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April 10, 2013

Dear Mayor Hieftje and City Council Members,

The Arts Alliance believes that the strength of our local arts and cultural offerings is a critical factor in the vibrancy and success of Ann Arbor's downtown. Yet we know that arts and culture must share pride of place with other factors, including downtown's array of shops and restaurants, and the attractive streetscape created by our historic buildings.

There was a time, however, when none of these factors was sufficient to assure downtown's success. Just as an exquisite painting requires a frame for support so it can be seen, a downtown requires that support functions be provided so that its amenities can be reached and enjoyed by visitors. Unlike a shopping mall, downtown does not have a management company to provide needed support functions; a city government could do it, but its attentions are inevitably divided among a variety of neighborhoods.

For the last 30 years, the Ann Arbor Downtown Development Authority has been the backbone providing valuable support to Ann Arbor's downtown (and, by extension, to the arts and cultural offerings which are our primary concern). In that time, downtown has seen a dramatic improvement in its fortunes, and busy sidewalks and restaurants most evenings. 20 years ago, with the City-owned parking structures crumbling from lack of maintenance, the DDA took them over as well, providing extensive renovations and improvements in operations.

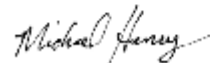
The DDA provides these services through TIF money (tax increment financing), which is extra tax money realized from new construction within the DDA's borders. The City and other taxing entities have realized significant improvements in revenues over the DDA's lifetime. Those higher revenues come from improvements in downtown property values and higher resale prices, partly resulting from the success of the DDA's efforts.

Recently, some Ann Arbor Councilmembers have proposed to change the ordinances establishing the DDA, in a way that would reduce the revenue it receives from some recent large construction projects, as well as making other changes particularly in the composition of the DDA board. While we cannot comment in depth on the merits of these changes, the rush to impose them seems ill-considered, given the varying opinions about how they will affect the finances of both the DDA and the City.

More importantly, the proposed changes come across as punitive, given the extraordinarily good work the DDA has done to support Ann Arbor's downtown. The Arts Alliance exists to support arts and culture, which is inextricably tied to the success of our communities and downtowns. As a result, we believe that the Ann Arbor DDA should be applauded for its work, not burdened with rushed, poorly considered funding cuts. We urge Ann Arbor's City Council to oppose these changes.

Thank you for your consideration.

Sincerely,



Michael Henry
Chair