MINUTES  
Downtown Development Authority Meeting  
Wednesday, June 5, 2002

Place: Kerrytown Concert House, 415 N. Fourth Avenue, Ann Arbor, MI  48104
Time: Chairperson, Rob Aldrich, called the meeting to order at 12:09 p.m.

1. ROLL CALL

Present: Rob Aldrich, Ron Dankert, Dave DeVarti, David Fritz, Rene Greff, John Hieftje, Dave Solo

Absent: Fred Beal, Bob Gillett, Leah Gunn, Lorri Sipes, Skip Ungrodt

Staff: Susan Pollay, Executive Director
Present: Joe Morehouse, Deputy Director
Adrian Iraola, Project Manager
Sarah Armstrong

Audience: Jim Corbett, Republic Parking
Brandt Coultas, Ann Arbor Chamber of Commerce
Ray Dettter, Citizens Advisory Council
Bob Henderson, Citizens Advisory Council
Donna Johnson, Ann Arbor City Planning Department
Herb Kaufer, Citizens Advisory Council
Jane Kaufer, Citizens Advisory Council
Jim Mogensen, Citizen
Cathy O’Donnell, Ann Arbor News
Andrew Wright, Citizens Advisory Council
Sean Ziadeh, KAZ Management

2. APPROVAL OF MINUTES

Ms. Greff moved and Mr. Hieftje seconded a motion to approve the minutes of May 1, 2002.

A VOTE ON THE MOTION SHOWED:

AYES: Aldrich, Dankert, DeVarti, Fritz, Greff, Hieftje, Solo
NAYS: None
Absent: Beal, Gillett, Gunn, Sipes, Ungrodt

The motion carried.

3. AUDIENCE PARTICIPATION

Mr. Sean Ziadeh, representing KAZ Management of Farmington, Michigan, said they are proposing a redevelopment of 633 Church Street (corner of Church and Willard Streets) with a six-story student housing apartment building. This project will need 14 parking spaces in the S. Forest parking structure, which needs DDA support. Mr. Ziadeh distributed information about their site plan and said that this would bring in about $75,000 more in taxes annually, of which much of this would be TIF funds.

Mr. Beal enters.

4. CITIZENS ADVISORY COUNCIL

Last night’s very long and occasionally testy meeting of the CAC covered a number of important issues.

Ed Shaffran was our guest and he presented his plans for a four story commercial development on the Persian Rug store site on East Liberty. Ed also described his plans for six new units of residential condos on top of the Goodyear Building on Main Street--a building which he has recently acquired. CAC
members are generally in support of both proposals—particularly the condos on the roof of the Goodyear site. But we will wait to see more definite development drawings as he moves through the approval process required by the Historic District Commission.

Every month we hear numerous reports from CAC Members who are involved as members and leaders in various downtown groups and developments—CAPP, the State Street Area Association, the Shelter Advisory Board, the Street Exhibit Program, the Downtown Marketing Task Force, Courthouse Square, Friends of Liberty Plaza, the Lansing Detroit RR. Committee, the Urban Environment Alliance, etc.—to name a few.

A number of our members attended a 2 1/2 hour workshop last Saturday morning to discuss future plans for Liberty Plaza Park. It was an impressive meeting. It laid out some thrilling future plans for uses and events in the park (a children’s area, story-telling hours, music, food concessions, meeting areas, chess tables, etc.). It also opened the possibility for some physical improvements and changes in the park to make this possible (better lighting, signage, accessibility, flowers, elimination of unsafe areas). The Parks Dept. has already expressed a willingness to put in up to $50,000 for this purpose and we look forward to the DDA being organizationally and financially involved in what will be a phased plan for improvements in the park.

Currently a number of our members are meeting as a sub-committee to draw up a Downtown Resident's Survival Handbook which will compile a list of people to see and numbers to call to deal with common downtown residential and pedestrian problems—noise, air conditioners, blocked alleys, lighting, rubbish, bicycle collisions, etc. It will also outline some goals to further improve downtown residential life and identify those departments and groups that we must lobby to improve them.

One of our goals has been to secure temporary downtown resident parking stickers that will allow loft residents a brief opportunity (5 minutes?) to park in loading zones to unload groceries. Now that the DDA has control over on-street parking sites, we plan to work more toward achieving this goal.

The CAC for the DDA is firmly committed to the goal of prompt approval by the City Council of the DDA Plan for renewal. We have played a very active part in shaping the draft document that is now being proposed. We have also played a part in the numerous public meetings that have been held to consider the content of the document.

We believe the DDA renewal plan expresses our goals and objectives as well as those of the DDA and the Ann Arbor community. In the interests of moving this process forward we are planning a meeting this month to look at the most recent draft of the executive summary of the Plan. We will be developing a strategy for complete review of the entire plan in order that we can give it our required support. We will then, probably in July, begin to actively lobby to secure swift passage by City Council.

FINALLY: PLEASE JOIN US AT THE DOWNTOWN PARTY ON THURSDAY, JUNE 13, 6:30 P.M. IN MY BACK YARD, 120 NORTH DIVISION. BRING A DISH IF YOU CAN. BUT THERE IS ALWAYS PLENTY OF BEER WINE, PUNCH, SOFT DRINKS AND FOOD. BRING YOUR KIDS IF YOU HAVE THEM. WE ALWAYS HAVE CROQUET SET UP ON THE LAWN.

5. NEW BUSINESS

Ms. Pollay asked that the July DDA Board Meeting, regularly scheduled for July 3, be moved to July 1, as this is the date for the Board’s Annual Retreat. Everyone agreed to the July 1st date.

6. OLD BUSINESS

None.
7. SUBCOMMITTEE REPORTS

OPERATIONS COMMITTEE
Mr. Dankert reported on the highlights of the April financial statements. The TIF fund is under budget by 13% due to City posting delays. State Street bonds and Fourth/William bonds have been received. Parking revenues are over budget and expenses are also over budget, primarily due to construction-related expenses that will be reconciled now that the bond accounts can be set up. Mr. Dankert moved and Mr. Solo seconded that the report be accepted.

A VOTE ON THE MOTION SHOWED:
AYES: Aldrich, Beal, Dankert, DeVarti, Fritz, Greff, Hieftje, Solo
NAYS: None
Absent: Gillett, Gunn, Sipes, Ungrodt
The motion carried.

Mr. Dankert said that recommendations for meter bag operations were included in the packet for the Board’s review. Also in the packet is a Settlement Statement from our bond consultant for the State Street and Fourth/William bonds. Mr. Dankert said he was very pleased with the low interest rates. Mr. Dankert reported that work is progressing on the summer 2002 Parking Facility Maintenance Program. The Committee is discussing the possibility of a downtown website sponsored by the DDA and hopes to have more information at the next meeting. The Committee is also working on a proposal for parking rates and there will be a meeting to discuss this on June 10 at noon if anyone is interested in attending.

PARTNERSHIP COMMITTEE
In Mr. Gillett’s absence, Ms. Pollay reported on the following:

First/Washington Project-Status. Currently we are aiming to have the proposed agreement before City Council at their June 17th meeting, and are now only awaiting comments from the City attorney. Once the agreement is approved, the site plan will be developed.

Mr. Beal moved and Mr. Hieftje seconded the following resolution:

RESOLUTION APPROVING $10,000 FOR THE 2002/03 CHAMBER OF COMMERCE HOUSING INNOVATION PROGRAM

Whereas, The DDA is committed to maintaining and increasing the supply of downtown housing, and encourages public programs and private sector development which provide a broad spectrum of housing opportunities that are affordable to people at all income levels;

Whereas, In November 2000 the Ann Arbor Chamber of Commerce, the City of Ann Arbor, the University of Michigan, and the DDA partnered to create the Housing Innovation Program (HIP) to lend support to efforts to assist families and individuals earning up to 95% of the area median income locate housing;

Whereas, Since that time the HIP has worked to:
   · Promote an Employer Assisted Housing Program
   · Review City policies that may assist with the construction of new affordable residences, such as accessory dwelling units
   · Act as liaison between the real estate development community and City policy makers regarding affordable housing issues, including exploring ways to streamline the development review process and shaping a City policy related to developer contributions for affordable housing
Assist the general community with questions related to affordable housing, including providing a clearinghouse for information regarding demographic and housing data

Whereas, The DDA provided $10,000 for this program in 2001/2002;

Whereas, In approving this funding, it was the expectation of the DDA that the HIP would work to expand the planning for affordable housing to a countywide basis;

Whereas, Based on the Chamber’s proposal it was also the DDA’s expectation that the HIP would implement actions to meet the following City Affordable Housing Taskforce goals:
- Convert at least 250 units of existing housing into permanent, affordable housing.
- Provide at least 10 families per year with a first time home ownership opportunity.
- Identify and establish 3 new income sources for affordable housing.
- Review City of Ann Arbor regulatory ordinances and development review process to give priority to affordable housing.

Whereas, There has been little progress on these goals during the first year of the program;

Whereas, The Chamber of Commerce has requested $10,000 from the DDA for 2002/03, which would be matched with funds from the University of Michigan and City of Ann Arbor, as well as significant in-kind support from the Chamber of Commerce;

Whereas, The Chamber has recommended that the HIP move in the following direction for 2002/03:
- It should proceed to work with Washtenaw County and discuss enlarging the program to the surrounding townships where land may be more readily available
- It should aggressively encourage area businesses to use Employer Assisted Housing Benefit programs
- It should work to enhance the leadership role of the business community with regard to creating more affordable housing
- It should support the creation of a Master Plan for Regional Growth that incorporates the essential elements of planned public transportation and housing for all income groups for Ann Arbor and the surrounding areas
- It should continue to act as a clearinghouse for information related to housing, planning, growth management and employee retention
- It should continue to reach out to the development community and target their needs for assistance in achieving their housing development goals

Whereas, The DDA Partnerships Committee has discussed this project, has expressed concern that the 2002/03 HIP work plan as described above does not translate to measurable goals and outcomes, with demonstrable benefit to the community

Whereas, The Partnerships Committee does recognize the importance of collaboration with the Chamber, the University of Michigan, Washtenaw County and eventually the surrounding townships to achieve residential development goals, and has recommended providing $10,000 for fiscal year 2002/03, contingent upon the Chamber and the HIP adequately addressing the issues identified by the DDA;

RESOLVED, The DDA approves funding for the Housing Innovation Program for 2002/03 for the total amount of $10,000 contingent upon: (1) the confirmation by the Chamber of match funding from the City of Ann Arbor, the University of Michigan; and in-kind support from the Chamber; (2) the development of measurable goals with demonstrable benefit to the community to assist funders in evaluating the HIP; (3) the inclusion in those HIP goals the goals identified by the DDA—i.e., the expansion of planning for
affordable housing from a City to a regional planning process and the facilitation of rental housing
development for moderate income (60% to 80% of median income) wage earners.

RESOLVED, The release of these funds shall be contingent upon the Chamber providing the information
identified above to the DDA Executive Director on or before September 1, 2002.

A VOTE ON THE MOTION SHOWED:
AYES:    Aldrich, Beal, Dankert, DeVarti, Fritz, Greff, Hieftje, Solo
NAYS:    None
Absent:  Gillett, Gunn, Sipes, Ungrodt
The motion carried.

DDA Revolving Loan Policy-Status. Ms. Pollay reported that the committee met to refine the program.
The owners of Schwaben Hall were contacted. One owner was interested and one was not. It was
suggested that developers in downtown be notified of our loan policy. Ms. Pollay said she would do this.

CAPITAL IMPROVEMENTS COMMITTEE
Forest. Mr. Beal reported that the work is complete and retainages have been released. The bridge may
be removed, as this seems to be the preferred way to go.

Fourth/William Repairs. Mr. Beal reported that deck coating is continuing and will take a couple of weeks
to complete. Work on the stairways continues. All work should be done in July.

Fourth Ave. Improvements. Mr. Beal reported that work should be completed by the end of June.

State Street Area-Status. Mr. Beal reported that the contractor is working on Liberty and N. University.
The project is still behind schedule but the contractor seems to be doing better. Mr. Beal called attention
to a flyer in the packet, which has been distributed to the businesses in the area. It informs them of what
is going on and who to contact (Adrian Iraola, Project Manager) if they have any concerns or questions.
Mr. Dankert asked when North University would be completed and Mr. Iraola said hopefully by Art Fair.

Sidewalk Maintenance Projects-Status. Mr. Beal reported that two downtown street resurfacing projects
were done on Catherine and N. First Street, and there were some sidewalk repairs associated with that
that the DDA will pay for. The Committee is now focused on repairs to the tree pits on N. Main Street,
and planning ahead for next year to work on sidewalks on S. Forest, Church, and E. University.

The Committee is currently working on their 2002/03 Work Plan, which will be discussed, at the Retreat.
Included on this will be recommendations for future downtown lighting improvements, and to this end, an
intern has been hired to gage light levels to see if where additional lighting is warranted.

PLANNING COMMITTEE
In Ms. Sipes absence, Ms. Pollay reported the following:

There is a draft agenda for the Annual Retreat included in the packet that will look at:
   1.  The Ten Year Plan
   2.  2002/03 Committee Work Plans
   3.  Opportunities and Responsibilities Created by a “Remerged” Downtown Parking System
   4.  What’s Next for the DDA

Ms. Pollay announced that there would be a Planning Meeting on June 12 at 11 a.m. at the DDA office.
The primary topic on the agenda will be a request to continue DDA funding for Go!Passes.
DDA Renewal-Status. Ms. Pollay reported that a resolution to set the date of a public hearing went to City Council and was tabled indefinitely. Subcommittees of the DDA and Council will meet to discuss how best to address concerns and move the process forward. Certainly the most important element will be education about the purpose and goals of the DDA.

8. OTHER BUSINESS

Ms. Pollay reported that she had attended a meeting in which a YMCA “Reuse Concept” was discussed, in which various public funding would be packaged before soliciting purchase offers from developers.

Ms. Pollay handed out a “Draft Revision of Chapter 63 – Storm Water Management and Soil Erosion and Sedimentation Control”. City Building and Planning staff had met with members of the public earlier in the month to elicit responses to proposed changes.

Ms. Pollay reported that Council approved both the parking and affordable housing agreements for the State Street Lofts project with a slight amendment to what had been proposed by City staff, making the Developer responsible to pay the premium assigned to the monthly permit fee, not their residents.

Ms. Greff announced a vacancy on the Neighborhood Advisory Committee for the new Downtown Shelter. If anyone is interested in serving on the committee, please let her know.

9. ADJOURNMENT

As there was no further discussion, upon motion, the meeting was adjourned at 1:24 p.m.

Respectfully submitted,
Susan Pollay, Executive Director