

**Ann Arbor Downtown Development Authority Meeting Minutes
Wednesday, May 4, 2022**

Place: DDA Office, 150 S. Fifth Ave., Suite 301, Ann Arbor, MI 48104

Time: 12 Noon

1. ROLL CALL

Present: Micah Bartelme, Alex Dieck, Milton Dohoney, Tyler Kinley, Ji Hye Kim, Marie Klopf, Jessica A.S. Letaw, Darren McKinnon

Absent: Jonathan Massey

Staff: Jeff Watson, Executive Director
Sara McCallum, Deputy Director/Accounting Director
Maura Thomson, Communications Manager
Amber Miller, Capital Projects Manager
Kelley Graves, Management Assistant/Board Secretary
Shelby Mistor, Planning Specialist

Public: Frances Todoro-Hargreaves/Executive Director, State Street District
John Splitt/State Street District

2. APPROVAL OF BOARD MEETING AGENDA

Mr. Kinley asked for a motion and a second to approve the meeting agenda. Prior to action being taken, Ms. Letaw requested that the Executive Committee report be moved to follow the Finance Committee report as the Executive Committee has a new business item from this morning's meeting to share with the full board.

Mr. McKinnon moved and Ms. Letaw seconded the motion to amend the agenda.

A vote on the motion to amend the agenda showed:

Ayes: Bartelme, Dieck, Dohoney, Kim, Kinley, Klopf, Letaw, McKinnon

Nays: None

Absent: Massey

The motion was approved.

Ms. Letaw moved and Mr. McKinnon seconded the motion to approve the amended agenda.

A vote on the motion showed:

Ayes: Bartelme, Dieck, Dohoney, Kim, Kinley, Klopf, Letaw, McKinnon

Nays: None

Absent: Massey

The motion was approved.

3. PUBLIC COMMENT

Ms. Todoro-Hargreaves asked for the board's support of the State Street capital improvements project. She spoke of the time and effort that DDA and City staff, the businesses in the State Street District, and some outside of the district have put in over the years to develop a design that "...will take the

neighborhood to the next level.” The curbless design will allow more flexible use of the space for events and businesses. The project also includes the addition of more planter beds, irrigation upgrades, and much needed roadway improvements.

4. REPORTS FROM CITY BOARDS AND COMMISSIONS

Mr. Watson read the Downtown Area Citizens Advisory Council May 3rd meeting report on behalf of Peter Honeyman. The CAC supports the pedestrian safety and multi-modal connectivity improvements planned for the State Street project. The group invited Jeff Watson to attend the meeting to discuss with the members ways in which the CAC may engage more with the DDA and the City leadership on key issues, long-term visions, and goals.

5. DDA MEMBER COMMUNICATIONS

None.

6. EXECUTIVE DIRECTOR REPORT

Mr. Watson stated that as required by PA 57, the DDA will hold the first of its two informational meetings this calendar year on June 1st, ahead of the regular June board meeting.

The First and Ashley two-way restoration and bikeway project was awarded Wade Trim’s Project of the Year. Wade Trim was the consultant on the project. The project was selected from submittals from Wade Trim’s 18 offices across the country. Community benefits of sustainability, innovation, and business support during the construction were among the reasons the project was selected for this award. Mr. Watson said we should feel proud of the DDA’s continued work and collaboration on projects in downtown.

City Council will consider/take action on the FY23 budget, including the DDA budget, at the May 16th Council meeting.

Bikeapalooza will be held on Sunday, May 22 from 12-2 pm in the old Y Lot, celebrating the progress being made on the protected bikeway network in downtown. There will be activities and events at the lot and along the bikeway. Public Works will have a snow plow used on the bikeway on display. Partners on this event include the Library, the Washtenaw Bicycle and Walking Coalition, City Transportation Department, and the Office of Sustainability.

7. APPROVAL OF MINUTES

Ms. Klopf moved and Ms. Letaw seconded a motion to approve the April minutes.

A vote on the motion showed:

Ayes: Bartelme, Dieck, Dohoney, Kim, Kinley, Klopf, Letaw, McKinnon

Nays: None

Absent: Massey

The motion was approved.

8A. SUBCOMMITTEE REPORTS – CAPITAL IMPROVEMENTS COMMITTEE

Ms. Dieck moved and Mr. McKinnon seconded the following resolution:

RESOLUTION TO APPROVE A STATE STREET CONSTRUCTION COST SHARING AGREEMENT WITH THE CITY

Whereas, The DDA’s Development Plan highlighted identity, infrastructure, transportation, business encouragement, and sustainability principles, and included transformative and strategic street projects as important tools to achieve DDA goals;

Whereas, In partnership with the City, the DDA led the design phase shaped by adopted Board values, community engagement, and analysis;

Whereas, The City of Ann Arbor led the construction RFP process and received response on March 24, 2022 and Fonson Company Inc. of Brighton, MI, was the recommended contractor;

Whereas, The City of Ann Arbor will oversee the primary construction portion of the project with a total budget of \$8,275,211, including contingency, inspection, and material testing, with approximately \$4.2M of the cost attributable to the DDA’s work;

Whereas, to begin construction, the City and DDA have drafted the attached cost-sharing agreement;

Whereas, the DDA Capital Improvements Committee reviewed the cost-sharing agreement and recommends approval;

Resolved, The DDA Board authorizes the Executive Director to sign the cost-sharing agreement with the city.

A vote on the resolution showed:

Ayes: Bartelme, Dieck, Dohoney, Kim, Kinley, Klopf, Letaw, McKinnon

Nays: None

Absent: Massey

The resolution was approved.

Ms. Dieck said the Miller/Catherine Project RFP will be released in May. As with the State Street project, Staff have evaluated the project for capacity in the DDA budget.

The Committee received an update on the sidewalk repair project underway to replace the bricks, where there are no vaults, with concrete. The DDA, City Transportation, and Public Works are working on design adjustments and maintenance vehicle changes to alleviate the ongoing issues of regular and service vehicles illegally parking in the bikeways.

The next Capital Improvements Committee meeting is scheduled for June 8 at 11 am.

8B. SUBCOMMITTEE REPORTS – FINANCE COMMITTEE

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

RESOLUTION TO PUT FORWARD AN AMENDMENT TO THE FISCAL YEAR 2022 BUDGET

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

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

Whereas, The DDA did complete the budget creation process for FY22 and did adopt the FY22 budget in June of 2021 for its five funds, including the Parking Fund;

Whereas, The DDA does monitor its activities compared to budget on an on-going basis and at March 31 it became apparent that a deviation at June 30 could be anticipated in the Parking Fund due to an increase in parking activity/revenues and a resulting increase in certain expenditures which are directly related to revenue streams;

Whereas, The Michigan Uniform Budget Manual requires that a legislative body amend the budget as soon as a deviation is apparent and prior to the close of the budget year;

Whereas, The DDA’s Finance Committee has reviewed the budget to analysis and proposed budget amendment and recommends that the DDA Board approve putting forward this FY22 amendment to City Council;

Whereas, Once City Council has approved the amendment, the amendment will be bought back to the DDA Board for final appropriation into the FY22 Budget in the same manner as the process for the adoption of the original budget;

RESOLVED, The DDA Board accepts the recommendation of its Finance Committee and authorizes DDA staff to put forward the following amendment for the FY22 Budget to the Ann Arbor City Council for their approval:

Ann Arbor DDA FY22 Budget Amendment			
231 Parking Fund	Original Budget	Proposed Amendment	Amended Budget
Revenue	14,763,000	5,166,800	19,929,800
Expenditure	17,599,936	1,423,100	19,023,036
Net Rev (Exp)	(2,836,936)	3,743,700	906,764
Beginning Fund Balance	6,412,254		6,412,254
Ending Fund Balance	3,575,318		7,319,018

Prior to the vote, the question was asked about timing for the resolution going to Council. Ms. McCallum stated the amendment will be on the June 6th City Council agenda.

A vote on the resolution showed:

Ayes: Bartelme, Dieck, Dohoney, Kim, Kinley, Klopf, Letaw, McKinnon

Nays: None

Absent: Massey

The resolution was approved.

Mr. Bartelme said the Committee reviewed the third quarter financial statements and received and approved the January, February, and March expense registers.

The City received notification from Yeo & Yeo that it would not extend its auditing service contract with the City. The City released an RFP for audit services, which includes the DDA's audit, and invited Ms. McCallum to participate in the review and evaluation of the RFP submittals.

The Committee discussed releasing the 2016 restriction on \$2.5M of parking funds for new construction, and there was interest expressed in reviewing a resolution at the May meeting.

The next Finance Committee meeting is scheduled for Thursday, May 26 at 9 am.

8C. SUBCOMMITTEE REPORTS –EXECUTIVE COMMITTEE

Mr. Kinley said the Committee reviewed the agenda for today's board meeting. Ms. Letaw and Ms. Kim opened the dialogue on a performance review process for the DDA Executive Director, sharing an initial outline. The proposed process includes 6, 10 and 12 month progress check-ins. The proposed initial six-month performance expectations were taken from the list of priorities developed by staff and shared with the Board and Mr. Watson. Board input and buy-in needed. Ms. Letaw reached out to the AADL and AAHC for input on their Executive Director review process. Questions were asked and answered. The Committee agreed to bring the outline to the Board for further discussion.

At the Board meeting, Ms. Letaw and Ms. Kim shared the outline with the Board members. They requested input from the Board, Mr. Watson, and staff on the process, content, and format. The full board needs to define the expectations and metrics for measuring performance. Ms. Kim stated the importance of staff input in the review process. Ms. Letaw acknowledged this is a new/different process for managing the Executive Director performance review, and emphasized that Board buy-in, and a review of the performance review document by DDA legal needs to happen expeditiously, as Mr. Watson's six-month review will take place mid-July. It was requested that staff resend the list of priorities to the Board. Questions were asked and answered. There will be further discussion at the next Executive Committee and Board meeting.

The next Executive Committee meeting is scheduled for Wednesday, June 1 at 11 am.

8D. SUBCOMMITTEE REPORTS AFFORDABLE HOUSING/ECONOMIC DEVELOPMENT COMMITTEE

Ms. Kim said the Affordable Housing/Economic Development Committee did not meet in April.

The next Affordable Housing/Economic Development Committee meeting is scheduled for June 8 at 9 am.

8E. SUBCOMMITTEE REPORTS - OPERATIONS COMMITTEE

Mr. Kinley said the Operations Committee did not meet in April. The parking revenue reports as of March 31, 2022 are included in the board packet for everyone's reference.

The next Operations Committee meeting is scheduled for Wednesday, May 25 at 11 am.

9. NEW BUSINESS

None.

10. PUBLIC COMMENT

None.

11. ADJOURNMENT

Ms. Dieck moved and Ms. Letaw seconded the motion to adjourn.

A vote on the motion showed:

Ayes: Bartelme, Dieck, Dohoney, Kim, Kinley, Klopf, Letaw, McKinnon

Nays: None

Absent: Massey

The motion was approved.

The meeting adjourned at 12:30 pm.

Respectfully submitted,

Kelley A. Graves, Board Secretary