution. The term "alternative signature and verification codes" includes, but is not limited to, facsimile signatures on file with the Financial Institution, personal identification numbers (PIN), and digital signatures. If a facsimile signature specimen has been provided on this resolution, (or that are filed separately by the Corporation with the Financial Institution from time to time) the Financial Institution is authorized to treat the facsimile signature as the signature of the Agent(s) regardless of by whom or by what means the facsimile signature may have been affixed so long as it resembles the facsimile signature specimen on file. The Corporation authorizes each Agent to have custody of the Corporation's private key used to create a digital signature and to request issuance of a certificate listing the corresponding public key. The Financial Institution shall have no responsibility or liability for unauthorized use of alternative signature and verification codes unless otherwise agreed in writing.

**Effect on Previous Resolutions.** This resolution supersedes resolution dated JUNE 30, 2020 AND PRIOR. If not completed, all resolutions remain in effect.

**Certification of Authority**
I further certify that the Board of Directors of the Corporation has, and at the time of adoption of this resolution had, full power and lawful authority to adopt the resolutions stated above and to confer the powers granted above to the persons named who have full power and lawful authority to exercise the same. (Apply seal below where appropriate.)

If checked, the Corporation is a non-profit corporation.

In Witness Whereof, I have subscribed my name to this document and affixed the seal of the Corporation on (date).

_Secretary_ DARREN MCKINNON

Attest by One Other Officer JESSICA LETAW, CHAIR

---

**For Financial Institution Use Only**

Acknowledged and received on (date) by ________________ (initials)

☐ This resolution is superseded by resolution dated ____________________________

Comments:
An update of Parking System revenues is presented for review.

**Overview:** Parking revenue projections presented to this body in May were based on actual revenues thru April. We now have May actuals which do not vary significantly with projections. This is partially due to how Permit Revenues are booked.

**Receivables:** On-Street Meter Revenues and Off-Street Hourly Fees are booked as collected. Permits are booked when billed each month on the 21st. The bills are due by the next month on the 7th. The unpaid balance at month end (virtually in the middle of the payment collections) is reported as accounts receivable on our books.

Since the DDA suspended late payment penalties for permits, collections have slowed and receivables have increased to 10 times the balance at this time last year. $472,500 of the receivables balance is past due - almost 70%:

<table>
<thead>
<tr>
<th>Ann Arbor DDA</th>
<th>Off Street Receivables: Permits and Hourly</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>As of May 31, 2020</td>
</tr>
<tr>
<td></td>
<td>Billed</td>
</tr>
<tr>
<td>July</td>
<td>1,614,500</td>
</tr>
<tr>
<td>August</td>
<td>1,545,300</td>
</tr>
<tr>
<td>September</td>
<td>1,470,400</td>
</tr>
<tr>
<td>October</td>
<td>1,549,900</td>
</tr>
<tr>
<td>November</td>
<td>1,474,700</td>
</tr>
<tr>
<td>December</td>
<td>1,366,800</td>
</tr>
<tr>
<td>January</td>
<td>1,370,300</td>
</tr>
<tr>
<td>February</td>
<td>1,391,700</td>
</tr>
<tr>
<td>March</td>
<td>1,003,000</td>
</tr>
<tr>
<td>April</td>
<td>679,400</td>
</tr>
<tr>
<td>May</td>
<td>548,400</td>
</tr>
<tr>
<td>Current</td>
<td>166,300</td>
</tr>
<tr>
<td>Over 30</td>
<td>227,000</td>
</tr>
<tr>
<td>Over 60</td>
<td>40,400</td>
</tr>
<tr>
<td>Over 90</td>
<td>205,100</td>
</tr>
<tr>
<td>Total</td>
<td>638,800</td>
</tr>
</tbody>
</table>

32
**June Revenues:** Republic Parking has begun providing us with weekly revenues. This is not enough data with which to revise our projections, but here is a first look at the change in revenues as the downtown starts to open:

<table>
<thead>
<tr>
<th></th>
<th>Transients</th>
<th>On Street</th>
<th>Monthly</th>
<th>Validations</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 1st</td>
<td>$0.00</td>
<td>$1,834.18</td>
<td>$1,290.00</td>
<td>$0.00</td>
<td>$3,124.18</td>
</tr>
<tr>
<td>June 2nd</td>
<td>$0.00</td>
<td>$1,639.83</td>
<td>$10,650.00</td>
<td>$0.00</td>
<td>$12,289.83</td>
</tr>
<tr>
<td>June 3rd</td>
<td>$0.00</td>
<td>$1,430.49</td>
<td>$180.00</td>
<td>$0.00</td>
<td>$1,610.49</td>
</tr>
<tr>
<td>June 4th</td>
<td>$0.00</td>
<td>$1,332.48</td>
<td>$1,330.00</td>
<td>$0.00</td>
<td>$2,662.48</td>
</tr>
<tr>
<td>June 5th</td>
<td>$0.00</td>
<td>$1,502.62</td>
<td>$390.00</td>
<td>$0.00</td>
<td>$1,892.62</td>
</tr>
<tr>
<td>June 6th</td>
<td>$0.00</td>
<td>$2,281.87</td>
<td>$90.00</td>
<td>$0.00</td>
<td>$2,371.87</td>
</tr>
<tr>
<td>June 7th</td>
<td>$0.00</td>
<td>$144.05</td>
<td>$50,050.00</td>
<td>$0.00</td>
<td>$50,194.05</td>
</tr>
<tr>
<td>June 8th</td>
<td>$5,754.10</td>
<td>$2,344.83</td>
<td>$90,508.77</td>
<td>$144.35</td>
<td>$98,752.05</td>
</tr>
<tr>
<td>June 9th</td>
<td>$5,155.40</td>
<td>$3,572.42</td>
<td>$7,489.00</td>
<td>$11,178.85</td>
<td>$27,395.67</td>
</tr>
<tr>
<td>June 10th</td>
<td>$4,983.80</td>
<td>$2,399.84</td>
<td>$43,331.00</td>
<td>$0.00</td>
<td>$50,714.64</td>
</tr>
<tr>
<td>June 11th</td>
<td>$6,448.90</td>
<td>$5,136.84</td>
<td>$26,895.65</td>
<td>$0.00</td>
<td>$38,481.39</td>
</tr>
<tr>
<td>June 12th</td>
<td>$7,958.80</td>
<td>$10,321.78</td>
<td>$15,660.00</td>
<td>$28.85</td>
<td>$33,969.43</td>
</tr>
<tr>
<td>June 13th</td>
<td>$7,346.00</td>
<td>$5,322.53</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$12,668.53</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$37,647.00</td>
<td>$39,263.76</td>
<td>$247,864.42</td>
<td>$11,352.05</td>
<td>$336,127.23</td>
</tr>
</tbody>
</table>
June 1, 2020

To the Board of Directors
City of Ann Arbor Downtown Development Authority
150 South Fifth Avenue, Suite 301
Ann Arbor, MI 48104

We are pleased to confirm our understanding of the services we are to provide the City of Ann Arbor Downtown Development Authority for the year ended June 30, 2020. We will audit the financial statements of the governmental activities, each major fund, and a component unit of the City of Ann Arbor, including the related notes to the financial statements, which collectively comprise the basic financial statements, of the City of Ann Arbor Downtown Development Authority as of and for the year ended June 30, 2020. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management’s discussion and analysis (MD&A), to supplement the City of Ann Arbor Downtown Development Authority’s basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the City of Ann Arbor Downtown Development Authority’s RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- Management’s Discussion and Analysis.
- Budgetary Comparison Schedules

Audit Objectives
The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and will include tests of the accounting records of the City of Ann Arbor Downtown Development Authority and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of the City of Ann Arbor Downtown Development Authority’s financial statements. Our report will be addressed to management and Board of Directors of the City of Ann Arbor Downtown Development Authority. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements,
noncompliance with which could have a material effect on the financial statements as required by Government Auditing Standards. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity’s internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the City of Ann Arbor Downtown Development Authority is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in Government Auditing Standards may not satisfy the relevant legal, regulatory, or contractual requirements.

Audit Procedures - General
An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, Government Auditing Standards do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, an unavoidable risk exists that some material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and Government Auditing Standards. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures - Internal Control
Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests,
if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to Government Auditing Standards.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and Government Auditing Standards.

Audit Procedures—Compliance
As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the City of Ann Arbor Downtown Development Authority’s compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to Government Auditing Standards.

Other Services
We will also provide the following services, some of which may be covered by separate engagement letters, which cover the terms of each separate engagement. These non-audit services do not constitute an audit under Government Auditing Standards and such services will not be conducted in accordance with Government Auditing Standards.

• Assist in preparing financial statements, related notes and supplementary financial information in accordance with U.S. Generally Accepted Accounting Principles (U.S. GAAP)
• Assist in preparing the entity-wide conversion

We will perform the services in accordance with applicable professional standards. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities
Management is responsible for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.
You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management’s views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements related notes, required supplementary information, other supplementary information, the non-audit services listed above, and any other non-audit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the non-audit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them. At the conclusion of the audit, you agree to retain all work products provided to you as part of our engagement in order to maintain complete records to support the audited financial statements. Under the AICPA Code of Professional Conduct, we cannot serve as custodian of your data under the independence rule.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

With regard to using the auditors’ report, if you request our written consent to reproduce or use our report in a bond offering, official statements, or other documents, additional procedures will be required, at an additional cost to be determined.
City of Ann Arbor Downtown Development Authority
Page 5

However, you are not required to request or obtain our consent. If you use the auditors’ report without our written consent, the following statements must be included in the bond offering, official statements, or other documents:

INDEPENDENT AUDITORS

The financial statements of the City of Ann Arbor Downtown Development Authority, as of June 30, 2020, and for the year then ended, included in this Official Statement, have been audited by Yeo & Yeo, P.C., CPAs & Business Consultants, independent auditors, as stated in their report appearing herein.

Yeo & Yeo, P.C., CPAs & Business Consultants has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. Yeo & Yeo, P.C., CPAs & Business Consultants also has not performed any procedures relating to this official statement.

You acknowledge that as a condition of our agreement to perform an audit, you agree to the best of your knowledge and belief to be truthful, accurate, and complete in the representations you make to us during the course of the audit and in the written representations provided to us at the completion of the audit.

In connection with this engagement, we may communicate with you or others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

Engagement Administration, Fees, and Other

We may from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the City of Ann Arbor Downtown Development Authority and the Michigan Department of Treasury; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Yeo & Yeo, P.C. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the applicable regulator or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under
the supervision of Yeo & Yeo, P.C. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the U.S. Department of Education. If we are aware that a federal awarding agency or audittee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit approximately August 31, 2020. David R. Youngstrom is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Professional standards require us to be independent with respect to the Organization in the performance of our services. Any discussions that management has with personnel of Yeo & Yeo regarding employment could pose a threat to our independence. Therefore, we request that management inform the engagement principal prior to any such discussions so that we can implement appropriate safeguards to maintain our independence.

Neither party shall, during the term of this engagement and for one year after its termination, solicit for hire as an employee, consultant or otherwise, any of the other party's personnel without such other party's express written consent. If the Organization desires to offer employment to a Yeo & Yeo employee and the employee is hired in any capacity by the Organization, a compensation placement fee of 25% of their salary may apply.

Yeo and Yeo has an established portal system to allow for secure transfer of your confidential information. The portal system is not intended to be utilized as a record storage device, purely a means to transmit information. Documents provided via the portal system will be removed approximately a year after it has been provided.

Any litigation arising out of this engagement, except actions by us to enforce payment of our professional invoices, must be filed within one year from the completion of the engagement, notwithstanding any statutory provision to the contrary. In the event of litigation brought against us, any judgment you obtain shall be limited in amount, and shall not exceed the amount of the price charged by us, and paid by you, for the services set forth in this engagement letter.

You acknowledge that we may collect your employees' personally identifiable information as part of the services that we are engaged to perform. We agree to indemnify you for any covered damages or claim expenses that may result from a data breach at Yeo & Yeo, P.C. as part of the terms of this contract.

Our price for these services will be $6,000. Our invoices for these services will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes past due and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above price is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If additional time becomes necessary to complete your engagement, we will discuss the issues with you and arrive at a new price estimate, which may or may not occur before we incur the additional time.

Our price quoted above is also contingent on all items on the assistance list being completed by the due dates indicated and the audit being performed during the dates scheduled. If the dates are not met and the engagement needs to be rescheduled due to things in your control, then an additional price of 20% could apply. The reason for this is that we schedule our client work well in advance. When the job has to be rescheduled it causes a domino effect, as we likely have other clients scheduled in the new requested time slot, and our staff
are likely scheduled on another client. As a result, we may have to put you at the end of the line, and/or change staff. When our staff members finishing the work are not the same as those who started it, the audit is less efficient and more disruptive to your staff.

Our engagement will end upon delivery of your audited financial statements and our report thereon for the year set forth above. Any additional services that may be required will be part of a separate and new engagement. Should you wish to engage us to audit your financial statements for any other year, and should we accept such engagement, such engagement will be a separate and new engagement. A new engagement letter for any services beyond the scope of this engagement will govern the terms and conditions of the new engagement.

We appreciate the opportunity to be of service to the City of Ann Arbor Downtown Development Authority and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy, and return it to us.

Sincerely,

Yeo & Yeo, P. C.
CPAs & Business Consultants

[Signature]
David R. Youngstrom, CPA
Principal

RESPONSE:

This letter correctly sets for the understanding of the City of Ann Arbor Downtown Development Authority.

[Signature]
Name, Title