

## MEMORANDUM

TO: Ann Arbor City Council

FROM: Park Advisory Commission

DATE: July 6, 2010

SUBJECT: Resolution Regarding the Proposed Fuller Road Station

This memo serves as the introduction to a resolution regarding the proposed Fuller Road Station which the Park Advisory Commission passed unanimously on Tuesday June 15, 2010.

### Background

The Park Advisory Commission (PAC) has received presentations from staff on three occasions, the last occurring on March 16, 2010. At each of these meetings, the vision for the Fuller Road Station (FRS) has evolved, shifting from a highly conceptual intermodal transportation center focused on rail to the specific Phase I collaboration with the University of Michigan to construct a large parking garage with additional bicycle and bus amenities. PAC appreciates the time that staff has dedicated to presenting this information and answering our questions. However, a number of concerns remain with the proposed project.

PAC sees a number of issues which are raised by the various proposals and phases of the project, and which make it more difficult for citizens to see a clear picture of the project. First, the project is really two projects which have been fused together: a municipal transit center anchored on rail service, and a University of Michigan transit center featuring 500–1,000 parking spaces. Second, because the proposal is to build the station on park land, a number of issues regarding the use of park land for non-park purposes, and what precedents might be set, are raised. Third, the uncertainty about the likelihood and dates when various rail services that are currently in the early stages of development might commence raises a number of issues. PAC feels strongly that it is crucial that these issues be clearly explained in public forums where public commentary is solicited so that citizens can have a full understanding of, and confidence in, the way forward.

PAC views one of its roles as making sure that a project such as the FRS, which involves the construction of a large and permanent building on park land, is truly a benefit to the park system. At this point it is unclear how any of the amenities within the proposed Phase I Fuller Road Station will benefit park users. It does not appear that there is a need for additional parking for Fuller Park, and it is unclear what other benefits the station might provide. At a minimum, the building of such a structure may be in conflict with the goals stated in the Parks, Recreation and Open Space (PROS) Plan, which supports amenities such as open space, athletic fields, or natural areas near and along the Huron River, and the additional vehicle traffic generated by the station may have a safety impact on park users.

## The Resolution

The PAC resolution addresses two main concerns regarding the proposed Fuller Road Station:

1. The process by which information is disseminated, public input is collected, and decisions are reached, both thus far and in the future.
2. The potential reduction in revenue to the Parks and Recreation budget.

## Process

In spite of PAC's close attention to the proposed project, questions remain regarding the scope and timeline of the Fuller Road Station. In addition, the history of the decision-making process between City staff and their current and potential partners has lacked transparency. PAC recognizes that some uncertainty will inevitably arise within any large project. However, in the future, PAC would greatly benefit from clearer, more timely, and more comprehensive information regarding the significant steps in the FRS process.

While Eli Cooper and other staff members have diligently answered all questions presented on the proposal, the very nature of the project has created some distrust in the community. While the proposal has merged the municipal rail and bus station with the University parking garage and bus station, the agenda and timelines for these two projects seem somewhat distinct. This has led to some suspicion in the community that the proposed facility will provide disproportionate benefits to the University.

PAC is also concerned over the lack of substantive opportunity for public commentary. Presentations to commissions, as well as to the public, have offered the chance to ask project-specific questions, but have not inquired as to the overall direction and/or desirability of the FRS. PAC is charged with making recommendations to City Council on all matters concerning the parks system. However, PAC was not informed of important steps taken to advance the proposed FRS until after the fact, including the November, 2009 Memorandum of Understanding (MOU) with the University of Michigan.

The current project schedule seems to indicate the possibility that the Parking Structure Agreement (PSA) between the City and UM might not be completed until after the City has committed to the project. PAC feels that the PSA and any other similar proposed agreements should be published in advance of any City Council action to go forward with the project, so that citizens can accurately assess the terms of the project.

## Reduction in Funds

In FY 2010, Parks and Recreation received \$69,552 from the University of Michigan to lease three lots on the north and south sides of Fuller Road for parking. This lease allows the University to utilize the space on Monday through Friday from 6:00 A.M. to 4:00 P.M. and is limited during the summer to accommodate the users of Fuller Park. Under the proposed plan, the University will gain significant parking space without restrictions while Parks and Recreation will lose approximately \$44,706 in revenue.

The loss of funds to an already stretched and shrinking budget would undoubtedly have a negative impact on the parks system. Parks and Recreation has already made some difficult concessions in the FY 2011 budget, such as eliminating maintenance in a number of parks. In spite of continued budget cuts, Parks has managed to maintain all of its facilities, including Mack Pool and the Senior Center.

PAC proposes that Parks and Recreation receive an increase in revenue that is reflective of a number of factors. First, that a permanent structure is being placed on a valuable asset which will allow the University to park cars in a covered space 24 hours a day, 7 days per week. Second, that the number of spaces allocated to the University will increase by 300% to 400%. At the current rate of \$125 per space, the minimum allocated to Parks and Recreation should be between \$100,000 (800 spaces) to \$127,500 (1,020 spaces) annually, with a yearly 3% increase.

### Recommendations

PAC supports alternative transportation and is in favor of the goals of an intermodal station which would increase mass transit. A great deal of enthusiasm for the project has been expressed at PAC meetings, particularly at the outset of the planning process. However, as important steps have been taken to advance and alter the proposed Fuller Road Station, neither PAC nor the public has been adequately informed.

PAC therefore requests that a concerted effort be made by project staff to provide opportunities for PAC and the public to give meaningful input into all future significant decisions regarding the proposed FRS. PAC hopes to receive a clear schedule for the proposed FRS from project staff, with future updates as necessary in a timely manner. More specifically, PAC recommends that the final Parking Services Agreement (PSA) be published at a PAC meeting at least one month prior to Council approval in order to provide adequate time for public input.

In PAC's view, it is critical that the City negotiate the lease terms for the final PSA to not only restore, but to increase funding to Parks and Recreation to be commensurate with the number of spaces provided by the proposed parking structure, as well as reflective of the value of the parkland. It is difficult for PAC and the public to understand why the City would lease parking spaces built on park land close to the Huron River to the UM for less than \$40/year, as was implied in earlier presentations.

Finally, pursuant to our discussion with Mayor Heiftje at the May 18, 2010 PAC meeting, PAC is in agreement with the Mayor's suggestion that all revenue generated from future lessees of the proposed FRS should be allocated to Parks and Recreation Services. This may include, but is not limited to, the University of Michigan, private bus and taxi companies, and rail.

Prepared by: Tim Berla, Julie Grand, Gwen Nystuen, and Sam Offen; Park Advisory Commission

## RESOLUTION REGARDING THE PROPOSED FULLER ROAD STATION

Whereas, The Park Advisory Commission (PAC) supports the establishment of an intermodal transportation station in Ann Arbor to promote the development of alternative transportation;

Whereas PAC's duties include providing a forum for advice and public input to the City Council on matters relating to the parks system;

Whereas The construction of any building for non-park use on park land is a large and potentially precedent setting development;

Whereas, Building the proposed FRS will create a permanent structure on parkland;

Whereas, Parks and Recreation currently receives \$31,057 (FY 2010) annually from the University of Michigan for 250 parking spots in the South Lot, and according to the Memorandum of Understanding (MOU) with the University is slated to receive only \$24,846 with a 3% yearly increase for almost 800 spots following completion of the proposed parking structure in 2012;

Whereas, It is unlikely that the University of Michigan will continue to lease the North Lots on Fuller Road following the completion of the proposed parking garage, resulting in an additional annual loss to the Parks budget of approximately \$38,495 (FY 2010);

Whereas, The potential loss of revenue (totaling \$44,706 in FY 2010) from the University of Michigan will result in the Parks and Recreation Department having to make additional cuts to an already stretched and shrinking budget; and,

Whereas, According to its terms, and pursuant to information presented to PAC, the November, 2009 MOU is not a final agreement with the University of Michigan, including its terms with respect to compensation to the Parks and Recreation Department;

RESOLVED, That PAC urges City Council and staff to promote maximum transparency in the development of any such project. Specifically, PAC urges the staff and Council to make public a complete plan for the development of the project, including which features will be part of each phase and the details of any significant proposed agreements such as the Parking Services Agreement. Further, PAC urges that such publication include a full presentation at a regular televised PAC meeting, in such a way that PAC commissioners have an opportunity to ask questions, and that this PAC meeting be a least one month prior to any City Council vote which could commit the City to building on park land; and

RESOLVED, That PAC urges City Council and staff to insure that any use of the land in Fuller Park for non-park uses such as a transit station or parking structure results in a net increase in park system revenue.