

**ANN ARBOR DOWNTOWN DEVELOPMENT AUTHORITY MEETING MINUTES**

**Wednesday, May 3, 2023**

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

Time: 12:05 pm

**ROLL CALL**

Present: Micah Bartelme, Alex Dieck, Tyler Kinley, Jessica A.S. Letaw, Darren McKinnon, Mike Michelin, Thressa Nichols, Danielle Vaughn

Absent: Steven Brummer, Milton Dohoney, Jonathan Massey

Staff: Maura Thomson, Interim Executive Director / Communications Manager  
Sara McCallum, Deputy Director/Accounting Director  
Jada Hahlbrock, Parking Services Manager  
Amber Miller, Capital Projects and Planning Manager  
Kelley Graves, Management Assistant/Board Secretary  
Hayett Chater, Accounts Payable and Procurement Specialist  
Shelby Mistor, Planning Specialist

Others: Chris Taylor/PCI, Peter Honeyman/DACAC, Lilliane Webb/GetDowntown

Public: Ed Vielmetti/Resident, Carolyn Arcure/Resident

**APPROVAL OF BOARD MEETING AGENDA**

Mr. Bartelme moved and Ms. Nichols seconded the motion to approve the agenda.

**A vote on the motion showed:**

**Ayes: Bartelme, Dieck, Kinley, Letaw, McKinnon, Michelin, Nichols, Vaughn**

**Nays: None**

**Absent: Brummer, Dohoney, Massey**

**The motion was approved.**

**PUBLIC COMMENT**

Mr. Vielmetti commented on the need for increased solid waste management and general maintenance of alleys. He is interested in knowing who/where to report concerns. Mrs. Arcure commented that she and her husband regularly clean up the alley by the building they own. They see it as a communal responsibility and wish others would contribute to the maintenance as well.

**REPORTS FROM CITY BOARDS AND COMMISSIONS**

None.

**EXECUTIVE DIRECTOR REPORT**

Ms. Thomson reported that the DDA received the Outstanding Infrastructure Award from the League of Michigan Bicyclists. Ms. Thomson attended the award ceremony in Lansing. The DDA was nominated by Human Electric Hybrids in Kerrytown. The draft of the People-Friendly Streets outcomes report was shared with the Board. The final version will be posted on the DDA website, shared with the Board, City Council, and other public boards and commissions.

**DDA MEMBER COMMUNICATIONS**

None.

**APPROVAL OF MINUTES**

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

**A vote on the motion showed:**

**Ayes: Bartelme, Dieck, Kinley, Letaw, McKinnon, Michelon, Nichols, Vaughn**

**Nays: None**

**Absent: Brummer, Dohoney, Massey**

**The motion was approved.**

**SUBCOMMITTEE REPORTS-FINANCE COMMITTEE**

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

**RESOLUTION TO PUT FORWARD AN AMENDMENT TO THE FISCAL YEAR 2023 BUDGET**

Whereas, PA 57 of 2018 requires that the Director of the Authority 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 completed the budget creation process for FY23 and did adopt the FY23 budget in June of 2022 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 analysis and proposed budget amendment and recommends that the DDA Board approve putting forward this FY23 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 FY23 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 FY23 Budget to the Ann Arbor City Council for their approval:

Ann Arbor DDA FY23 Budget Amendment			
231 Parking Fund	Original Budget	Proposed Amendment	Amended Budget
Revenue	17,994,100	3,578,400	21,572,500
Expenditure	19,944,567	806,100	20,750,667
Net Rev (Exp)	(1,950,467)	2,772,300	821,833
Beginning Fund Balance	10,378,325		10,378,325
Ending Fund Balance	8,427,858		11,200,158

**A vote on the resolution showed:**

**Ayes: Bartelme, Dieck, Kinley, Letaw, McKinnon, Michelin, Nichols, Vaughn**

**Nays: None**

**Absent: Brummer, Dohoney, Massey**

**The resolution was approved.**

Mr. Bartelme moved and Mr. Kinley seconded the following resolution:

**RESOLUTION TO APPROVE INTERAGENCY AGREEMENT FOR  
COLLABORATIVE TECHNOLOGY AND SERVICES**

Whereas, The DDA finds it expedient and cost effective to contract out its information technology services;

Whereas, City of Ann Arbor does provide IT services by contract for various agencies and uses a standard chargeback system for fairly allocating the cost of service amongst its various internal service centers as well as the agencies it contracts with;

Whereas, DDA staff and City staff have worked together to determine the DDA's specific needs for IT services, hardware, and software;

Whereas, The City has presented an agreement which our legal team has reviewed and found adequate to the purpose;

Whereas, the Agreement shall commence on July 1, 2023 and be effective for five years, and includes a provision for automatic renewals from year to year going forward;

Whereas, The Agreement provides for an estimated one-time migration fee of \$28,328.78;

Whereas, The agreement provides for annual invoicing at an estimated cost of \$86,425 for FY24, and \$90,574 for FY25, subject to an annual recalculation for future years as well as adjustments for changes in service;

Whereas, The FY24 and FY25 budget were drafted to include capacity for these costs allocated equally between the General TIF and Parking Funds;

Whereas, The Finance Committee has reviewed the draft Agreement and recommends that the DDA Board adopt the Resolution to Approve Interagency Agreement for Collaborative Technology and Services;

RESOLVED, The DDA Board approves the Interagency Agreement for Collaborative Technology and Services between the DDA and the City of Ann Arbor and authorizes the Executive Director to finalize details regarding insurance provisions and execute the Agreement;

RESOLVED, The DDA Board authorizes the Executive Director to administratively evaluate the efficacy of this arrangement on an annual basis and approve the associated expenditures as long as the Agreement is in place and continues to meet the needs of the organization.

Mr. Bartelme reported that staff presented to the Committee an overview of the DDA's post pandemic financial status and planning and project timelines for both the TIF and Parking systems. The City's 3.5% cap on TIF significantly limits the capital activities the DDA is able to undertake. The TIF system will be leading an energy utility study and a circulation study. The City is updating its comprehensive plan and studying the benefits of trunkline ownership. These studies will set the downtown vision and identify related capital needs ahead of the DDA's 2026 capital projects. With the TIF cap in place, investment in downtown will be limited moving forward.

The Parking system has suffered significant revenue losses. FY23 is the third year in which the DDA deferred necessary capital maintenance of the parking structures and fund balances are in decline. DDA staff are working on a curb management study, an updated 20-year capital maintenance plan, and a parking rate study. The studies will inform a plan for addressing the maintenance deferrals and help maintain adequate fund balance levels moving forward. For both TIF and the Parking system, staff is working to identify strategies and design processes to inform future Board decisions.

The next Finance Committee meeting is scheduled for Thursday, May 25 at 9:00 am.

<b>SUBCOMMITTEE REPORTS-OPERATIONS COMMITTEE</b>
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Mr. McKinnon provided the Operations Committee report as Committee Chair Mr. Massey, who was unable to attend the board meeting.

Mr. McKinnon moved and Mr. Michelin seconded the following resolution:

**RESOLUTION TO PROVIDE A GRANT TO FUND THE GO!PASS AND THE GETDOWNTOWN PROGRAM FOR FY 2024**

Whereas, The getDowntown program was co-created by the DDA in 1999 and remains a partnership between the DDA, AAATA and the City of Ann Arbor to provide transportation assistance to downtown employers, including the distribution of the DDA's go!Pass;

Whereas, In support of its mission and mobility initiatives the DDA has provided funding for go!Passes and the getDowntown Program since 2001;

Whereas, The DDA Operations Committee recommends approval of the funding request for FY24 for the getDowntown program, go!Pass, and other transportation programs as follows:

Program or Service	FY24 Request	Purpose
getDowntown Promotion and Marketing  (not to exceed amt)	\$75,000	Transportation demand management (TDM) marketing including media campaigns and outreach support for the 2 annual commuter challenges and go!pass renewal.
Fixed-Route Fares (go!pass)  (not to exceed amt)	\$498,914	Transit incentive for employees that increases bus use and frees up parking for other users.
Non-Fixed Route Discounts	\$32,000	Includes discounts for NightRide discount and other flexroute services.
<b>TOTAL</b>	<b>\$605,914</b>	

Whereas, The DDA is charged only for actual usage of the go!Pass and getDowntown Program, and the amounts shown above are not-to-exceed amounts for these services, while the DDA grant for non-fixed route discounts is a flat amount;

RESOLVED, The DDA Board approves a grant to fund transportation services and programs provided by AAATA, not to exceed \$605,914.00, with funds coming from the DDA’s Fiscal Year 2024 Parking Operations Fund.

**A vote on the resolution showed:**

**Ayes: Bartelme, Dieck, Kinley, Letaw, McKinnon, Michelon, Nichols, Vaughn**

**Nays: None**

**Absent: Brummer, Dohoney, Massey**

**The resolution was approved.**

Mr. McKinnon moved and Mr. Michelon seconded the following resolution:

**RESOLUTION APPROVING A PARKING ACCOUNTS RECEIVABLE COLLECTION POLICY**

Whereas, The DDA is responsible for establishing policies regarding the parking system;

Whereas, The DDA wishes to formalize the process under which the parking operator bills and collects parking revenue and handles past due accounts;

Whereas, DDA staff drafted a policy that outlines process as well as roles and responsibilities, and this policy aligns with parking industry best practice;

Whereas, Authorization to manage the Parking Accounts Receivable Collection Policy is granted to the

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Parking Manager who shall act in accordance with this policy and other applicable written procedures and internal controls as needed;

Whereas, The Operations Committee has reviewed this policy and recommends approval;

RESOLVED, The DDA Board approves the Parking Accounts Receivable Collection Policy.

**A vote on the resolution showed:**

**Ayes: Bartelme, Dieck, Kinley, Letaw, McKinnon, Michelin, Nichols, Vaughn**

**Nays: None**

**Absent: Brummer, Dohoney, Massey**

**The resolution was approved.**

The Committee received the quarterly revenue report, which is included in the board packet.

Mr. McKinnon reported the parking structure fencing project will begin in June. The RFP for the Parking system restoration work for FY24 will be released in May. The contract will come to the Committee in June and the Board in July.

The next Operations Committee meeting is scheduled for Wednesday, May 24 at 11:00 am.

**SUBCOMMITTEE REPORTS-CAPITAL IMPROVEMENTS COMMITTEE**

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

**RESOLUTION TO APPROVE AN AGREEMENT WITH WADE TRIM ASSOCIATES, INC. FOR ENGINEERING AND AS-NEEDED SERVICES**

Whereas, Implementing DDA initiatives requires professional services, including civil engineering, transportation engineering, and as-needed support;

Whereas, Wade Trim was selected by the City of Ann Arbor through a competitive RFP process (RFP 22-17) to provide general engineering services;

Whereas, Wade Trim Associates familiarity with the DDA and City projects and processes will provide efficiency and consistency for the DDA's engineering-related services;

Whereas, DDA staff recommends Wade Trim Associates, Inc. to provide engineering and as- needed services beginning in May 2023;

Whereas, The required funds for the services are available in the approved budget and this is supported by the Capital Improvements Committee;

Resolved, The DDA Board approves a Professional Services Agreement with Wade Trim Associates, Inc. in the amount of \$150,000 for Engineering and As-needed Services; and

Resolved, The DDA Board authorizes the DDA Executive Director to execute the Agreement with a not-to-exceed amount of \$150,000 to be paid from the General/TIF Fund (248).

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**A vote on the resolution showed:**

**Ayes:** Bartelme, Dieck, Kinley, Letaw, McKinnon, Michelin, Nichols, Vaughn

**Nays:** None

**Absent:** Brummer, Dohoney, Massey

**The resolution was approved.**

The Committee received an overview of the Fourth Avenue project, 2021 concept plan and remaining schedule. A public engagement session with patrons was held at the BTC. The remainder of the design process will inform the final layout and project elements.

Ms. Dieck provided an update on the State Street project. Overall the project is on schedule. The contractor's goal is to have the remaining concrete work complete by Art Fair.

The Committee received an overview of planned work. Staff reached out to Traverse City and Grand Rapids to understand their work focus and structure. Ms. Dieck noted the much smaller staff size compared to district size of the Ann Arbor DDA compared to the other two cities. The Committee received a preview report which will be shared at a future board meeting.

The next Capital Improvements Committee meeting is scheduled for Wednesday, May 17 at 11:00 am.

**SUBCOMMITTEE REPORTS—AFFORDABLE HOUSING/ECONOMIC DEVELOPMENT COMMITTEE**

The April Affordable Housing/Economic Development Committee was cancelled.

The next Affordable Housing/Economic Development Committee meeting is scheduled for Wednesday, May 10 at 9:00 am with Partners.

**SUBCOMMITTEE REPORTS-EXECUTIVE COMMITTEE**

The Committee reviewed the board meeting agenda.

Executive Director Search: Mr. Kinley said the Committee discussed the Executive Director search and is looking at three paths forward-hiring an outside search firm, utilizing City HR, or hiring someone directly. Mr. Kinley started drafting a timeline chart of last Executive Director search. He turned it over to staff to formalize it, adding in key elements and provide cost estimates for the three hiring options. The Committee requested that staff provide their recommendation. It is anticipated that the timeline will be provided to the Board in June for discussion and a decision will be made in July about which option the Board supports and how the process will move forward (i.e., advisory group comprised of board and staff members, the full board, etc.).

DDA Meeting Format Change: The Committee discussed staff's proposed change in meeting format consolidating CIC, Ops, and Finance Committees to a once-a-month work session. Executive Committee would remain a standing committee. The work session format would alleviate the amount of time board members would need to spend at committee meetings and provide an opportunity for all board members to receive more detailed information ahead of board meetings. It was noted this format would be in-line with other City boards and commissions. There was consensus to have staff formalize what this meeting format would look like for further discussion at the June board meeting with a proposed decision at the July annual meeting.

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The next Executive Committee meeting is scheduled for Wednesday, June 7 at 11:30 am.

<b>NEW BUSINESS</b>
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None.

<b>PUBLIC COMMENT</b>
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None.

<b>ADJOURNMENT</b>
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Mr. Bartelme moved and Mr. McKinnon seconded the motion to adjourn.

**A vote on the motion showed:**

**Ayes:** Bartelme, Dieck, Kinley, Letaw, McKinnon, Michelon, Nichols, Vaughn

**Nays:** None

**Absent:** Brummer, Dohoney, Massey

**The motion was approved.**

The meeting adjourned at 12:55 pm.

Respectfully submitted,

Kelley A. Graves, Board Secretary