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TO: Mayor and Council

FROM: Howard S. Lazarus, City Administrator

CC: Tom Crawford, CFO  
Derek Delacourt, Community Services Area Administrator  
Craig Hupy, Public Services Area Administrator  
Matt Kulhanek, Fleet and Facilities Manager  
Jennifer Lawson, Water Quality Manager  
Molly Maciejewski, Public Works Manager  
Colin Smith, Parks and Recreation Manager  
Brian Steglitz, Water Treatment Plant Manager

SUBJECT: Council Agenda Responses

DATE: November 8, 2018

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**CA – 5 - Resolution to Award Contract for the WTP Ozone Building Chiller Replacement Project to Erie Welding & Mechanical Contractors, Inc., ITB 4550 (\$474,920.00)**

**Question:** Regarding CA-5, the recommendation is to use Carrier-brand chillers and per the cover memo, there is a \$68K reduction in price for Carrier. Why is the Carrier so much cheaper – is its useful life less or operating costs higher – or is there a special price offer of some kind involved here? (Councilmember Lumm)

**Response:** Carrier chiller selected has similar materials of construction, comparable expected life, and comparable operating costs to the other model that was specified by Trane. The existing chillers that the City are replacing are manufactured by Trane. It is not atypical for a manufacturer that is interested in getting their equipment into a new facility provides special discounted pricing. We anticipate that is what happened in this case.

**CA-6 – Resolution to Approve Change Order No. 1 with Kiser Hydro LLC for Barton Dam Hydroturbine Project and Appropriate Funds (\$151,260.63) (8 Votes Required)**

**Question:** Regarding CA-6, I understand that with a payback of 2.5 years, it makes sense to complete this hydroturbine rebuild now that it is in process. Are there any other significant capital investments anticipated for hydropower and what does the projected P&L look like going forward for the next five – 10 years? (Councilmember Lumm)

**Response:** There are no other significant capital projects specifically for hydropower over the next 5 to 10 years. The work completed as part of this project is a recurring expense anticipated every 10 to 15 years. Annual operations and maintenance costs to the general fund for the hydropower components amount to approximately \$30,000 per year compared to revenue generated of approximately \$280,000 per year. City staff are currently working with a consultant to evaluate the long-term financial impacts on the general fund associated with continuing to operate hydropower at Barton and Superior Dams. This study is anticipated to be completed by the beginning of next year.

**CA – 7 - Resolution to Approve the Purchase of a Stump Cutter from Vermeer Corporation (Sourcewell - \$51,182.00)**

**CA – 11 - Resolution to Approve the Purchase of a Henderson BrineXtreme Infinity Brine Making System from Knapheide Truck Equipment (Sourcewell - \$101,157.50) and Appropriate Funding from the Unobligated Major (\$84,112.50) and Local Street's (\$17,045.00) Fund Balances (8 Votes Required)**

**Question:** Regarding CA-7 and CA-11, perhaps you've told us previously, but can you please remind me what the Sourcewell Purchasing Cooperative Program is (types of purchases, who participates in co-op)? (Councilmember Lumm)

**Response:** Sourcewell was previously known as the National Joint Powers Alliance (NJPA) and offers cooperative purchasing opportunities to governmental agencies, schools, nonprofit organizations and tribal governments. Sourcewell is operated by the State of Minnesota and holds hundreds of competitively solicited cooperative contracts. They offer a wide variety of material and service contracts including construction equipment, public safety equipment and products, administrative services, health, grounds, agriculture, vehicles and other services. For additional information, please see their website at <https://www.sourcewell-mn.gov/cooperative-purchasing>.

**CA – 10 - Resolution to Re-Petition the Washtenaw County Water Resources Commissioner (WCWRC) for Design and Construction of Stormwater Management Control Measures for the Churchill Park Pond (\$3,200,000.00)**

**Question:** Regarding CA-10, the cover memo references “acquisition of a parcel of land outside of City limits, upstream of the Lawton neighborhood.” Can you please provide a bit more information on that property acquisition (eg. size, price, purpose, projected future use, etc.)? (Councilmember Lumm)

**Response:** The property acquisition is a part of the increased cost of the project. At this time, the appraised price of the parcel has not been made public. The parcel would be 5 acres in size, to be used for the construction of a detention pond that would be owned and operated by the City of Ann Arbor. The parcel is currently zoned in the Township for Agricultural Use, however it is Master Planned for Industrial/Research.

**CA-13 – Resolution to Approve Amendment No. 2 to the Agreement with White Buffalo, Inc. for Wildlife Management Services (\$182,198.50)**

**Question:** Regarding the white buffalo contract, can staff provide a breakdown of costs and staff time by year that has been spent on the deer cull since 2014? Also please include budget amendments that were required (Councilmember Smith)

**Response:** Attached is the report with this information.

**Question:** Q1. The October 8<sup>th</sup> memo indicated there were a couple of changes in terms of implementation being considered for this year’s program including (1) conducting the cull and sterilization at separate times with the sterilization occurring in November, (2) conducting operations within 1,000 feet of schools and (3) adding a fourth sterilization area in the NW part of the City. Can you please provide an update on these potential changes? (Councilmember Lumm)

**Response:**

1. The DEQ has approved sterilization from November 15, 2018 to December 15, 2018, with operations scheduled to take place November 26, 27 and 28, 2018.
2. There has not been a determination to use private property within a 1,000 feet of a school at this point. Properties for sharpshooting will be evaluated by White Buffalo and recommendations made to staff prior to culling operation in January.
3. The fourth sterilization zone was not approved.

**Question:** Q2, The October 8<sup>th</sup> memo indicated the target was removal of up to 150 deer – is that still the target and what was included in the MDNR permit application? (Councilmember Lumm)

**Response:** Sharpshooting of up to 150 deer was approved by the MDNR.

**Question:** Q3. Can you please provide an update on when the public announcements are likely for the sterilization program dates/details and the cull dates/details including park closure dates and times? (Councilmember Lumm)

**Response:** Sterilization details are available on the City's website, there are no parks closed for sterilization efforts. Sterilization is conducted on private properties, parks and in the public ROW and is limited to the areas identified in the original permit application. Parks to be closed for sharpshooting will be made available in early December, pre-baiting activities are permitted to commence December 15, 2018 with sharpshooting to be conducted between January 2, and February 28, 2019.

**Question:** Q4. Has the MDNR approved the updated research permit application and if not, when is the decision expected? (Councilmember Lumm)

**Response:** Yes, please see attached letter from the MDNR dated November 5, 2018.

**Question:** Q5. Also, what is the status in terms of discussions with UM on use of university properties in the programs? (Councilmember Lumm)

**Response:** U-M has approved the use of property for this year's culling operations, areas closed to the public will be released after review and final determination by White Buffalo along with parks closure information.

#### **CA-14 – Resolution to Approve an Interim Right-of-way License Agreement with Bird Rides, Inc., for the Operation of Electric Scooters in the City of Ann Arbor**

**Question:** Regarding CA-14, the agreement period is just 90 days. Can you please elaborate on what your thinking is in terms of what the appropriate long-term regulatory mechanism is – ordinance, license agreement, or something else? Also, what are the specific next steps? (Councilmember Lumm)

**Response:** The thinking is that we'd like to maintain control of the right of ways, through this contract in this case, but that given that this is an emerging business model, we do not want to lock ourselves into anything long term. The hope is that by proceeding with small steps, we will gather and assess data and outcomes that will allow the City to approach lawmaking (i.e., regulating by ordinance) on this subject in a deliberate, nuanced and informed way, knowing what the issues are. Notably, also, while the agreement is for 90 days the resolution gives the administrator the authority to extend the agreement up to one year. If Bird acts in good faith, takes proactive steps to promote safety and responsible use of the scooters, and meets their financial obligations to the city, then we could extend the agreement up to three more times.

**Question:** Also on CA-14, do we have any sense of what other communities have done in terms of right-of-way regulations/fees, etc. for Bird Ride, Inc or firms with similar business models? (Councilmember Lumm)

**Response:** We do. Other communities are regulating this kind of business activity by ordinance, by license agreement, or both. CA-14 was prepared considering efforts of other communities and tailoring them to our concerns. We are still assessing whether we would recommend an ordinance and what the content of that ordinance would be and we hope to gain clarity on that question through this pilot program with Bird.

## **DC-2 - Resolution Directing Planning Commission and City Administrator Review of Accessory Dwelling Unit Ordinance Amendments**

**Question:** Q1. The ordinance review report from Ms. Letaw indicated there were a series of five workshops on ADU's conducted in August. Can you please provide the materials presented/reviewed (assuming Planning staff provided guidance on mat'ls./information that was shared in the ADU workshops), the list of attendees, and minutes (if there are any) from those workshops? (I will note that when council previously approved conducting a couple of ADU outreach sessions, and this outreach required obtaining formal council approval, Messrs. Chang and Kowalski provided attendees copies of the ADU ordinance and addressed residents' technical questions – i.e., it was staff, not citizen, led, and the funding was approved by Council.) Finally, can you please help me understand why the DDA is even in the ADU study business? (Councilmember Lumm)

**Response:** A copy of the presentation that was provided is attached. The presentation was slightly modified for building industry and historic preservation audience presentations. No minutes or list of attendees was provided to the City or is available to staff's knowledge. As related to the DDA's role, Director Pollay provided the following:  
*In pursuit of its mission the DDA Development Plan encourages the DDA to participate in projects that increase the supply of housing and to encourage and support programs that provide housing for downtown workforce. Single family homes make up more than 20% of housing in the DDA District, many of whom are owner-occupied. Accessory Dwelling Units are a highly successful means for home owners to provide housing for family members, or to gain rental income while providing a more affordable place for someone to live.*

**Question:** Q2. One of the policy recommendations in the report is to “clarify property tax implications on the city’s website.” What are the property tax implications and assuming an ADU does increase the value of a property (income potential), how is that computed? (Councilmember Lumm)

**Response:** The value of an ADU is calculated similarly to other improvements on the property, based on size and method of construction. For an independent accessory dwelling unit that is fully independent from the primary residential use, it would likely result

in a reduce Principal Residence Exemption for the property. There may be tax implications related to the Principal Residence Exemption qualification for parcels with accessory dwelling units.

**Question:** Q3. Can you please confirm that any proposed ordinance amendments must be approved by Council (can't be done administratively) and will follow the normal process sequence of staff review & recommendation, Planning Commission review & recommendation and finally Council review (two readings with public hearing)? (Councilmember Lumm)

**Response:** Confirmed, only City Council may amend City Ordinances per the prescribed procedures.

**DB – 1 - Resolution to Approve Midtown Ann Arbor Condominium Site Plan and Development Agreement, 1420 South Maple Road (CPC Recommendation: Approval - 6 Yeas and 0 Nays)**

**Question:** 1. The site plan includes two areas connected by a narrow strip of land adjacent to the highway. Can you provide examples of other site plans where two areas separated by an entirely different site were connected by a narrow strip of land like this for purposes of creating “on-site” wetland mitigation? (Councilmember Eaton)

**Response:** No, staff is not aware of other examples of this particular lot configuration, but the areas are both component to a single tax parcel.

**Question:** 2. The development is for condominiums. What process would the owner need to follow to change from condominiums to apartments after the site plan is approved? Is there a method to limit the developer from making a change from condominiums to apartments prior to the first sale of the completed units? (Councilmember Eaton)

**Response:** Condominium or apartments is an ownership structure, not a land use requirement, so the owner would simply change the ownership structure as they desire. Staff is not aware of such a method to enact such a restriction when not based on City Code.

**Question:** 3. Has the wetland mitigation plan been approved by the MDEQ for this particular project? (I am aware that the MDEQ has reviewed mitigation plans for this site for previous site plans.) Is their an expiration date for mitigation plans? (Councilmember Eaton)

**Response:** Yes. The MDEQ approved the permit on October 9, 2015, as part of the VUE of Ann Arbor Apartments site plan. The DEQ transferred the permit to the Midtown Condominium project on March 5, 2018 because the wetland impacts and mitigation were the same as proposed for the VUE of Ann Arbor Apartments site plan. The MDEQ

Wetland Permit expires on November 5, 2020 and that is when the mitigation should be completed.

**Question:** 4. When did the MDEQ approve the wetland mitigation plan for this project? (Councilmember Eaton)

**Response:** See response to question #3 above.

**Question:** 5. Is it true that the Southeast Storm Detention Basin is 10 feet deep? As I recall a site plan for the Gendale Orchard site raised safety concerns for a detention pond that was 7 foot deep. What are the plans to secure the Southeast Storm Detention Basin from children and pets? (Councilmember Eaton)

**Response:** WCWRC rules state that when detention ponds has a side slope greater than 5:1 (1 foot of rise over five feet of length), a six foot fence is required. The southeast basin is approx. 10 feet deep and has a slope of 5:1, thus a fence is not required.

**Question:** 6. Is it true that the Southwest Storm Detention Basin is 19 feet deep? What are the plans to secure the Southeast Storm Detention Basin from children and pets? (Councilmember Eaton)

**Response:** The southwest pond is 10 feet deep. It sits next to a retaining wall, so ground level is much higher on one side. This pond has a slope of 4:1, which is steeper than a 5:1 slope. A fence will be required around the southwest pond.

**Question:** 7. There seems to be very little useable open space near the buildings on the site plan. Does the site plan calculation of open space include open space on the land adjacent to Hansen Park? What plan does the developer have to make that remote area accessible to residents of the condominiums? (Councilmember Eaton)

**Response:** A large portion of the open space is on the northern portion of the site, to the west of Hansen Nature Area, and contains wetland and wooded areas. Mowed paths with benches are proposed along the west boundary of the site, looping around the wetland south of the Hansen Nature Area. The paths also connect with paths on the Grace Bible Church site.

**Question:** 8. The access to the wetlands is marginal at best and not close to the homes. In fact, you will need to take the 'mown trail' into the church lot and back up toward I94 to access this 'Open Space'. (Councilmember Eaton)

**Response:** It is correct that there is not a direct path to Hansen Park. This is due to the presence of wetlands on the northern part of the site.

**Question:** 9. Does the developer plan to provide sound deadening materials in the residential units to mitigate the noise from the highway? (Councilmember Eaton)

**Response:** This would be a determination of the developer at the time of construction, not a level of detail reviewed by the City during site plan review.

**Question:** 10. A variance from the Zoning Board of Appeals is required for the site drive approach proposed to be located within the South Maple Road and Pauline Boulevard intersection. Has that variance been approved by the ZBA? (Councilmember Eaton)

**Response:** Required variances for the maximum front setback from I-94 (from 40' to 119') and for driveway width (from a maximum of 24' to 31') were approved by the ZBA on September 26, 2018. A variance for the drive approach is not required – code language that previously would have required this was moved from city code to the engineering standard specification book with the adoption of the Unified Development Code.

**Question:** 11. Can the City require a more suitable fence between the proposed condominiums and the neighboring apartments? (Councilmember Eaton)

**Response:** A 5' steel wire fence is proposed next to the conflicting land use buffer along south property line, between Midtown and Surrey Park Apartments. There is no code requirement for a fence in this location. The petitioner's agent has been alerted to the neighboring property owner's recent request for a wall instead of a steel fence.

**Question:** Q1. A water pump station is to be constructed as part of this project. Will that have any adverse impact on the water pressure in neighboring areas? Also, can you please confirm the cost of the pump station is absorbed by the developer? (Councilmember Lumm)

**Response:** An evaluation was performed as part of the review process and results indicate the proposed project will not have an adverse impact on water pressure in the neighboring areas. The proposed water booster station will be sized to allow for future expansion to improve existing pressures in the adjacent area pending the completion of offsite system pipe upgrades by the City. These improvements are being incorporated into the City's Capital Improvement Plan. The cost of the water booster station will be absorbed by the developer (similar to the other proposed on-site water main piping).

**Question:** Q2. Are the parkland conveyance of 1.06 acres and the parks dollar contribution of \$107K referenced in the development agreement both being requested or are they either/or alternatives? (Councilmember Lumm)

**Response:** The parkland conveyance of 1.06 acres and the park contribution are both part of the proposed site plan package. The developer has agreed to a lesser parkland contribution of \$80,000, which has been updated in the development agreement.



**Question:** Q3. (P-20) of the development agreement references a developer contribution for traffic mitigation measures in the South Maple Road corridor, but the amount is blank and the specific actions are not identified other than references to signalization equipment. Can you please provide a bit more information on the traffic mitigation measures contemplated and how much of the costs will be borne by the developer? Also, what will be the project's impact on the traffic flow/LOS for the S. Maple/Pauline intersection? (Councilmember Lumm)

**Response:** The applicant will be required to add the approach to the currently signalized intersection of Maple and Pauline. The addition of this approach will require reconstruction of any non-ADA compliant pedestrian facilities and will require additional traffic signal equipment. City staff have determined that the current equipment in place is not sufficient to add the approach without upgrading the traffic signal. The applicant is being asked to fund the traffic signal modernization which will include a larger traffic signal cabinet, full signalization of all approaches, and moving the signal heads from a single span wire to mast arms. These upgrades are a direct result of the development, cost \$150,000, and will be required in the Development Agreement. The analysis results reported in the applicant's transportation impact analysis are as follows:

#1002 Maple Road & Pauline Boulevard – Existing AM Peak Hour

| Scenario          | EB Hansen Hill |      |       | WB Pauline |      |       | NB Maple |      |       | SB Maple |      |       | Int. |
|-------------------|----------------|------|-------|------------|------|-------|----------|------|-------|----------|------|-------|------|
|                   | Left           | Thru | Right | Left       | Thru | Right | Left     | Thru | Right | Left     | Thru | Right |      |
| Existing AM       |                |      |       |            |      |       |          |      |       |          |      |       |      |
| Volume            |                |      |       | 57         |      | 45    |          | 302  | 86    | 84       | 270  |       | 844  |
| HCM Delay         |                |      |       | 18.7       |      |       |          | 12.6 |       |          | 4.7  | 3.7   | 9.6  |
| HCM LOS           |                |      |       | B          |      |       |          | B    |       |          | A    | A     | A    |
| Delay (Model)     |                |      |       | 11.8       |      | 5.9   |          | 8.5  | 5.6   | 8.1      | 4.1  |       | 6.8  |
| 95% Queue (Model) |                |      |       | 74'        |      |       |          | 140' |       |          | 62'  | 89'   | n/a  |

#1002 Maple Road & Pauline Boulevard – Background AM Peak Hour

| Scenario          | EB Hansen Hill |      |       | WB Pauline |      |       | NB Maple |      |       | SB Maple |      |       | Int. |
|-------------------|----------------|------|-------|------------|------|-------|----------|------|-------|----------|------|-------|------|
|                   | Left           | Thru | Right | Left       | Thru | Right | Left     | Thru | Right | Left     | Thru | Right |      |
| Background AM     |                |      |       |            |      |       |          |      |       |          |      |       |      |
| Volume            |                |      |       | 58         |      | 45    |          | 305  | 87    | 85       | 273  |       | 853  |
| HCM Delay         |                |      |       | 18.8       |      |       |          | 12.7 |       |          | 4.7  | 3.8   | 9.6  |
| HCM LOS           |                |      |       | B          |      |       |          | B    |       |          | A    | A     | A    |
| Delay (Model)     |                |      |       | 11.3       |      | 5.9   |          | 8.3  | 5.8   | 8.2      | 4.0  |       | 6.7  |
| 95% Queue (Model) |                |      |       | 74'        |      |       |          | 136' |       |          | 64'  | 82'   | n/a  |

#1002 Maple Road & Pauline Boulevard – Forecast AM Peak Hour

| Scenario          | EB Hansen Hill |      |       | WB Pauline |      |       | NB Maple |      |       | SB Maple |      |       | Int. |
|-------------------|----------------|------|-------|------------|------|-------|----------|------|-------|----------|------|-------|------|
|                   | Left           | Thru | Right | Left       | Thru | Right | Left     | Thru | Right | Left     | Thru | Right |      |
| Forecast AM       |                |      |       |            |      |       |          |      |       |          |      |       |      |
| Volume            | 46             | 18   | 27    | 58         | 4    | 45    | 5        | 305  | 87    | 85       | 273  | 10    | 963  |
| HCM Delay         | 12.8           |      |       | 13.3       |      |       | 4.1      | 5.6  |       |          | 4.8  | 5.3   | 7.0  |
| HCM LOS           | B              |      |       | B          |      |       | A        | A    |       |          | A    | A     | A    |
| Delay (Model)     | 11.5           | 11.5 | 5.1   | 12.0       | 11.6 | 5.9   | 11.4     | 8.9  | 5.9   | 13.5     | 6.7  | 4.3   | 8.5  |
| 95% Queue (Model) | 68'            |      |       | 79'        |      |       | 18'      | 143' |       |          | 78'  | 114'  | n/a  |

The proposed, or forecast, conditions show a very minor increase in overall delay to the intersection (forecasted 1.7 seconds).

**Question:** Q4. Subsequent to the citizen participation meeting in August, has city staff received any comments from neighboring residents on the proposed project and if so, can you please summarize the gist of the comments/concerns? (Councilmember Lumm)

**Response:** City staff has received two comments, one from someone with an ownership interest in Surrey Park Apartments, and another from an attorney representing Surrey Park or its management group. Both requested a solid wall instead of a wire fence along the south property line abutting Surrey Park Apartments, to shield its residents from car headlights and increase privacy.

**DB – 2 - Resolution to Approve 132 Hill Street Site Plan (CPC Recommendation: Approval - 8 Yeas and 0 Nays)**

**Question:** Regarding DB-2, did the ZBA grant the necessary variance at its October 24<sup>th</sup> meeting? (Councilmember Lumm)

**Response:** Yes.

**DS-1 - Resolution Authorizing 2019 Capital Improvement Refunding Bonds (Limited Tax General Obligation) (8 Votes Required) (Roll Call Vote Required)**

**Question:** 1. The bonds can be refinanced on or after May 1, 2019 and will be issued no more than 90 days prior to their redemption date. Why is this resolution being considered in November of 2018? (Councilmember Eaton)

**Response:** In an increasing interest rate environment, it is in the City's best interest to refund eligible bonds as soon as possible, so that we can issue bonds at the lowest possible interest rate. There are a number of activities that must be completed between the time Council authorizes the bonds and when the bond closing occurs. These include the development of an Official Statement, obtaining bond ratings, and appropriate notice and publication of sale. We plan to close the sale on February 27, 2019. See attachment for detailed timeline.

**Question:** 2. What is the current interest rate on the bonds and what is the interest rate on the bonds this resolution authorizes? (Councilmember Eaton)

**Response:** The true interest cost of the original issue was 3.83513%. However, the interest subsidy promised in the American Recovery & Reinvestment Act of 2009 (ARRA) was reduced by Congressional sequestration during the last recession. The result of this is a marginally higher rate of 4.1005%. The initial conservative estimate for interest rate on the refunding bonds is 3.428045%. Market conditions at the time of sale will dictate the actual interest rate achieved.

**Question:** 3. How much will the City pay the broker to offer these bonds?  
(Councilmember Eaton)

**Response:** Total issuance costs are estimated to be \$259,030, which includes bond counsel, financial advisor, rating agency, printing and publication costs, underwriters' discount, and various fees. These amounts are included in the bond issue, and therefore the reported savings reflect these expenses as incurred.

**Question:** 4. What other costs will be incurred to refinance these bonds?  
(Councilmember Eaton)

**Response:** None, other than those listed in question #3.

**Question:** 5. The principal on the bonds is currently \$38,600,000.00 and the amount of the cost of refunding the bonds is estimated to be no more than \$42,000,000.00. What costs are attributable to the \$3,400,000.00? (Councilmember Eaton)

**Response:** Bond counsel writes the resolutions with a buffer to provide for potential changes in market conditions. The \$42,000,000 is a maximum, not to exceed, number. The current estimate of actual bond par amount for the refunding bonds is \$35,340,000.

**Question:** 6. It is my understanding that Build America Bonds provide for a rebate to the borrower at the end of the term of the original bond. Is that true? If so, how much would that rebate be? If true, when would the City be eligible to receive that rebate?  
(Councilmember Eaton)

**Response:** Build America Bonds are authorized under the ARRA. This act provided for local governments to issue taxable bonds for projects that were otherwise eligible for tax-exempt financing. In return, the federal government pledged to provide a 35% subsidy to local governments, paid semi-annually in conjunction with standard debt service requirements. The City has received these subsidy payments every six months since issuing the original bonds. The net result was a bond issue that provided tax revenue for the federal government, and a net debt expense for local governments that was lower than typical tax-exempt rates. During the recession that followed the passage of the ARRA, Congress initiated a sequestration that reduced the subsidy provided to local governments by 7.5%. That reduction factor is now at 6.2%. The issuance of the refunding bonds will effectively end the interest subsidy, but will result in lower total cost to the City.

## Ann Arbor Summary with Sterilization

|                                                                 | <u>2016</u><br><u>Actual</u> | <u>2017</u><br><u>Actual</u> | <u>2018</u><br><u>Actual</u> |
|-----------------------------------------------------------------|------------------------------|------------------------------|------------------------------|
| <b><u>DATA COLLECTION</u></b>                                   |                              |                              |                              |
| Aerial Deer Survey plus equipment                               | \$ 2,100                     | \$ 5,275                     | \$ 4,410                     |
| Wildlife Monitoring (Vendor costs for tracking/processing data) | -                            | 7,505                        | 7,315                        |
| Citizen Survey                                                  | -                            | 22,927                       | 20,000                       |
| Vegetation Impact Study - Oak Seedlings                         | 12,570                       | 17,250                       | 17,250                       |
| Vegetation Impact Study - Wildflowers                           | -                            | 15,750                       | 15,750                       |
| <b>Subtotal Data Collection</b>                                 | <b>\$ 14,670</b>             | <b>\$ 68,707</b>             | <b>\$ 64,725</b>             |
| <b>Site Visit, Planning, Permitting (incl. travel)</b>          | <b>-</b>                     | <b>8,271</b>                 | <b>13,021</b>                |
| <b><u>LETHAL</u></b>                                            |                              |                              |                              |
| Vendor Cost (Prep, sharpshooting, travel, processing)           | 29,501                       | 46,078                       | 79,794                       |
| City staff time charged - baiting/monitoring                    | 42,000                       | 13,736                       | 34,200                       |
| City - location monitoring                                      |                              |                              | 9,225                        |
| Materials & Supplies:                                           |                              |                              |                              |
| Bait                                                            | 660                          | 693                          | 2,458                        |
| Signs/fencing                                                   | 57                           | 1,085                        | 2,487                        |
| Pickup food donation for local Food Bank                        | 274                          | 276                          | 175                          |
| Processing Deer                                                 |                              |                              | 14,062                       |
| Miscellaneous                                                   |                              |                              | 390                          |
| <b>Subtotal Lethal</b>                                          | <b>72,492</b>                | <b>61,868</b>                | <b>142,791</b>               |
| <b><u>NON-LETHAL</u></b>                                        |                              |                              |                              |
| Vendor - Non-lethal (capture, sterilization, supplies, travel)  | -                            | 77,037                       | 61,516                       |
| City staff time charged - baiting/monitoring                    | -                            | 7,264                        | 14,018                       |
| City - Police staff riding with non-lethal                      | -                            | 3,884                        | 1,744                        |
| Materials & Supplies                                            | -                            | -                            | 7,361                        |
| <b>Subtotal Non-Lethal</b>                                      | <b>-</b>                     | <b>88,184</b>                | <b>84,639</b>                |
| <b><u>EDUCATION</u></b>                                         |                              |                              |                              |
| Signage - permanent                                             | -                            | -                            | 2,500                        |
| Signage - temporary                                             | -                            | -                            | 806                          |
| Other Initiatives                                               | -                            | -                            | -                            |
| <b>Subtotal Education</b>                                       | <b>-</b>                     | <b>-</b>                     | <b>3,306</b>                 |
| <b>Totals</b>                                                   |                              |                              |                              |
| <b>Expenses</b>                                                 | <b>87,162</b>                | <b>227,031</b>               | <b>308,482</b>               |
| <b>Less: Donations/Contributions</b>                            |                              | <b>(34,633)</b>              | <b>(32,155)</b>              |
| <b>Net Cost to City</b>                                         | <b>\$ 87,162</b>             | <b>\$ 192,398</b>            | <b>\$ 276,327</b>            |
| <br>                                                            |                              |                              |                              |
| Amended Expenditure Budget                                      | \$ 90,000                    | \$ 110,000                   | \$ 370,000                   |
| Number of Deer Removed                                          | 63                           | 96                           | 115                          |
| Number of Deer Sterilized                                       | -                            | 54                           | 18                           |
| Volunteer Hours (estimated)                                     |                              | 800                          |                              |



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF NATURAL RESOURCES  
LANSING



KEITH CREAGH  
DIRECTOR

November 5, 2018

Dr. Anthony DeNicola  
White Buffalo Inc.  
26 Davison Road  
Moodus, Connecticut 06469

Dear Dr. DeNicola:

This letter is the official attachment to your Scientific Collector's Permit (**SC 1600**). Your permit is issued in the *research category* only. In addition to any requirements and conditions listed within this attachment, all requirements and conditions listed on the front and back of the permit form and within the Information Circular for Scientific Collector's Permits shall apply to this permit.

Research Specifications:

1. The purpose of this permit is to examine different management techniques to control the overabundance of white-tailed deer in the City of Ann Arbor in Washtenaw County, Michigan.
2. A written letter of authorization from an appropriate City of Ann Arbor employee or representative must be provided to White Buffalo Inc. and to the Department of Natural Resources (DNR) Wildlife Division Permit Specialist prior to starting research activities outlined below.
3. Pre-baiting will be permissible beginning November 1, 2018 in areas where animals are to be captured for sterilization.
4. The original permit allowed the capture and sterilization of up to 80 female white-tailed deer within the area described in the permit and attachments. (54 were captured and sterilized in 2017 with an additional 18 captured and sterilized in 2018.) Dr. DeNicola will be delegated the authority to capture by tranquilization and sterilize an additional 8 female white-tailed deer from November 15, 2018 through December 15, 2018. The methods used are to follow those described in the original permit with the additional requirement given the potential for tranquilized deer to be available in the harvest:
  - a. Capture is to be in accordance with the letter of authority submitted with the application submitted in December of 2016 and the amendment requested October 31, 2017. Once captured they may be transported to a temporary veterinary surgical site for sterilization.
  - b. All female deer sterilized must be returned near the site of capture.

- c. One adult doe per group may be radio-collared and all female deer sterilized must be affixed with ear tags.
  - d. In addition to the surgical procedure outlined in the letter of authority, additional analgesic medications must be available in order to appropriately ensure the animal's well-being should unexpected trauma occur during surgery.
  - e. All animals tranquilized shall be clearly labeled on ear tags and/or collars indicating the capture date along with a do not consume advisory and a phone number to call either White Buffalo Inc. or City of Ann Arbor for further information on the safe consumption of the meat and/or tranquilizer used.
5. Pre-baiting for culling operations shall be permitted beginning December 15, 2018.
6. You must notify local law enforcement, DNR law enforcement, and the local biologist at least 24 hours prior to shooting activities.
  - a. Lt. Andy Turner (517-284-4747) and Biologist Denny Tison (517-522-4097)
7. Sharpshooting of up to 150 deer may commence no earlier than January 2, 2019 and must conclude by the end of February 28, 2019.
8. All Sharpshooting protocols described in Appendix A must be followed.
  - a. All proper Chronic Wasting Disease (CWD) and Tuberculosis (TB) disease protocols must be followed to prevent the spread of disease. Therefore, all deer heads must be submitted to the DNR, Wildlife Disease Lab for testing (517-336-5030) and CWD testing. Each deer must be affixed with the proper CWD disease tag. Facilitation of this process will be done by the Dee, Elk, and Moose Management Specialist Chad Stewart (517-284-4745).
  - b. All deer taken to a processor must be confirmed negative for CWD prior to distribution of meat for consumption.
9. The following are approved subpermittees under this permit: Dr. Steven Timm, Dr. Nathan Kotschwar, Anthony DeNicola, Ryan Rodts, Vickie DeNicola, Sam Friederichs, Garrett Parsons, and Dan Ellingwood, including City of Ann Arbor Municipal Staff assigned to baiting. Written approval from the DNR Permit Specialist is required to modify subpermittees.

It is not legal to keep or sell any of the parts of deer taken during this research project.

Dr. Anthony DeNicola

Page | 3

November 5, 2018

This permit does not authorize trespass. A separate *use permit* may also be required if you are working on state land or public boat launches. A use permit for state land is issued by the local land manager.

Please feel free to contact me with any questions at the number below.

Sincerely,



Casey M. Reitz, Permit Specialist

DNR-Wildlife Division

Phone: 517-284-6210, Fax: 517-335-6604

[reitzc@michigan.gov](mailto:reitzc@michigan.gov)

cc: Chief Russ Mason, Ph.D., DNR Wildlife Division  
Lt. Andy Turner, DNR Law Enforcement  
Dr. Kelly Straka, DNR State Wildlife Veterinarian  
Mr. Chad Stewart, DNR Wildlife Division  
Mr. Stephen Beyer, DNR Wildlife Division  
Mr. Joe Robison, DNR Wildlife Division  
Mr. Denny Tison, DNR Wildlife Division





# The ABCs of ADUs

*Is an ADU right for you?*



# Housekeeping





# Introducing: ADUs



# Introducing: Jessica A.S. Letaw



# Introducing: Holly Huntley



# Introducing: the end

- Help me help you: Do you want someone to follow up with you?
- Help me: Survey



# How we got here



# How we got here

## Housing Affordability and Economic Equity - Analysis Washtenaw County, Michigan



czb Report  
Prepared for the Office of Community and Economic Development  
Washtenaw County  
January 2015



# How we got here





# How we got here

ANN ARBOR NEWS

## New rules allow Ann Arbor homeowners to build, rent out accessory apartments

Updated May 15, 2018; Posted Aug 5, 2016



Wendy Rampson, Ann Arbor's former planning manager, speaks in favor of an accessory dwelling unit ordinance at the City Council's meeting Thursday night, Aug. 4, 2016.(Ryan Stanton | The Ann Arbor News)

# How we got here

- *The ordinance that was passed:*

“Definition – Accessory Dwelling Unit: a dwelling unit for not more than 1 family which is an integral part of a single-family dwelling or is included in a detached accessory building, and that meets all the requirements of section 5:10.2(4)(d).”

# ADUs in A<sup>2</sup> !



*New Construction ADU for mom in the kid's backyard!*



# ADUs - the what, the why, and the how (much)

1. What is an ADU (and what it isn't)
2. Why build one?
  - a. homeowner perspective
  - b. community perspective
3. Where to start
4. How much are these things?!

# WHAT is an ADU?

- ADU = Accessory Dwelling Unit
- structures that meet (or even exceed) current building/energy codes
- structures wherein a person/ persons can live without dependence (think kitchen and bathroom) on the primary structure
- Two types: attached + detached



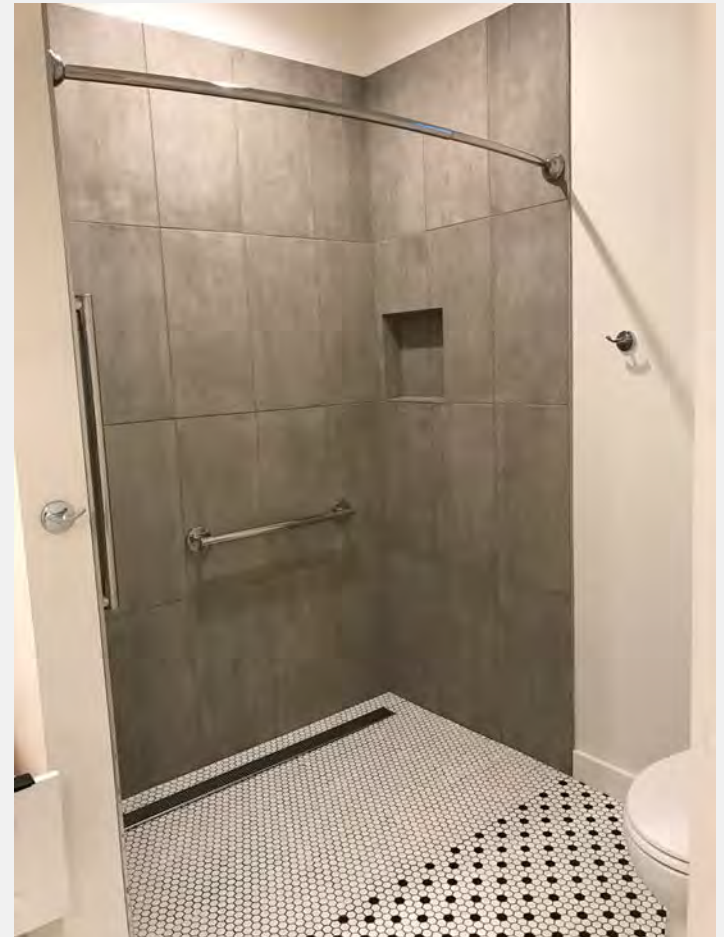
# WHY would I want an ADU?

## **A homeowner:**

- Increase income
- Downsize living space
- More efficient living
- More options for your family members

## **A community:**

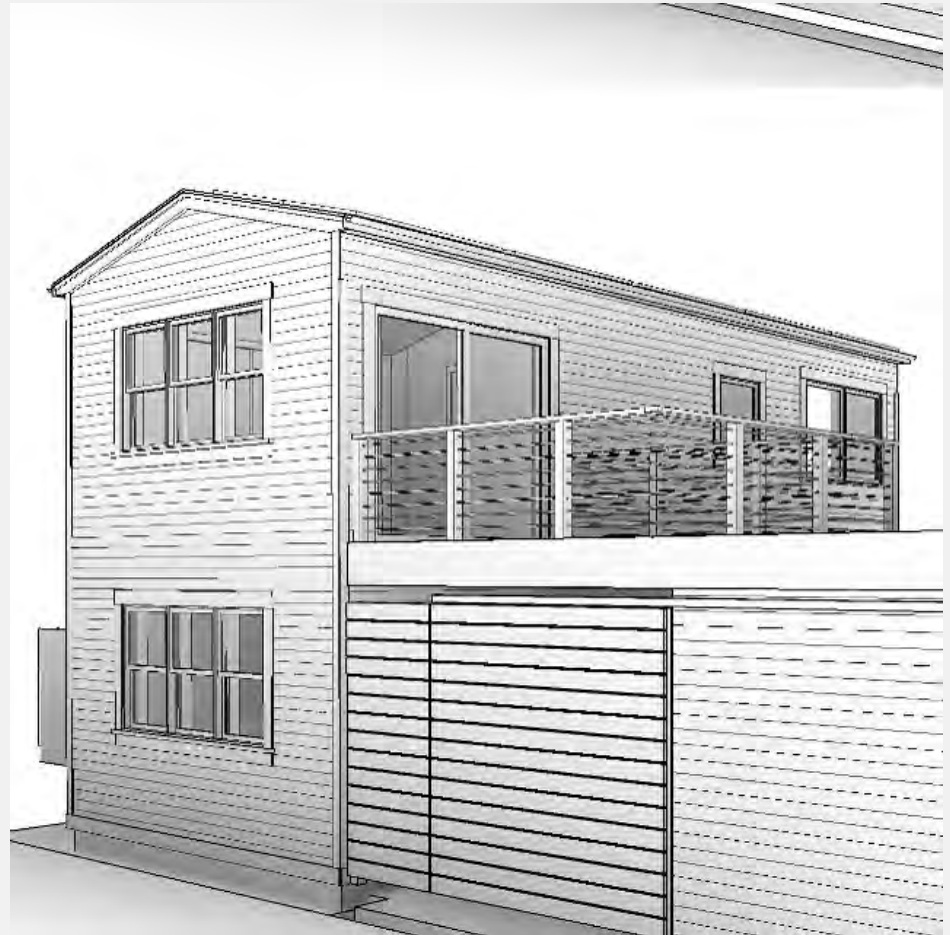
- add urban housing inventory
- protect growth boundary





# WHERE do I start?

- Feasibility
  - Zoning?
  - Lot size?



# Where are ADUs allowed?

## GENERAL ZONE/PROPERTY REQUIREMENTS:

- Zones: R1A, R1B, R1C, R1D, R1E and R2A
- On a lot in one of those zones that has a a single-family dwelling on it (no ADU with duplex)
- The lot must be a minimum of 5,000 sqft
- On properties where the homeowner lives



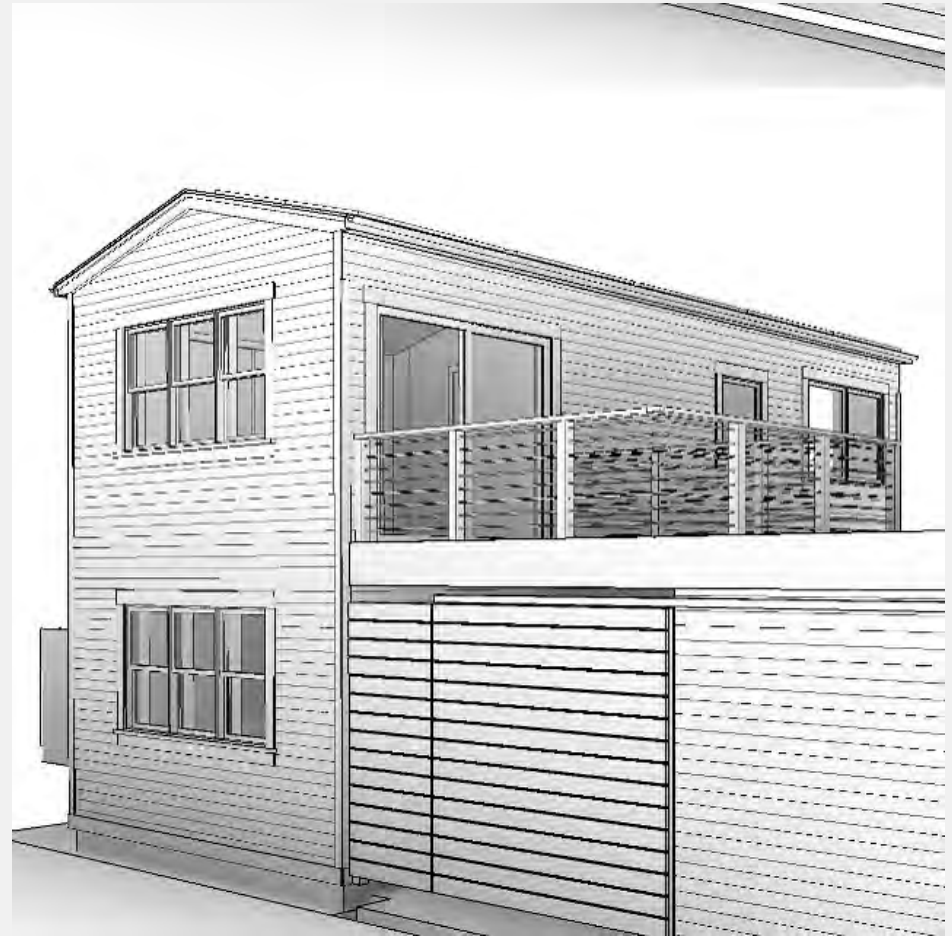
# ADU size regulations

(as of now)

- For lots 5,000-7,199 sq-ft, the maximum size of an ADU is 600 sq-ft or the same size as the ground floor of the primary dwelling, whichever is less;
- For lots 7,200 sq-ft or greater, the maximum size of an ADU is 800 sq-ft or the same size as the ground floor of the primary dwelling, whichever is less.

# HOW do I start?

- Financing
- Gather your team



# HOW – How much, how long?

ADU COSTS BY CATEGORY/TYPE of ADU *(in Portland, Oregon)*

| Category                    | New 1-story      | New 2-story      | Basement/<br>Internal Conv. | Addition         | Garage<br>Conversion |
|-----------------------------|------------------|------------------|-----------------------------|------------------|----------------------|
| Surveying<br>(detached)     | \$1,500          | \$1,500          | \$0                         | \$0              | \$0                  |
| Design/Eng. <sup>a</sup>    | \$7,500          | \$7,500          | \$5,000                     | \$7,500          | \$5,000              |
| Permitting <sup>b</sup>     | \$5,500          | \$5,500          | \$4,000                     | \$4,000          | \$4,000              |
| Construction<br>(incl. all) | \$165,000        | \$190,000        | \$95,000                    | \$175,000        | \$135,000            |
| Landscaping                 | \$2,000          | \$2,000          | \$0                         | \$0              | \$0                  |
| <b>Total</b>                | <b>\$181,500</b> | <b>\$206,500</b> | <b>\$104,000</b>            | <b>\$186,500</b> | <b>\$144,000</b>     |

# HOW – how to connect?

ADU COSTS BY CATEGORY/TYPE of ADU *(in Portland, Oregon)*

| Utility  | Gas | Electric | Water                                      | Sewer                   |
|----------|-----|----------|--------------------------------------------|-------------------------|
| Attached | DTE | DTE      | Connect to primary line – no city submeter | Connect to primary line |
| Detached | DTE | DTE      | Connect to primary line – no city submeter | New lead                |

# Where you go from here

Online Assessment and Property Records | Record Details | City of Ann Arbor

https://bsaonline.com/SiteSearch/SiteSearchDetails?SearchFocus=All+Records&SearchCategory=Address&SearchText=533+Fifth+Street

BS&A Online | Home | Services | Municipalities | Currently not signed in

City of Ann Arbor | Washtenaw County | MI | powered by BS&A SOFTWARE

Search: All Records | By: Address | Enter an address or address range such as 100-200 Main St | Search

Use Advanced Address Search

Home > Search Results > Record Details

**533 FIFTH ST Ann Arbor, MI 48103 (Property Address)** Parcel Number: 09-09-29-320-021 [Map It](#) [Print](#)

**Property Owner: WESTSIDE BLUE, LLC**

**Summary Information**

- > Residential Building Summary
  - Year Built: 1925
  - Full Baths: 2
  - Sq. Feet: 1,124
  - Bedrooms: 3
  - Half Baths: 0
  - Acres: 0.100
- > Assessed Value: \$169,000 | Taxable Value: \$83,254
- > Property Tax information found

Item 1 of 2 | 1 Image / 1 Sketch

Property Information *Current As Of 08/10/2018* | Tax Information

**Jump To:** Owner and Taxpayer Information | General Information for Tax Year 2018 | Land Information | Legal Description | Land Division Act Information | Sale History | Building Information - 1124 sq ft 1 1/2 ST, C-BC (Residential)

Click here to add this parcel to your favorite records for easy access on your next visit...

**Owner and Taxpayer Information** [Back To Top](#)

**General Information for Tax Year 2018** [Back To Top](#)

**Land Information** [Back To Top](#)

|                         |                                   |                                  |                    |
|-------------------------|-----------------------------------|----------------------------------|--------------------|
| Zoning Code             | R2A                               | Total Acres                      | 0.100              |
| Land Value              | \$110,400                         | Land Improvements                | \$0                |
| Renaissance Zone        | No                                | Renaissance Zone Expiration Date | No Data to Display |
| ECF Neighborhood        | 113 Old West Side S of Lib E of 7 | Mortgage Code                    | No Data to Display |
| Lot Dimensions/Comments | No Data to Display                | Neighborhood Enterprise Zone     | No                 |

| Lot(s) | Frontage | Depth     |
|--------|----------|-----------|
| Lot 1  | 33.00 ft | 132.00 ft |

[Sign In](#) | [Register](#) | [Why Register?](#) | [Remote Assistance](#)

# Where you go from here



**Accessory Dwelling Unit Guidebook**

Compiled by the City of Ann Arbor  
Planning Division

## Accessory Dwelling Unit Guidebook FAQs

# Where you go from here

Talk to someone:

- Your lender
- A service provider
- The city

Additional resources:

- Online - [AccessoryDwellings.org](http://AccessoryDwellings.org)
- Book - *Backdoor Revolution: The Definitive Guide to ADU Development*, by Kol Peterson



# Where we go from here





# Where we go from here



- Reducing the minimum lot size
- Eliminating separate sewer hookup
- Incrementally increasing maximum permissible square footage
- Removing expiration date on building new detached units

# Where we go from here



- Santa Cruz:  
Has incentive programs subsidizing construction if ADUs are used as affordable housing
- Marin County:  
Is temporarily waiving building and planning fees for ADUs
- Denver:  
Educates homeowners on how to use ADUs to grow their home equity

# So let's go!

- Remember to fill out the survey (you can leave it in your chair)
- Remember to mark if you're interested in having someone follow up with you after this event





Questions?





**FINAL FINANCING TIMETABLE  
CITY OF ANN ARBOR  
COUNTY OF WASHTENAW, STATE OF MICHIGAN  
2019 GENERAL OBLIGATION REFUNDING BONDS**

| OCTOBER |    |    |    |    |    |    | NOVEMBER |    |    |    |    |    |    | DECEMBER |    |    |    |    |    |    | JANUARY |    |    |    |    |    |    | FEBRUARY |    |    |    |    |    |    |
|---------|----|----|----|----|----|----|----------|----|----|----|----|----|----|----------|----|----|----|----|----|----|---------|----|----|----|----|----|----|----------|----|----|----|----|----|----|
| S       | M  | T  | W  | T  | F  | S  | S        | M  | T  | W  | T  | F  | S  | S        | M  | T  | W  | T  | F  | S  | S       | M  | T  | W  | T  | F  | S  | S        | M  | T  | W  | T  | F  | S  |
|         | 1  | 2  | 3  | 4  | 5  | 6  |          |    |    |    | 1  | 2  | 3  |          |    |    |    |    |    | 1  |         | 1  | 2  | 3  | 4  | 5  |    |          |    |    |    | 1  | 2  |    |
| 7       | 8  | 9  | 10 | 11 | 12 | 13 | 4        | 5  | 6  | 7  | 8  | 9  | 10 | 2        | 3  | 4  | 5  | 6  | 7  | 8  | 6       | 7  | 8  | 9  | 10 | 11 | 12 | 3        | 4  | 5  | 6  | 7  | 8  | 9  |
| 14      | 15 | 16 | 17 | 18 | 19 | 20 | 11       | 12 | 13 | 14 | 15 | 16 | 17 | 9        | 10 | 11 | 12 | 13 | 14 | 15 | 13      | 14 | 15 | 16 | 17 | 18 | 19 | 10       | 11 | 12 | 13 | 14 | 15 | 16 |
| 21      | 22 | 23 | 24 | 25 | 26 | 27 | 18       | 19 | 20 | 21 | 22 | 23 | 24 | 16       | 17 | 18 | 19 | 20 | 21 | 22 | 20      | 21 | 22 | 23 | 24 | 25 | 26 | 17       | 18 | 19 | 20 | 21 | 22 | 23 |
| 28      | 29 | 30 | 31 |    |    |    | 25       | 26 | 27 | 28 | 29 | 30 |    | 23       | 24 | 25 | 26 | 27 | 28 | 29 | 27      | 28 | 29 | 30 | 31 |    |    | 24       | 25 | 26 | 27 | 28 |    |    |
|         |    |    |    |    |    |    |          |    |    |    |    |    |    | 30       | 31 |    |    |    |    |    |         |    |    |    |    |    |    |          |    |    |    |    |    |    |

| <u>DATE</u>              | <u>✓</u> | <u>ACTION REQUIRED</u>                                                                                              | <u>RESPONSIBLE PARTY</u> |
|--------------------------|----------|---------------------------------------------------------------------------------------------------------------------|--------------------------|
| Tue, Sep 18, 2018        | ✓        | PFM provides Bond Counsel with bond specifications                                                                  | PFM                      |
| Wed, Sep 19, 2018        | ✓        | Bond Counsel sends Authorizing Resolution                                                                           | BC                       |
| <b>Thu, Nov 08, 2018</b> |          | <b>City Council Meeting to adopt Authorizing Resolution</b>                                                         | <b>C</b>                 |
| Wed, Nov 28, 2018        |          | Draft of Preliminary Official Statement circulated for review and comment                                           | PFM                      |
| <b>Wed, Dec 05, 2018</b> |          | <b>Due diligence call to review Preliminary Official Statement - comments due on Preliminary Official Statement</b> | <b>All Parties</b>       |
| Thu, Dec 06, 2018        |          | PFM circulates updated Preliminary Official Statement                                                               | PFM                      |
| Thu, Dec 06, 2018        |          | PFM submits credit packages to rating agency(ies) and insurance companies                                           | PFM                      |
| <b>Thu, Dec 13, 2018</b> |          | <b>Rating Call</b>                                                                                                  | <b>C/PFM</b>             |
| Mon, Jan 07, 2019        |          | Preliminary Official Statement printed and mailed                                                                   | PFM                      |
| Mon, Jan 07, 2019        |          | Notice of Sale published                                                                                            | BC                       |
| Mon, Jan 07, 2019        |          | Bond rating released                                                                                                | PFM                      |
| <b>Wed, Jan 16, 2019</b> |          | <b>Bond Sale @ 11:30 AM &amp; Sale Order Executed</b>                                                               | <b>All parties</b>       |
| Fri, Jan 18, 2019        |          | PFM circulates draft Official Statement                                                                             | PFM                      |
| Tue, Jan 22, 2019        |          | Print and mail Final Official Statement                                                                             | PFM                      |
| Tue, Feb 12, 2019        |          | Draft closing memo distributed & draft security report                                                              | PFM                      |
| Tue, Feb 19, 2019        |          | Final closing memo distributed                                                                                      | PFM                      |
| <b>Wed, Feb 27, 2019</b> |          | <b>Tentative bond closing - via phone and wire</b>                                                                  | <b>All parties</b>       |
| Wed, Mar 13, 2019        |          | Closing transcripts and security report filed with Department of Treasury                                           | BC                       |

**Legend:**

C = City of Ann Arbor

BC = Dykema Gossett (Bond Counsel)

PFM = PFM Financial Advisors LLC (Financial Advisor)