

City of Ann Arbor

301 E. Huron St.

Ann Arbor, MI 48104

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Meeting Minutes

Thursday, March 16, 2017

7:00 PM

Special Work Session - Core Spaces and Library Lot

**Larcom City Hall, 301 E Huron St, Second floor, City Council
Chambers**

City Council

CALL TO ORDER

Mayor Taylor called the Special Work Session of the Ann Arbor City Council to order at 7:01 p.m. in the Council Chamber, 2nd Floor City Hall, 301 E. Huron Street.

ROLL CALL OF COUNCIL

Present: 10 - Councilmember Jane Lumm, Councilmember Sumi Kailasapathy, Councilmember Chuck Warpehoski, Councilmember Jack Eaton, Mayor Christopher Taylor, Councilmember Julie Grand, Councilmember Graydon Krapohl, Councilmember Zachary Ackerman, Councilmember Chip Smith and Councilmember Jason Frenzel

Absent: 1 - Councilmember Kirk Westphal

WS WORK SESSION**WS-1** [17-0319](#) Core Spaces Proposal for Library Lot Development

Tom Crawford, CFO, spoke about the history of the Library Lane site and the RFP process that resulted in CORE Spaces being selected for the development of the site. He stated the next step is a Council resolution requesting sale of the site formally, which will be coming to City Council for consideration in the next month.

Members of the CORE Spaces team introduced the proposal to City Council. A copy of the CORE Spaces presentation is on file in the City Clerk's Office.

Members of the proposal team, as well as City staff from the DDA, Finance and Planning were available to answer questions of Council.

Councilmember Grand requested a breakdown of the make-up and size of the affordable units. The developer responded that the affordable units would match the make-up of the other units in the development, in terms of number of 1 bedrooms, 2 bedrooms, etc. Councilmember Grand also requested that the developer include additional affordable units at an even lower AMI percentage than proposed. Mr. Crawford responded that the affordable units were targeting to reach the demands for workforce housing.

Councilmember Frenzel requested to see how the parking space numbers negotiation with the DDA would proceed. He also stated the Environmental and Energy Commissioners would like more information on this topic as well.

Councilmember Eaton inquired about plans for the contribution to affordable housing funds that would come from the sale of this property.

Councilmember Lumm stated she had concerns about the mass of the building and the demand on the public parking system.

Received and Filed

PUBLIC COMMENT - GENERAL (3 MINUTES EACH)

The following members of the public were present to speak regarding the CORE Spaces development proposal:

Will Hathaway, member of Library Green Conservancy, spoke in opposition to the CORE proposal.

John Haines, 322 E. Liberty, spoke in opposition to the CORE proposal, stating the massive scale does not fit with the neighboring structures.

Ethel Potts, 1014 Elder Boulevard, stated it is premature to negotiate the sale with so many issues still unresolved. She also stated there was nothing in the proposal to discuss the relationship of this building to neighboring historic districts.

A resident at 322 E. Liberty spoke in opposition, stating this development will hurt existing property owners and businesses in the neighborhood.

Ray Detter, on behalf of the Downtown Citizens Advisory Council, spoke about the history of the parking structure and the mixed use development on the site. He stated the DCAC supports the connectivity of the site to the Blake Transit Center and Liberty Plaza and urged the developer to work with First Martin on the connection to Liberty Plaza. He urged Council to move forward with next steps, including a citizens participation meeting.

Ali Ramwali, owner of Jerusalem Garden, spoke in opposition, stating the project is too big for the area and there is not enough parking to accommodate this project.

David Olson, member of Ann Arbor Community Commons and Library Green Conservancy, spoke in opposition, stating he is supportive of downtown development, but the City should not just build large tall buildings. He also expressed concern about the public process.

Peter Nagourney, 914 Lincoln, spoke in opposition. He spoke about the use of the Build America Bonds and questioned whether the use of the bonds in support of a private development was appropriate.

Frank Wilhelm, resident, spoke in opposition and questioned the FAR used in the proposal, stating Library Lane was used to calculate the amount of buildable space on the site. He also objected to the use of 365 public parking spaces for private use by the project. He urged Council to reject the proposal.

Eric Lipson, 1318 Rosewood Street, stated the project should focus on improved quality of life, not as a means to maximize future tax revenue. He urged Council to listen to their constituents.

Maura Thompson, representing the Main Street Area Association, spoke in opposition to the project, expressing concern about the loss of public parking to the remaining businesses and visitors to the downtown, particularly the spaces at the Fourth and William Street parking structure. She urged Council to study parking capacity and the demand on the parking system.

Lynn Borset, resident, spoke about workforce housing. She questioned if the proposal really addresses a need for affordable housing.

Kathy Boris, 1726 Charlton, continued a statement by Lynn Borset regarding affordable housing. She spoke in opposition to the claims that the project would support affordable housing.

Doug Aikenhead, resident, spoke in opposition to the CORE spaces proposal.

Barbara Bach, resident, urged Council to create an urban space that would create a sense of place for Ann Arbor residents.

Mayor Taylor called a recess at 9:21 p.m. and reconvened the meeting at 9:30 p.m.

David Silkworth, candidate for the 5th Ward City Council seat, spoke in opposition, stating the public has been excluded from the process, including the denial of a ballot question on this issue.

An unidentified member of the Library Green Conservancy spoke in opposition, urging Council to make the Library Lot a city center place integrating the whole block.

Andrew Stumpff, S. Ashley resident, spoke in support of the CORE Spaces project, stating the benefit to affordable housing and the improvements the project will make toward a more viable downtown. He also stated that all successful, busy downtowns have parking issues.

Ed Shaffran, President of Main Street BIZ, expressed concerns about the size and scale of the project.

A downtown restaurant employee expressed concern about the reduction in parking in the downtown, stating it is already a problem for employees. She also noted that the workforce housing proposed is not affordable for most people she knows.

Vince Caruso, 556 Glendale, expressed concern about the use of the Build America Bond money to subsidize this development, and also spoke in opposition to the size and scale of the proposed building.

Chris Crockett, 506 E. Kingsley, spoke in opposition to the size and scale of the proposed building, stating the rules and laws that allow this need to be addressed by Council.

Kai Petainen, resident, spoke in support, but urged Council and staff to address the Build America Bonds issue to make sure the finances of the project are legal and in compliance with the federal grant.

Rita Mitchell, 621 Fifth Street, spoke about parking. She said it feels like the public is subsidizing the development. She also urged a public vote on the issue.

Alan Haber, resident, questioned the amount of public space provided and spoke in opposition to the proposal. He urged Council to develop the Library Lot as a true public space.

An unidentified resident spoke in opposition and told Council not to hurry on this project. He urged Council to wait for the right project.

Stephen Kunselman, 2885 Butternut Street, spoke about the history of the project and his role in the decision to sell the development rights to the site. He also spoke about his concern regarding the terms of the Build America Bonds. He suggested ten percent of the City's parking revenue be used to truly fund affordable housing.

An unidentified advocate for affordable housing spoke on behalf of those in need for affordable housing alternatives.

Mary Hathaway, homeless advocate, spoke about the history of affordable housing and homeless issues in Ann Arbor.

Kathleen McDonald, owner of downtown independent businesses, and BIZ board member, spoke about the need for downtown parking. She expressed frustration that new developers would be guaranteed parking while other longtime businesses have waited for permits for many years.

John Floyd, 519 Sunset, spoke in opposition, stating economic concerns.

Barbara Stahler-Sholk, 425 Fifth, spoke in opposition and urged Council to use the entire site for a public space.

Carol McCabe, Director at Avalon Housing, spoke in support of the project and stated the project will help with affordable housing for the most disadvantaged residents, not with the affordable units, but with the contribution to affordable housing funds. She also spoke in support of the workforce housing being offered, as this is also a need in the community.

See no one further present to speak, Mayor Taylor closed the Public Comment period.

COMMUNICATIONS FROM COUNCIL

COUNCILMEMBER ACKERMAN

Councilmember Ackerman thanked staff and the public for their comments. He also stated staff needs to address the Build America Bonds issue. He spoke about the importance of addressing affordable housing needs.

COUNCILMEMBER LUMM

Councilmember Lumm thanked staff for attending the Special Work Session. She also thanked CORE Spaces for their proposal. She stated she has concerns with a 17-story building and also with the proposed parking plan.

COUNCILMEMBER KAILASAPATHY

Councilmember Kailasapathy stated her concerns with a private owner managing a perceived public space. She stated the Library Lot should truly be a public space, not programmed by a private company.

COUNCILMEMBER GRAND

Councilmember Grand asked staff to follow-up and provide an economic value on the public plaza. She stated the developer is trying to ask the public how they want the space to be used. Councilmember Grand encouraged the DDA to promote the after-hours parking permit that is currently an option for downtown workers.

ADJOURNMENT

A motion was made by Councilmember Frenzel, seconded by Councilmember Lumm, that the Special Work Session adjourn. On a voice vote, the Mayor declared the motion carried and the meeting adjourned at 10:30 p.m.

COMMUNITY TELEVISION NETWORK (CTN) CABLE CHANNEL 16:

LIVE: THURSDAY, MARCH 16, 2017 @ 7:00 P.M.

REPLAYS: SATURDAY, MARCH 18, 2017 @ 8:00 A.M. AND SUNDAY, MARCH 19, 2017 @ 8:00 P.M.

REPLAYS SUBJECT TO CHANGE WITHOUT NOTICE

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City Clerk's Office
301 E. Huron St.
Ann Arbor, MI 48104

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A hard copy of this Council packet can be viewed at the front counter of the City Clerk's Office.

Jacqueline Beaudry
Clerk of the Council

Anissa R. Bowden
Recording Secretary