

## City of Ann Arbor

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## Legislation Details (With Text)

File #: 09-0571 Version: 2 Name: 6/15/09 Extension of Interim use of 415 W.

Washington

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**Title:** Resolution to Approve Extension of the Interim Use of 415 W. Washington as a Temporary Public

Parking Lot, Continue the DDA/City Partnership Agreement for Operation and Management of the Temporary Lot, Increase Parking Rates at the Temporary Lot and Utilize Net Revenues to Offset

FY2010 Budget Revenues Anticipated from New City Parking Meter Installations

**Sponsors:** Sandi Smith, Sabra Briere, Carsten Hohnke, Mike Anglin

Indexes:

Code sections:

## Attachments:

Date	Ver.	Action By	Action	Result
6/15/2009	1	City Council	Approved	Pass

Resolution to Approve Extension of the Interim Use of 415 W. Washington as a Temporary Public Parking Lot, Continue the DDA/City Partnership Agreement for Operation and Management of the Temporary Lot, Increase Parking Rates at the Temporary Lot and Utilize Net Revenues to Offset FY2010 Budget Revenues Anticipated from New City Parking Meter Installations

In spring 2007 City staff made plans to vacate the 415 W. Washington maintenance facility, and it was recognized that there was a need to secure this site against vandalism to allow City Council and the community time to debate its future use. In addition to securing the building, it was recommended that a temporary public parking lot be established to activate the area and thus provide regular "eyes and ears" for the property.

In July 2007 the DDA approved a resolution asking to partner with the City to secure the 415 W. Washington site with a temporary parking lot, and on August 20, 2007 City Council approved Resolution R-400-8-07 which (a) approved the interim use of the lot for parking, (b) a DDA/City Partnership to temporarily secure the 415 West Washington Site and (c) authorizing the City Administrator to review and approve a parking plan for the lot.

In fall 2007 the DDA submitted plans for the parking lot which were approved by the City Administrator. At this time it was assumed that the lot would be in operation for less than a year. Thus the investment in improvements was kept to a minimum, and included only foliage removal, new fencing, a new base of crushed limestone, parking equipment and signage. The parking lot was opened to the public with very low parking rates to get it utilized quickly.

These parking rates on the 415 W. Washington lot are as follows in comparison with other public parking lots on the western edge of downtown:

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Parking Lot	Monthly Permits	Hourly
415 W. Washington	\$40/month	\$2/entry
1 <sup>st</sup> & William	\$105/month	Free after 6pm
1 <sup>st</sup> & Washington	\$105/month	\$3/entry

The arrangement between the City and DDA for this lot is based on the 2007 415 West Washington Temporary Parking Plan authorized by both governing bodies and is not included in the City/DDA Parking Agreement. The Plan provides for reimbursement of the DDA for its costs to establish the parking lot and its costs to maintain and manage the lot, with the net proceeds then split between the DDA and City.

The cost to establish the parking lot was \$138,837. Parking lot income November 2007 through April 2009 was \$160,754. Expenses to run the lot November 2007 through April 2009 was \$53,720. With a net income averaging about \$8,000/month the parking lot construction costs should be completely reimbursed by the end of July 2009.

This resolution will accomplish two things. First, this Resolution will extend Council authorization for the interim use of the lot for parking and modify the Temporary Parking Plan and the partnership arrangement between the DDA and City slightly. As before, the intention is to reimburse the DDA for its costs to establish the parking lot, and its ongoing costs to manage and maintain the lot; but instead of splitting the net proceeds, the net amount would go solely to the City. Confirmation of this arrangement is required of the DDA Board at its July 1, 2009, regular meeting.

Second this Resolution will increase the parking rates on this lot effective August 15, 2009. Initially the intention was to see the 415 W. Washington site sold and redeveloped within a year, so parking rates were set very low to get the site activated as soon as possible. Redevelopment discussions for the site remain on-going. Thus it is appropriate to adjust the rates on this lot to be more in keeping with rates charged elsewhere in the public parking system. The proposed new parking rates are as follows:

Parking Lot	Current	Current	Proposed	Proposed
	Permits	Hourly	Permit	Hourly
415 W. Washington	\$40/month	\$2/entry	\$80/month	\$3/entry

It is anticipated that net annual parking revenues for the City from this change would be:

Parking revenues \$214,000 Lot maintenance/management \$50,000

\$164,000 net to the City

With this resolution, the City's 2009/10 budget will be adjusted to reflect these new revenues with the intention that the plan to install new parking meters outside the DDA area would be reduced.

Prepared by: Susan Pollay, DDA Executive Director; Mary Joan Fales, Senior Assistant City Attorney Sponsored by: Council members Smith, Briere, Anglin and Hohnke

Whereas, City Council Resolution R-400-8-07 approved the use of the 415 West Washington site for

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temporary public parking with the purpose of activating the site during an interim phase until a Council decision was made about the future reuse of the property;

Whereas, The DDA agreed to partner with the City to implement a plan for temporary public parking on the site;

Whereas, A short-term parking plan was submitted to and approved by the City Administrator under the authority delegated to him under City Council Resolution R-400-8-07;

Whereas, Future reuse of the City property has not yet been determined and it is both necessary and appropriate to continue the temporary use of the site as parking to defray the cost to secure the buildings on the site and pay the ongoing expenses to maintain lighting and landscaping and to provide a reasonable parking alternative revenue source should City Council determine not to install the number of additional metered parking locations identified in the FY2010 budget; and

Whereas, It is appropriate during the continued interim use of the property to adjust parking rate for the site so they are more in alignment with other public parking lots on the western edge of downtown;

RESOLVED, That City Council agrees to allow temporary public parking to continue on the 415 West Washington site with the purpose of activating the site until a Council decision is made on the future reuse of the property;

RESOLVED, That the continued interim use of the property for parking be subject to the DDA continue its operational management of the property, under separate agreement with the City, which shall be confirmed by the DDA Board at its July 1, 2009, regular meeting;

RESOLVED, That the terms of the DDA/City agreement, shall specify:

1. Implementation of daily and permit parking rate increases, effective August 15, 2009 as indicated follows subject to future adjustment as made be from time to time determined necessary by City Council during the interim use of the property for parking:

	Current	Current Hourly	Proposed	Proposed
	Permits		Permit	Hourly
415 W. Washington	\$40/month	\$2/entry	\$80/month	\$3/entry

- 2. The DDA shall be reimbursed fully for the (a) cost to install the 415 W. Washington parking lot with proceeds from public use of this lot (which cost is expected to be paid in full on or before September 2009), and (b) its costs to operate, maintain and manage the 415 W. Washington parking lot;
- 3. The DDA shall provide periodic reports to the City Administrator documenting its operational and management costs for the lot.

RESOLVED, The City shall direct its net revenues from operation of this lot to the Public Services, Parking venue budget in the General Fund budget beginning with the FY2010 budget, and these

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funds shall take the place of revenues otherwise anticipated from the installation of new parking meters outside the DDA District; and

RESOLVED, That the City Administrator be authorized and directed to take all necessary actions to implement this Resolution.