

ANN ARBOR DOWNTOWN DEVELOPMENT AUTHORITY MEETING MINUTES

Wednesday, May 2, 2012

DDA Office, 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 12:05 p.m.

1. ROLL CALL

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

Absent: Leah Gunn, John Mouat

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

Audience: Dave Askins, *Ann Arbor Chronicle*
Art Low, Republic Parking System
Ali Ramlawi, Jerusalem Garden
John Bly, 618 S. Main
Edward Vielmetti, a2b3
Eric Lipson, Library Green Advocates
Dan Ketelaar, Urban Group
Adrian Iraola, PAC
Ray Detter, Downtown Area Citizens Advisory Committee
Andrew Cluley, WEMU
Sabra Briere, AA City Council
Will Hathaway, Library Green Advocates
Nancy Shore, getDowntown

2. AUDIENCE PARTICIPATION

Edward Vielmetti said that while visiting Toledo, Ohio he used their low power AM radio station to get traffic and parking information, and he suggested that a similar set up would be beneficial to downtown Ann Arbor. He urged the DDA & City to pursue this idea.

Will Hathaway said that he was speaking as a representative of a group advocating for a public park on top of the Library Lane structure. Mr. Hathaway presented slides from the project site plan and asked that the DDA not install the parking lot called out in the site plan, but rather move to create an open space on top. Mr. Hathaway said that he recently toured the structure while under construction, and thought that many aspects are architecturally beautiful, and that such a facility deserved a better crown than a surface lot.

Eric Lipson said that he was also representing the same group. He asked the DDA to remember the Calthorpe report which mentioned a town square on this site, and said that though a future construction on this site may be years away a public open space rather than a surface lot is the best temporary alternative.

Ali Ramlawi, owner of Jerusalem Garden, spoke regarding the Library Lane construction. He said that the construction was in its fourth year, and has led to lost business, evacuations and delivery issues. He has an issue with the way the contracts were awarded, as Christman is late completing the project and there has been no penalty for them. Going forward the DDA board needs to do better when writing and awarding contracts. The situation near his business over the last four years has created a very hostile and unhealthy environment, a very difficult place to work and run a business.

3. REPORTS FROM CITY BOARDS AND COMMISSIONS

Downtown Area Citizens Advisory Council. Mr. Detter announced that the Annual Downtown Potluck Party will take place on Thursday, June 7th. He said that Mr. Hathaway and Mr. Lipson spoke to the CAC about their position. The CAC supports the inclusion of a public space on top of the structure and support community members in making use of the space as much as possible. However the CAC reaffirms its commitment to the development of a tax-producing, private development of a major portion of the structure. Any planning for the site should relate to and provide a benefit for the Library and Blake Transit Center, especially pedestrian connectivity and public art. Temporary plans, including parking, should not should slow down or conflict with permanent development on the site.

The CAC congratulated the Partnerships Committee on the very careful way they worked to develop a DDA Brownfield policy, and to respond to the request from the developers of 618 S Main. The CAC feels the DDA is moving in a direction that will allow for consistent policy for future applicants and will stimulate other private tax-generating developments in downtown.

4. COMMUNICATIONS FROM DDA MEMBERS

Mr. Hieftje shared updates from the recent Downtown Marketing Taskforce. Participants are working on a newly invigorated anti-panhandling effort. Posters have been created that aim to educate the public about the issue and what they can do to help. Mr. Hieftje said that the Taskforce has learned that panhandling isn't about homelessness; rather it is an issue of behavior and very often about substance abuse.

Mr. Hieftje responded to the public comments about a new park atop the Library Lane structure, saying that he had news about two new City parks, as well as one existing park. The City has applied for a FEMA grant to tear down the buildings at 721 N Main, as well as a National Resources Trust Fund Grant in hopes of turning the property into the first of the Allen Creek Greenway parks. The County may be involved as the property relates to the Border-to-Border trail. Secondly, the City has been in talks regarding a possible park in the Greenway section at the City's 415 W Washington site. Thirdly, the Parks Advisory Council has been tasked with considering the Liberty Plaza Park and how it can be redesigned to become a more welcoming and functional space. Members of the public need to realize that the Parks Advisory Council is already stretched thin and existing parks will be first in line for any available funds.

5. APPROVAL OF MINUTES

Ms. Smith moved and Mr. Splitt seconded approval of the April 4, 2012 meeting minutes.

A vote on the motion showed:

AYES: Collins, Guenzel, Hewitt, Hieftje, Lowenstein, Nassif, Orr, Smith, Split
NAYS: none

ABSTAIN: Clark
Absent: Gunn, Mouat
The motion carried.

6.A. BRICKS & MONEY/ TRANSPORTATION COMMITTEE
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Financial Reports. Mr. Hewitt reported that FY 11/12 TIF income will be less than anticipated by approximately \$200,000. TIF expenses for consultant and administrative expenses are lower than budget, and capital expenditures are on target. Mr. Hewitt reminded the board that the fiscal year reduction of TIF fund balance by \$1.5 million was planned for, as funds are being used for construction project expenses. Parking revenues are \$800,000 more than budget, due to both increased demand and the rate increase. Mr. Hewitt noted that the Library Lane structure opening is fortuitous, as parking demand continues to grow, particularly in the campus area. Direct parking expenses are anticipated to be lower than budget. Mr. Hewitt attributed most of this savings to Republic Parking's efforts to find ways to make their operations more efficient, and he thanked Mr. Low and staff at RPS for their efforts. Parking maintenance expenses are lower than budgeted, as much of these funds are being used as planned in construction. The structures and lots are in great shape due to aggressive preventative maintenance work for many years. Housing Fund expenditures are under budget as the grant to the Near North project will not be paid this fiscal year. Citing the March parking report, Mr. Hewitt noted that revenues were 13% increased over last year, with 6-7% of this attributable to the rate increase; the remainder due to higher patron use of the parking system.

Mr. Hewitt moved the following resolution with Ms. Lowenstein seconding:

RESOLUTION AUTHORIZING THE DDA BRICKS/MONEY & TRANSPORTATION COMMITTEE TO DEVELOP AND IMPLEMENT A DEMAND MANAGEMENT FRAMEWORK TO BETTER MANAGE CAMPUS-AREA PARKING DEMAND

Whereas, The DDA takes a careful, measured implementation approach to parking changes to ensure downtown remains attractive to an array of downtown users;

Whereas, This concept of using Demand Management was a central element in the DDA's 2010 Public Parking & Transportation Demand Management Strategies Plan, which set forward an approach "using both discounted and premium pricing as a tool to provide more parking choices and information so as to extend parking usage more broadly throughout the public parking system."

Whereas, The DDA Bricks/Money & Transportation Committee reviews parking demand data throughout the DDA parking system on a monthly basis and have been tracking the very strong demand for parking in the UM campus area which will likely be exacerbated in the near future due to the construction of several large new mixed use developments bringing even more new residents to the State Street area in the next year;

Whereas, The new Library Lane parking structure will be opening this summer, and will provide much-needed capacity to the public parking system;

Whereas, The Bricks/Money & Transportation Committee has been considering strategies to extend campus-area parking demand two blocks west to the new Library Lane parking structure, and has

determined that the best means would be to adjust monthly parking permit rates so that patrons can choose the parking location that best meets their need for convenient or lower cost parking arrangements;

RESOLVED, The Bricks/Money & Transportation Committee is authorized to utilize demand management strategies and adjust monthly parking permit rates to expand campus-area parking in a broader expanse.

Mr. Hewitt explained that in recent years the focus has been on the construction of the Library Lane structure, and now that construction is nearly complete, the Committee can shift its focus to back to implementing the TDM strategies it assembled in its 2010 Strategies Plan. What the Committee wants to achieve is to create ways to help even out demand across more parking structures. Mr. Clark asked why there was a specific mention of a two block area West of the campus area in one of the "Whereas" clauses. Why a boundary had been mentioned? Mr. Hewitt responded that the committee plans to look at the system as a whole and examine monthly parking demand and rates in all of the facilities.

A vote on the resolution showed:

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

NAYS: none

Absent: Gunn, Mouat

The resolution passed.

Construction updates. Mr. Splitt reported that the backfill of the "bridge" portion of the garage is almost complete, and the concrete curb for the road portion of the deck will begin May 3rd with paving of the deck to take place the following week. Backfilling of the Plaza area is underway, and finishes within the structure continue. Paving on the northern and southern ends of the block is expected to begin in the next two weeks. Mr. Clark asked for an explanation of the large car graphic on the wall; Mr. Splitt said that it was a mock up of one of the wayfinding signs that will be used in the structure.

Transportation. Nancy Shore said that a record number of businesses signed up to participate in this year's Commuter Challenge, and she noted that May is a great time of the year to try alternate commuting options. Ms. Shore thanked the DDA for sponsoring the Commuter Challenge and the Bike Bash.

The next Bricks & Money/ Transportation committee meeting will be on Wednesday, May 30th at 11:00am.

6. B. PARTNERSHIPS/ ECONOMIC DEVELOPMENT COMMITTEE

Brownfield Grant Policy. Ms. Smith said that the Partnerships Committee has met several times with the 618 S. Main Street developer to learn about this project, but before a Brownfield grant recommendation can be made, a DDA Brownfield Grant Policy must be established. Ms. Smith outlined the draft Policy and asked for DDA feedback and revisions. Mr. Collins asked why Federal grants were being excluded; Ms. Smith said a specific DDA grant policy involving Federal funds could be considered in the future. Ms. Lowenstein asked if this policy required that the DDA get involved as early in a project as possible; Ms. Smith said no, that the Committee was recommending that a developer would come to the DDA with a fairly firm plan so the DDA could determine if the project met the DDA's goals and values. Mr. Hewitt said he liked that the proposed policy would help to lessen subjectivity, as he felt objectivity would enable the DDA to make consistent decisions. Mr. Splitt said that he questioned whether 25% over 10 years was enough to make a real difference in helping a developer leverage other dollars; Ms. Smith said that the Committee looked at

the DDA's grant history and grants lower than 25% had been provided. Mr. Orr said that he also appreciated the Committee's attempt to create an objective process, and that the Committee was highlighting an emphasis on projects that might spark other private development. Mr. Clark thanked the 618 S. Main Street developer for his patience, but said that he appreciated that the DDA had been so thoughtful in its deliberations. Mr. Collins said that the DDA has structured itself as an organization that tends assets. As such the DDA and this policy in particular are conservative in nature. He said that while it is good to be careful, we don't want to miss a chance to be a stimulus. Ms. Smith thanked everyone for their comments and said that the policy will be refined further at the next committee meeting and brought back for approval at the June DDA meeting.

Connecting William Street Project Status. Ms. Lowenstein said that the project team has been holding focus group meetings and on May 16th the LOC will hear the market analysis findings. In early June it is anticipated that the LOC will be asked to provide input on three draft scenarios that would be based around the survey and the market analysis, and in late June the LOC will review the revised scenarios and help shape the plan for webinars and group presentations. Ms. Lowenstein said that on May 17th the DDA will once again partner with Concentrate Media for a speaker event, including the DDA's land use economist presenting his market analysis and a downtown business owner panel talking about economic development issues such as downtown office availability and downtown's attractiveness as a place to run and grow a business.

The next Partnerships/ Economic Development committee meeting will take place May 9th at 9am.

7. OTHER DDA BUSINESS

Ms. Pollay said that the annual Ann Arbor Blooms event will take place on May 19th, and this year the DDA would be providing Girl Scout patches with an image of downtown.

8. OTHER AUDIENCE PARTICIPATION
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Ali Ramlawi spoke again regarding the construction of the Library Lane structure. He suggested that in light of the public comments today in favor of a park on top of the structure that the DDA consider using parking revenues from the facility to pay for the creation and maintenance of a plaza on top. Mr. Ramlawi also expressed frustration at the use of the phrase "on schedule" for describing the situation at Library Lane. He feels this term is inaccurate and the use of it inappropriate.

Edward Vielmetti said that as the DDA continues to develop its TDM strategies he hoped thought would be given to how people find parking spaces. It may be that Ann Arbor does not have a parking problem but rather a walking problem. Getting people information via a low power AM radio station may help.

9. ADJOURNMENT

There being no other business, Mr. Orr moved and Mr. Hewitt seconded a motion to adjourn. Mr. Guenzel declared the meeting adjourned at 1:24 pm.

Respectfully submitted,
Susan Pollay, Executive Director