

ANN ARBOR DOWNTOWN DEVELOPMENT AUTHORITY MEETING MINUTES
Wednesday, October 3, 2012
DDA Office, 150 S. Fifth Avenue, Ann Arbor, MI 48104

Place: DDA Office, 150 S. Fifth Avenue, Suite 301, Ann Arbor, 48104
Time: Ms. Gunn called the meeting to order at 12:03 p.m.

1. ROLL CALL

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

Absent: Russ Collins, Nader Nassif

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
Dave Konkle, DDA
Ryan Stanton, AnnArbor.com
Dennis Tice, Tice Family LLC
Art Low, Republic Parking System
Andrew Cluley, WEMU
Ray Detter, Downtown Area CAC
Jennifer Hall, Ann Arbor Housing Commission
Andrew Selinger, Oxford Companies
Brad Moore, Tice/Opus Partnership
Scott Munzel, Opus Development
Lance Mitchell, Ann Arbor Housing Commission
Will Hassett
Mary Hathaway, Library Green Conservancy
Nancy Shore, getDowntown

2. AUDIENCE PARTICIPATION

Jennifer Hall said that the roof at Baker Commons has deteriorated much faster than anticipated and leaks are causing damage. The Housing Commission will use a steel roof replacement, because the long term durability will make up for the added upfront cost. The Housing Commission requested funds from the DDA for this roof because it will help sustain essential downtown affordable housing units. She said that the grant will be recognized with a banner on site, and as part of a presentation to City Council.

Ms. Smith arrives.

Dennis Tice and Brad Moore introduced their proposed development at 624 Church St, above the Pizza House restaurant. Mr. Moore explained that location does not allow parking to be constructed on site, but 42 parking spaces are needed for site plan approval, so they asked to work with the DDA in utilizing the City's Contribution in Lieu option for parking. The exact location for these spaces was less important at this time than the DDA commitment of spaces, as the project goes to the City's Design Review Board on October 17th.

Mr. Clark and Mr. Splitt arrive.

Scott Munzel said he was speaking as part of the 624 Church Street team, and that the Opus Group is a national company with substantial experience in this type of development. He said that the Contribution in Lieu option would work well, and that the property owners would prefer that the parking spaces were located in the Forest parking structure.

3. REPORTS FROM CITY BOARDS AND COMMISSIONS

Downtown Area Citizens Advisory Council. Mr. Detter invited DDA members to the dedication of three new historic wall exhibits on October 9 at the Michigan Theater.

Mr. Detter said that at their meeting the CAC members examined the two project proposals that will be assessed by the Design Review Board on October 17. The 624 Church Street project appears to have followed the City's Design Guidelines; the project on Huron doesn't and may need many changes to comply. The CAC also discussed the Contribution in Lieu request to the DDA from the 624 Church Street project, and they support this request. The CAC hopes that the many DDA Parking/Transportation Demand Management strategies will lead to a better understanding for the amount of parking and the transportation alternatives we will need to support the future, more dense, development of downtown. He said that CAC members continue to back affordable housing, and strongly support the DDA grant to the Housing Commission for repairs at Baker Commons. CAC members also expressed full support for the expansion of a "Walk Your Bike" program on the most congested downtown sidewalks.

4. ELECTRIC VEHICLE CHARGER PROJECT- UPDATE

Dave Konkle gave the board an update on the DDA's 18 electric vehicle charging stations recently installed in public parking facilities using Department of Energy grant dollars. Mr. Konkle showed images of a new website that will provide basic information as well as live data to help parkers locate available charging stations. Within the next couple of months there will also be a smart phone application that will provide information on available charging stations. Mr. Konkle showed usage information, and said that demand has been much stronger than he anticipated. Mr. Konkle also shared results from a survey he conducted at a recent "Plug-In" vehicle event, where electric vehicle owners expressed great satisfaction with the DDA's electric vehicle chargers.

5. COMMUNICATIONS FROM DDA MEMBERS

None

6. APPROVAL OF MINUTES

Mr. Mouat moved and Mr. Hieftje seconded approval of the September 5, 2012 monthly meeting minutes.

A vote on the motion showed:

AYES: Guenzel, Gunn, Hewitt, Hieftje, Lowenstein, Mouat, Orr, Smith, Split

NAYS: none

ABSTAIN: Clark

Absent: Collins, Nassif

The motion carried.

7. A. PARTNERSHIPS/ ECONOMIC DEVELOPMENT COMMITTEE

Ms. Smith moved the following resolution with Mr. Orr seconding:

RESOLUTION APPROVING A GRANT FOR IMPROVEMENTS AND REPAIRS TO BAKER COMMONS

Whereas, The DDA created a Housing Fund with which it provides grants to meet its Development Plan goal to strengthen downtown by encouraging a wide diversity of downtown residences;

Whereas, The Ann Arbor Housing Commission met with the Partnerships Committee to present a grant request for Baker Commons, which is located in the DDA District, in the amount of \$246,000 to replace a deteriorated roof and \$14,000 for project management and the installation of energy-saving programmable thermostats and sensors;

Whereas, The 90% of the tenants at Baker Commons are elderly and/or disabled, and all of the tenants are regular users of downtown;

Whereas, The Partnerships Committee recommends approval of this grant request with the funds taken from the following DDA funds:

\$246,000	roof replacement	DDA Housing Fund 001
<u>\$ 14,000</u>	energy saving & project management	DDA TIF Fund 003
\$260,000		

RESOLVED, The DDA approves a \$260,000 grant to the Ann Arbor Housing Commission for a roof replacement and energy-saving improvement installation at Baker Commons with the amounts apportioned as recommended by its Partnerships Committee.

RESOLVED, The DDA hereby amends its FY 2012/13 budget as indicated by this resolution.

Ms. Smith said that she felt this resolution was in line with the DDA's mission as it represented an investment in sustainability and downtown residential. Ms Lowenstein agreed.

Mr. Clark asked if at the committee meeting there had been discussion of the Housing Commission's capital plan and why this roof repair had become an emergency; Ms. Smith said yes, the Housing Commission regularly updates its maintenance/repairs list with recurring inspections, but the Baker Commons roof deteriorated much faster than expected. Mr. Clark asked if there was a pipeline of future needs and if the DDA will be asked for additional funds. Ms. Hall explained that HUD funds for capital improvements is never enough to cover all the needed repairs, so the Commission prioritizes projects using a five-year plan. She introduced her colleague Lance Mitchell who outlined several recent projects, including some at Baker Commons. Mr. Clark said that an emergency roof replacement is a symptom of a larger problem. Ms. Hall agreed. Mr. Hieftje said that HUD funding is down and will continue to go down, so he thought it wise to think long term about elements like roof replacements.

A vote on the resolution showed:

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

NAYS: None

Absent: Collins, Nassif

The resolution passed.

Connecting William Street. Ms. Lowenstein said that there will be another public meeting on October 8th at the downtown Library and another webinar on October 11th, and the next LOC meeting will be on October 17th. The LOC is still on track to present to City Council in December.

Ms. Lowenstein said that the Partnerships Committee talked about what the DDA should recommend as its portion of the CWS Strategy Plan, including whether the DD should take on capital projects that will make these properties along William Street more attractive to developers, as well as creating a pedestrian/bicycle improvement plan for William Street. Ms. Smith said that one of the goals of CWS is to better connect the campus area to the Main Street area using William Street, and transportation and in-fill development work hand-in-hand to accomplish this. She said that improvements on William Street can also help connect new residents and employees to the nearby parks on Division, the future greenway, and the river.

The next Partnerships/Economic Development Committee meeting will take place October 10.

7. B.

OPERATIONS COMMITTEE

Financial Statements. Mr. Hewitt said that in August the total number of public parking spaces increased with the new Library Lane Structure, and in its first full month of operation it contributed \$43,000 in revenue to the parking system. Permit sales are also going well.

324 Church Street. **Mr. Hewitt moved, and Mr. Mouat seconded the following resolution**

DDA RESOLUTION OF SUPPORT FOR A PARKING CONTRACT WITH THE 624 CHURCH STREET DEVELOPMENT

Whereas, The DDA mission is to strengthen the downtown area and attract new private investments, which includes the strategy that the DDA participate in efforts to encourage new housing in the downtown;

Whereas, Through agreement with the City, the DDA are managers of the public parking system until at least 2033;

Whereas, The 624 Church Street development project will construct a 13 or 14-story, 83-unit apartment building with approximately 181 beds atop and next to the Pizza House building on Church Street, in the South University area;

Whereas, In 2012 Ann Arbor City Council set forward a Contribution in Lieu Parking Space option for new developments in the DDA District that must provide some amount of parking as part of their site plan requirements;

Whereas, The developers of the 624 Church Street project met with the Operations Committee to discuss their project and the zoning requirement for as many as 42 parking spaces, and their request to the DDA that these spaces be accommodated using the City's Contribution in Lieu framework;

Whereas, The Operations Committee recommends approval of an agreement with the 624 Church Street project that would provide for up to 42 parking spaces in the public parking system following the guidelines set forward in the City's Contribution in Lieu policy, including the amount to be paid and the duration of the agreement; and

Whereas, The Operations Committee and representatives of the 624 Church Street project will determine at a later date where these 42 parking spaces will be assigned, including in the Forest Avenue parking structure or within other nearby campus-area public structures;

RESOLVED, The DDA approves the recommendations as set forward by its Operations Committee.

RESOLVED, The DDA Chair and Executive Director are authorized to work with the DDA Attorney and City to execute a parking contract consistent with the provisions of the development agreement for this project.

Mr. Hewitt said that this would be the DDA's first Contribution in Lieu agreement, and the Committee would rely on DDA staff to provide a recommendation for where these spaces will be assigned. Mr. Clark asked if the project is "by-right"; Mr. Hewitt said that he believed so, but parking was required because the project exceeded 400% FAR. Mr. Clark said that the Forest structure is the only public parking facility in the area, and it is of great utility to students and staff at the university as well as the local businesses in that area, thus he appreciated that the permits for 624 Church might be located in an alternate public structure. Ms. Pollay explained that the developer does recognize the spaces at Forest are vital to the area but would of course prefer the

spaces be at that facility. Mr. Clark said that the DDA will need to discuss how the decision will be made and how the choice fits in with its overall TDM strategy.

Mr. Clark introduced an amendment for the last Whereas clause changing “Whereas, The Operations Committee and representatives of the 624 Church Street project will determine at a later date where these 42 parking spaces will be assigned, including in the Forest Avenue parking structure or within other nearby campus-area public structures;” to “Whereas, The Operations Committee and representatives of the 624 Church Street project will determine at a later date where these 42 parking spaces will be assigned, within nearby campus-area public structures;”. Mr. Hewitt accepted the amendment as friendly. Mr. Hieftje disagreed and said that he sees no problem with it saying Forest. He said that word “or” provided enough clarification to the sentence and that it is possible that at least some of the spaces will be in the Forest structure. Ms. Gunn asked Mr. Clark that if the amendment was no longer friendly if he wanted to proceed with it. He responded that he did not.

Mr. Splitt said that he felt the DDA was keeping an eye on parking supply and demand, especially in the campus-area. Mr. Clark clarified his concern is that if located at Forest, these 42 monthly permit users will displace hourly patrons in an area that had little public parking. He expressed again his hope that as much hourly public parking as possible remain available in the area for those that rely on it.

Mr. Orr suggested adding “and using Transportation Demand Management principles;” to the end of the last clause; both Mr. Hewitt and Mr. Mouat accepted the amendment as friendly. The resolution, as amended, is as follows:

DDA RESOLUTION OF SUPPORT FOR A PARKING CONTRACT WITH THE 624 CHURCH STREET DEVELOPMENT

Whereas, The DDA mission is to strengthen the downtown area and attract new private investments, which includes the strategy that the DDA participate in efforts to encourage new housing in the downtown;

Whereas, Through agreement with the City, the DDA are managers of the public parking system until at least 2033;

Whereas, The 624 Church Street development project will construct a 13 or 14-story, 83-unit apartment building with approximately 181 beds atop and next to the Pizza House building on Church Street, in the South University area;

Whereas, In 2012 Ann Arbor City Council set forward a Contribution in Lieu Parking Space option for new developments in the DDA District that must provide some amount of parking as part of their site plan requirements;

Whereas, The developers of the 624 Church Street project met with the Operations Committee to discuss their project and the zoning requirement for as many as 42 parking spaces, and their

request to the DDA that these spaces be accommodated using the City's Contribution in Lieu framework;

Whereas, The Operations Committee recommends approval of an agreement with the 624 Church Street project that would provide for up to 42 parking spaces in the public parking system following the guidelines set forward in the City's Contribution in Lieu policy, including the amount to be paid and the duration of the agreement; and

Whereas, The Operations Committee and representatives of the 624 Church Street project will determine at a later date where these 42 parking spaces will be assigned, including in the Forest Avenue parking structure or within other nearby campus-area public structures, using Transportation Demand Management principles;

RESOLVED, The DDA approves the recommendations as set forward by its Operations Committee.

RESOLVED, The DDA Chair and Executive Director are authorized to work with the DDA Attorney and City to execute a parking contract consistent with the provisions of the development agreement for this project.

A vote on the resolution as amended showed:

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

NAYS: None

Absent: Collins, Nassif

The resolution passed.

Connector Study. Mr. Hewitt provided history for the project, saying that the DDA contributed \$80,000 to Phase I, which determined that the current and projected number of transit riders in the Connector Study corridor makes an enhanced transportation system feasible. Phase II will consist of an "Alternatives Analysis" to determine the preferred technology and route. **Mr. Hewitt moved the following resolution with Mr. Orr seconding:**

RESOLUTION PROVIDING \$30,000 TO SUPPORT PHASE II OF THE ANN ARBOR CONNECTOR STUDY

Whereas, Enhancing transportation into and through the downtown is a key strategy in the 2003 DDA Renewal Plan;

Whereas, In 2008 the DDA approved a \$80,000 grant in support of Phase I of an Ann Arbor Connector Study in partnership with AATA, City of Ann Arbor, and the University of Michigan;

Whereas, The results of this Phase I study determined that the number of current and projected transit riders in the Connector Study corridor made an enhanced transportation system feasible using any of a number of various transportation technologies;

Whereas, The Phase II of this Connector Study will determine the specific route within the larger corridor as well as preferred transportation alternative to best meet the needs of the community;

Whereas, The costs for this Phase II will be shared as follows:

Federal grant	\$1,200,000
University of Michigan	\$ 150,000
AATA	\$ 90,000
City of Ann Arbor	\$ 30,000
Ann Arbor DDA	<u>\$ 30,000</u>
	\$1,500,000

Whereas, The Operations Committee recommends that the DDA approve a \$30,000 grant for the Phase II portion of the Connector Study, with \$15,000 to come from the DDA's 2012/13 063 Parking Fund budget and \$15,000 to come from the DDA's 2013/14 063 Parking Fund budget;

RESOLVED, The DDA will provide a total of \$30,000 to support the Downtown Connector Study Phase II project, with \$15,000 to come from the DDA's 2012/13 063 Parking Fund budget and \$15,000 to come from the DDA's 2013/14 063 Parking Fund budget;

RESOLVED, In support of the partnership behind this project the DDA's grant is contingent on the City providing a grant to the project in the amount of \$30,000;

RESOLVED, With this resolution the DDA amends its FY 2012/13 budget to reflect this change.

Mr. Hewitt explained that in order to receive the money from the Federal Government, local dollars are needed as a match. The study will get \$4 for every \$1 of local contribution, which is a great way to leverage DDA dollars. He said that City Council will take up this issue later in October and the DDA's grant has been made contingent on the City's contribution to ensure the DDA is in alignment with the City.

Ms. Smith said that the University of Michigan will be a huge benefactor of any enhanced transportation in the study area since they move so many people along that corridor daily. She said that she felt the ratios of contributions felt right to her. Mr. Orr said that he is pleased that the DDA's grant would be coming from the Parking Fund, as he is happy to spend some parking revenue on alternative transportation. Mr. Splitt asked when the funds would be needed; Mr. Hewitt said that the project would span two fiscal years, thus payment would be made half in 2012/13 and half in 2013/14.

A vote on the resolution showed:

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

NAYS: None

Absent: Collins, Nassif

The resolution passed.

Maynard Bike Storage. Mr. Mouat said that preliminary plans have been drafted to install a bike storage facility at the Maynard Structure using two parking spaces. This would be a pilot program that would add an attractive element to support DDA's TDM strategies in the State Street area. Mr. Mouat said that bike parking demand has significantly increased, and will expand further when Barracuda employees move into their new office, as many of them commute on bikes. **Mr. Mouat moved the following resolution with Mr. Hewitt seconding:**

RESOLUTION TO FABRICATE AND INSTALL A BICYCLE STORAGE FACILITY IN THE MAYNARD PARKING STRUCTURE

Whereas, Enhancing transportation into and through the downtown is a key strategy in the 2003 DDA Renewal Plan, and during its tenure the DDA has funded a wide variety of bicycle-related projects including the installation of approximately 1,000 downtown bike hoops;

Whereas, As a component of encouraging greater bike use, the demand for covered bike parking is growing and has already exceeded the amount of bike lockers and covered bike hoops in the State/Liberty Street area;

Whereas, The DDA Operations Committee reviewed and is supportive of a concept to create a bicycle storage facility in the Maynard parking structure that would utilize two parking spaces and store up to 50 bicycles in a fenced-in unit that operates with a locking system;

Whereas, The cost to design, fabricate and install this facility is approximately \$30,000;

Whereas, The getDowntown program director has indicated a willingness to integrate this new option into the getDowntown menu of services, and would rent spaces in the bicycle storage facility to employees commuting to downtown for work who have goPasses;

Whereas, It will be possible to replicate this concept in other DDA parking structures to greatly expand the amount of covered and protected downtown bike parking spaces;

RESOLVED, The DDA approves an expenditure of up to \$30,000 to design, fabricate and install a bicycle storage facility in the Maynard parking structure using its 063 Parking Fund.

RESOLVED, This resolution hereby modifies the DDA's FY 2012/2013 budget.

RESOLVED, In coordination with the Operations Committee the getDowntown program will establish the appropriate rental amount bicyclists will pay to utilize this storage unit and will direct these funds back to the DDA as partial reimbursement for the lost automobile parking revenues no longer being generated in these parking spaces.

RESOLVED, The getDowntown program and DDA Operations Committee will also work together to determine how much the DDA will pay the getDowntown program for its efforts managing this bicycle facility.

Mr. Hewitt said that the bike lockers on the sidewalk under the Maynard structure were moved to accommodate building renovations, and he affirmed that area demand for bike parking is very strong. Mr. Mouat said that this project is a good example of making connections and helped to encourage people to come downtown through various modes of transportation.

Mr. Hewitt said that there would be a charge for users of the facility. Mr. Clark asked how many parking spaces would be lost; Mr. Mouat said that two spaces near the Republic Parking office would be used. Mr. Orr explained that the facility would be marketed toward commuters and offer amenities like an air compressor.

A vote on the resolution showed:

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

NAYS: None

Absent: Collins, Nassif

The resolution passed.

Bicycles on sidewalks. Mr. Mouat said that there was a brief discussion, and a subcommittee has been formed to explore this topic more fully. All DDA members are welcomed to participate.

The next Operations committee meeting will be October 31st at 11:00am.

8. OTHER DDA BUSINESS

The DDA has scheduled a retreat for November 16th, 10:30am-3:30pm. In preparation for the retreat DDA staff and the retreat facilitator will be conducting interviews with board members. Ideas and goals developed in these interviews will be folded into the retreat agenda.

9. OTHER AUDIENCE PARTICIPATION
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Jennifer Hall thanked the DDA for its support of Baker Commons. She explained that the Ann Arbor Housing Commission is working to access private financing for their public housing units with the goal of transitioning to a voucher and tax credit system. As this transition happens, they may come to the DDA at some point for gap funding.

10. ADJOURNMENT

There being no other business, Mr. Hewitt moved and Mr. Guenzel seconded a motion to adjourn. Ms. Gunn declared the meeting adjourned at 1:10 pm.

Respectfully submitted,
Susan Pollay, Executive Director