

ANN ARBOR DOWNTOWN DEVELOPMENT AUTHORITY MEETING MINUTES

Wednesday, December 7, 2011

DDA Offices, 150 S. Fifth Avenue, Ann Arbor, MI 48104

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

Time: Mr. Guenzel called the meeting to order at 12:03 p.m.

1. ROLL CALL

Present: Newcombe Clark, Robert Guenzel, Leah Gunn, John Hieftje, Roger Hewitt, Joan Lowenstein, John Mouat, Nader Nassif, Keith Orr, Sandi Smith, John Splitt

Absent: Russ Collins

Staff Susan Pollay, Executive Director

Present: Joe Morehouse, Deputy Director
Amber Miller, Planning & Research Specialist
Jada Hahlbrock, Management Assistant

Audience: Dave Askins, *Ann Arbor Chronicle*
Tom Heywood, State Street Area Association
Rich Bellas, State Street Area Association and owner Van Boven Shoes
Sabra Briere, City Council
Maura Thomson, Main Street Area Association
Andrew Cluley, WEMU
Adrian Iraola, PAC
Jim Kosteva, University of Michigan
Nancy Shore, getDowntown
Josie Parker, Ann Arbor District Library
Peter Allen
Ray Detter, Downtown Area Citizens Advisory Committee

2. PUBLIC HEARING ON PROPOSED PARKING METER RATE INCREASE

Mr. Guenzel reopened the public hearing begun at the November DDA meeting regarding parking rate changes.

Tom Heywood said that the SSAA fully supported the DDA. He stated that while the SSAA may not always agree with all DDA decisions, they appreciated the DDA's efforts, including their first class job running and maintaining the facilities.

Rich Bellas said that he supports the DDA in their efforts to secure parking funds to keep the facilities in good repair. He appreciated the preventative work that helps avoid facility construction projects that can be harmful to local businesses.

There being no other speakers, Mr. Guenzel moved and Ms. Gunn seconded the adjournment of the public hearing.

3. AUDIENCE PARTICIPATION

Mr. Jim Kosteva said that the University of Michigan is requesting that two parking meters on Monroe St be removed because when the newly constructed South Hall opens in January midblock foot traffic is expected to dramatically

increase and pedestrians will be hampered by parked cars. He said that two meters were added to Monroe St after the UM's parking lot curb cuts were removed to make way for this new building, thus removing these meters would return the original number of meters to the block.

4. COMMUNICATIONS FROM DDA MEMBERS

Mr. Clark said that safety wouldn't be trumped by revenue, but there is a dialogue underway between the UM and the City regarding the UM request that Monroe Street be vacated which makes these parking spaces something of a political issue. He asked Mr. Kosteva to provide an update on this request. Mr. Kosteva said that there is no current discussion underway, and he wasn't sure when the conversation might restart. Mr. Kosteva said that he would be able to provide in writing a recognition that two metered spaces had been removed at the UM's request, which he hoped would allow the DDA to take action before the larger question was resolved. Mr. Clark said that if the decision was delayed past the start of the winter term, it would be possible to have data collected on any difficulties pedestrians were experiencing crossing midblock; Mr. Kosteva said that the UM is expecting to get feedback from Law School faculty and students, and will share this with the DDA.

5. REPORTS FROM CITY BOARDS AND COMMISSIONS

Downtown Area Citizens Advisory Council: Mr. Detter said that the CAC had its annual dinner and hosted City Administrator Steve Powers as their guest. CAC members are generally pleased with this year's progress on programs that the CAC supports, e.g. Council's decision not to cut funding for public art. CAC supports increasing the number of downtown residents, the creation of downtown bike facilities, and the City's pedestrian safety efforts. Mr. Detter said that CAC members continue to insist that the Ann Arbor District Library must be downtown, hopefully on the same site, as the Library and a future development on the adjacent City lot would help this section of downtown become an even more special place. The CAC takes pride in the establishment of the Design Guidelines and Design Review Board process, and point to the plans for the 618 S. Main project as an example for how these design standards can be used to shape good projects.

6. APPROVAL OF MINUTES

Mr. Mouat moved and Ms. Smith seconded approval of the November 2011 DDA meeting minutes.

A vote on the motion showed:

AYES: Clark, Guenzel, Gunn, Hewitt, Hieftje, Lowenstein, Mouat, Nassif, Orr, Smith, Splitt

NAYS: none

Absent: Collins

The motion carried.

7. A BRICKS & MONEY/TRANSPORTATION COMMITTEE

2010/11 Audit: Mr. Hewitt said that the Committee met with the DDA's auditor. The DDA received an unqualified clean audit for FY 2010/11. A late construction invoice had been received after the fiscal year end which put this expense item over budget. No corrective action was recommended by the auditor. Also, the auditor said that he felt that the DDA shouldn't allow its Parking Funds go as low as it had; he recommended that the DDA strive for a 15-18% fund balance ratio. Mr. Hewitt noted that the DDA could readily change its budgeting to increase the amount in this Fund balance by reducing the amount held in the Parking Maintenance Fund. The audit made clear that that the DDA's total fund balances had been reduced by \$2.7 million this fiscal year as anticipated; Mr. Hewitt reminded the

DDA that next fiscal year total DDA fund balances will be further reduced as planned. Overall it was a clean audit, and he said that DDA staff deserve credit for their good work. The required State reporting will be completed in the coming weeks. Mr. Clark asked what steps could be taken if increased revenue becomes absolutely necessary; Mr. Hewitt said that the DDA could increase its parking rates beyond what had been planned, or it could opt to defer some of its planned parking structure maintenance. Mr. Hewitt said that the Committee strives to be conservative in its revenue expectations, thus the DDA's 2011/12 financials may end the year more optimistically than anticipated.

Mr. Hewitt moved and Ms. Gunn supported a motion to approve the following resolution:

RESOLUTION TO ACCEPT THE FISCAL YEAR 2010/2011 DDA FINANCIAL AUDIT

Whereas, The auditing firm of Abraham and Gaffney were contracted by the DDA to audit the financial records for the fiscal year ending June 30, 2011.

RESOLVED, The DDA accepts the Fiscal Year ending June 30, 2011 financial audit prepared by Abraham and Gaffney.

A vote on the resolution showed:

AYES: Clark, Guenzel, Gunn, Hewitt, Hieftje, Lowenstein, Mouat, Nassif, Orr, Smith, Splitt

NAYS: none

Absent: Collins

The resolution passed.

Revenues: Mr. Hewitt reviewed October parking report, noting that revenues were slightly higher and patron numbers were slightly down against last year.

Library Lot: Mr. Splitt reported that the final major structural concrete pour was completed. Other smaller pours will be done throughout the winter as weather permits. The tower crane will be removed by the end of December. Canopies and handrails at the Division Street side were installed, and the plaza elements at the Division Street side were completed, as well.

5th & Division: Mr. Splitt reported that work on the north end of the 300 block of S. 5th is nearly complete.

Transportation: Mr. Mouat shared information presented by Erica Briggs, Clean Energy Coalition, about a possible Ann Arbor bike share program which is being worked on by the City, Clean Energy Coalition, and UM staff. The Committee offered DDA support, specifically DDA staff time and off-season storage space. Mr. Mouat said that there are concerns over infrastructure and safety with more bikes on the street, and these issues will be considered as efforts move forward. In other transportation program updates, go!pass ridership continues to increase, A2 Express has gained new ridership, additional downtown Zipcars may be added, and Night Ride will expand to downtown Ypsilanti in January 2012. Mr. Hieftje asked the Committee to find ways to address the concern about bikes on sidewalks.

The next Bricks & Money/ Transportation committee meeting will be on Wednesday, December 28 at 11:00am.

7. PARTNERSHIPS/ ECONOMIC DEVELOPMENT COMMITTEE

Parking Lots: Ms. Lowenstein said the project is progressing, and has been named “Midtown Discovery”. The LOC committee is getting up to date on previous City planning efforts and current conditions, and at its last meeting LOC members shared their observations from a walk-around and discussed what makes the Midtown area unique. This is part of the groundwork so the Committee can frame how it will encourage public dialog. Ms. Lowenstein said that as part of the \$3 million HUD grant awarded to the County, the DDA will receive \$70,000 for the Midtown Discovery process, which will involve a \$20,000 DDA match.

Economic Development: Ms. Lowenstein said the DDA is benchmarking the amount of downtown residential growth. The 2003 Downtown Residential Taskforce (DRT) had set forward a 1,000 unit increase by 2015, and since the 2000 Census, 536 new units were built and 274 more units are underway at Zaragon West and 601 S. Forest. The Varsity and Village Green projects will easily put the number of units well over the DRT goal.

1st & Washington: The lot was closed to parking at the end of October in preparation for the City’s sale of the property to Village Green. Final documents are being prepared by the City.

Maps: The Ann Arbor Convention and Visitors Bureau is working with DDA staff to reprint the DDA’s kiosk “you are here” map listings with a scanable QR code that will enable visitors with smart phones to access the CVB’s new website. Ms. Lowenstein said that the DDA is very excited to be working with the CVB on this project.

The next Partnerships/ Economic Development committee meeting will be on Wednesday, December 14 at 9:00am.

8. OTHER DDA BUSINESS

Mr. Hieftje said that Community Standards staff have worked with business owners to get graffiti removed, and there will be data and mapping to illustrate where graffiti was noted and removed. He thanked the Area Associations for getting the word out. Mr. Nassif said that he had noticed graffiti being dealt with on buildings near his office. Ms. Lowenstein asked about graffiti removal from utility boxes; Mr. Hieftje said AT&T responded very quickly to painting over graffiti, and DTE is equally as willing, but has been slower responding possibly due to the need to get permission to be on private property.

Mr. Hieftje said that the cost savings associated with the recent City/County agreement for the consolidation of emergency dispatch services plus the new AAPOA contract mean that funding is in place to prevent the loss of additional City police positions. The City hopes to call back recently laid-off officers, in addition to hiring other officers, and there are many capable candidates.

9. OTHER AUDIENCE PARTICIPATION

None

10. CLOSED SESSION

Mr. Mouat moved and Ms. Lowenstein seconded moving into a closed session for attorney/ client privileged communication.

A roll call vote to enter into closed session showed:

AYES: Clark, Guenzel, Gunn, Hewitt, Hieftje, Lowenstein, Mouat, Nassif, Orr, Smith, Splitt

NAYS: none

Absent: Collins

The motion carried.

The DDA Board exited the meeting room at 12:51pm.

The DDA Board reentered the meeting room at 1:40pm.

11. ADJOURNMENT

There being no other business, Mr. Orr moved and Ms. Smith seconded the motion to adjourn. Mr. Guenzel declared the meeting adjourned at 1:42 pm.

Respectfully submitted,
Susan Pollay, Executive Director