

**ANN ARBOR DOWNTOWN DEVELOPMENT AUTHORITY MEETING MINUTES**  
**Wednesday, December 5, 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 12:05 p.m.

**1. ROLL CALL**

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

Absent: Newcombe Clark

Staff Susan Pollay, Executive Director

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

Audience: Maura Thomson, MSAA  
Dave Askins, Ann Arbor Chronicle  
Art Low, Republic Parking System  
Peter Allen, Allen & Assoc.  
Andrew Selinger, Oxford Companies  
Andrew Cluley, WEMU  
Scott Munzel, Opus Development  
Josie Parker, AADL  
Alan Haber  
Ray Detter, Downtown Area CAC  
Mary Hathaway, Library Green  
Nancy Shore, getDowntown

**2. AUDIENCE PARTICIPATION**

Scott Munzel said that the 624 Church Street site plan was submitted for consideration by Planning Commission on January 15, and the location for the 40 Contribution-In-Lieu parking spaces must be determined. He reminded the board of their preference for the Forest Structure.

Maura Thomson, Director of the Main Street Area Association, thanked the DDA for once again funding the downtown holiday lights. She said that the beautiful display stimulates and supports the downtown economy by creating a welcoming experience for visitors and customers.

Jim Balmer, Director for Dawn Farm, reminded the DDA of Dawn Farm's grant request, which would enable the organization to pay down debt on two properties which would then free up funds to support downtown outreach services and add additional capacity at existing facilities. He said that he would be happy to answer any questions about the program or the grant request.

Alan Haber said that he took issue with how the LOC and Connecting William Street project has been assessing the value of downtown parcels. He said that he believed that the wish of the community was to have a large public green space on the Library Lane property, and the economic and social benefits of a downtown park have not been researched or analyzed. He asked that a new development scenario be developed that includes a park on this site.

### **3. REPORTS FROM CITY BOARDS AND COMMISSIONS**

Downtown Area Citizens Advisory Council. Mr. Detter said that over dinner the CAC assessed the successes experienced this year, and set goals for the coming year. Projects on their wish list include City repairs to the 100 block of S. Fourth, and a more consistent approach to maintaining downtown trees. The group also heard a report from Ms. Pollay on the progress of the Connecting William Street efforts, which the CAC has been active in and strongly supports. Mr. Detter said that representatives of the eight downtown and near-downtown residential neighborhood associations have met with the developers of the proposed building at 401-413 E. Huron, and they have thus far rejected requests to alter the massing, setbacks and design of the building, saying that it would threaten its profitability. The CAC will continue to lobby for these changes.

### **4. COMMUNICATIONS FROM DDA MEMBERS**

Mr. Nassif proposed that the DDA's holiday light display be expanded to include additional areas; Ms. Smith agreed that expanding the lights would be great idea. She added to Mr. Detter's report, saying that the CAC also discussed the idea of wayfinding that would provide directions to the Argo Cascades and other Huron River features and parks.

### **5. DDA RETREAT DEBRIEFING**

Ms. Pollay provided a review of work that had been done at the November DDA retreat. The session included a discussion of what the DDA does well and a review of the State DDA enabling legislation, as a way of determining the best way to respond to our changing downtown environment. Some keys themes include; downtown identity, infrastructure, transportation, business attraction and housing. Ms. Pollay said that in the coming months the DDA members and staff will continue to refine work plan items and priorities based on this discussion.

### **6. APPROVAL OF MINUTES**

Mr. Guenzel moved and Mr. Hewitt seconded approval of the November 7, 2012 monthly meeting minutes and the November 16, 2012 Board Retreat minutes.

#### **A vote on the motion showed:**

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

NAYS: none

ABSENT: Clark

**The motion carried.**

### **7. A. PARTNERSHIPS/ ECONOMIC DEVELOPMENT COMMITTEE**

Connecting William Street. Ms. Lowenstein asked for feedback so that input could be incorporated into a revised presentation to the DDA in January before final recommendations are presented to City Council. Ms. Miller presented a power point on Connecting William Street.

Mr. Orr asked if the recommendation to encourage future projects at 400% FAR in the Main Street area could be increased; Ms. Smith said yes this could be done within zoning. She added that City Council may be particularly interested to encourage more density if future developments included public benefits such as a cultural amenity. Mr. Hewitt asked if the five sites are within D1 zoning; Ms. Miller said yes. Mr. Guenzel asked if the recommended housing shown in the plan would be market rate or would some units be more affordable; Ms. Miller said that the plan calls for 1- and 2-bedroom residential units, which would make the units more attractive to downtown workers. There is another recommendation that the City direct some of the land sale proceeds from all of the sites and place these funds into the City's Affordable Housing Trust Fund to give the City flexibility on how to provide additional affordable housing units in our community.

Mr. Mouat thanked DDA staff, JJR and Todd Poole for their hard work throughout the process. He said that the goal of the project had been to make plan recommendations that would have a transformative effect on downtown. He said that although a large park space on the Library Lane structure may be appealing to many in the community, the LOC has determined that there is not sufficient density and activity in the area to successfully activate a large park. Without this, it will not succeed. Mr. Mouat also noted that a LOC recommendation for a hotel on one of the parcels had been removed. He said that he felt a downtown hotel could be the transformative anchor for the William Street area, citing as an example a hotel with the attractive qualities of a Weber's Inn. He said that he would appreciate more data that could answer the question of lodging demand.

Ms. Gunn said that the Ann Arbor Visitors and Convention Bureau has recently reported that hotel occupancy in Washtenaw County is at a 25-year high, and in fact, has the highest occupancy in the Midwest. Ms. Smith suggested that a recommendation could include a bullet point noting the successful potential for lodging. Mr. Mouat added that he thought a new hotel could bring additional workers across all income levels to downtown. He and Ms. Gunn agreed that the nearby transit center and AirRide service would be complementary assets for a hotel.

The next Partnerships/Economic Development Committee meeting will take place December 12<sup>th</sup>.

## **7. B.**

### **OPERATIONS COMMITTEE**

DDA Annual Audit. Mr. Hewitt shared that the Operations Committee met with the City's auditor and he was pleased to report that the DDA had received an unqualified clean audit.

Annual Parking Income and Expenses Report. Mr. Hewitt reviewed the data, and noted that the report doesn't include all parking system expenses, such as major capital projects. He also noted that the amount of parking revenues transferred to the City was nearly \$3M.

Other Parking. Mr. Hewitt said that in October parking revenue and patrons were up versus the year before. He said that at one point on the night of Midnight Madness every off-street parking space was filled, and several facilities completely filled several times during the evening. Republic

Parking did a great job managing parking that night. Ms. Gunn said that she heard from several sources that businesses saw strong sales. Mr. Hewitt said that the Operations Committee has asked Republic Parking to prepare for them some new reports that will allow the committee to assess the demand and use across the parking system as a whole as well as by user type.

Bike Enclosure. Mr. Mouat said that design work is continuing; the facility will be open for use by downtown commuters in March or April.

Bike Sharing. Mr. Mouat said that the Clean Energy Coalition is now seeking operational grants from its potential partners, including City, DDA, and UM. Mr. Mouat said that he and DDA staff will continue to keep the Operations Committee and the Board updated.

The next Operations Committee meeting will be December 19<sup>th</sup> at 11:00am.

<b>8. OTHER DDA BUSINESS</b>
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Ms. Gunn asked that board review the 2013 DDA meeting calendar. It was agreed that the August monthly DDA meeting and Partnerships meeting will be cancelled, but the Operations Committee will meet in August. The January DDA Board meeting was shifted to the 9<sup>th</sup> to avoid the holiday, and will take place immediately after the 9am Partnerships committee meeting that day.

Mr. Hieftje provided an update on the North Main Street Taskforce. He said that City Council has asked Ms. Smith to remain on the Taskforce. He said that the City plans for its property on North Main Street to become the first Allen Creek Greenway park, and a planning grant request has been made to the National Resources Trust Fund. Mr. Hieftje said that he is proud that the Greenway project is still alive, although perhaps progressing more slowly than he would like.

<b>9. OTHER AUDIENCE PARTICIPATION</b>
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Tom Partridge spoke about the role of the DDA and City Council, and suggested that both bodies have been voting in circles with no underlying direction. Mr. Partridge suggested that the DDA solve this issue by adopting a theme. He suggests the DDA consider the role of native peoples and Ann Arbor's role in the Underground Rail Road, and adopt a theme of Freedom, as this theme would inspire citizens and create excitement that will lead to a more representative make-up of boards and councils as well as increased citizen participation.

Susan Pollay said that as an Ann Arbor resident she wanted to thank Sandi Smith and Leah Gunn for their many years of public service, Ms. Smith as a City Council member and Ms. Gunn as a Washtenaw County Commissioner.

<b>10. ADJOURNMENT</b>
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There being no other business, Mr. Hewitt moved and Mr. Orr seconded a motion to adjourn. Ms. Gunn declared the meeting adjourned at 1:32 pm.

Respectfully submitted,  
Susan Pollay, Executive Director