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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  
Nick Hutchinson, City Engineer  
Brett Lenart, Planning Manager  
Amber Miller, Capital Projects Manager, DDA  
Susan Pollay, Executive Director, DDA  
Tom Shewchuk, IT Director

SUBJECT: Council Agenda Responses

DATE: August 9, 2018

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**CA-11 – Resolution to Order Election, Determine Ballot Question for Charter Amendment for Approval of the Park Maintenance and Capital Improvements Millage for 2019 through 2024, and Reaffirm the Park Maintenance and Capital Improvements Administrative Millage Policy**

**Question:** Regarding CA-11, I'm assuming this would restore the full 1.10 mill rate and offset the reductions from Headlee since the last approval in 2012 – correct? (Councilmember Lumm)

**Response:** Correct.

**CA-13 - Resolution to Approve a Fiber and Conduit Use Agreement with Merit Network, Inc.**

**Question:** Regarding CA-13, can you please provide a list of the non-city users of the city's fiber network? Also, how much of the capacity of the network is now being utilized? (Councilmember Lumm)

**Response:** The DDA, Ann Arbor District Library, and the AAATA are the non-city users of the City's Fiber Network. Of the 144 available fiber strands, we are utilizing a total of 26 strands.

**CA-20 – Resolution to Approve a Two-Year Contract with Boone & Darr Inc. for On-Call Mechanical Services (Not to Exceed \$180,000.00) (RFP #18-25)**

**Question:** Regarding CA-20, the cover memo indicates that Boone & Darr provided the most responsive proposal. How do their per-hour fees compare with the other qualified bidders? (Councilmember Lumm)

**Response:** Three firms responded to RFP #18-25. During the initial evaluation of the proposals, one firm was not selected to move forward in the process so their financial proposal was returned to them unopened per requirements. Boone & Darr proposed a fee schedule during the initial year at \$105.00 per hour (regular), \$165.00 per hour (overtime), \$195.00 per hour (Sunday/holidays) with no truck/show up charge. The other proposer provided a fee schedule of \$115.00 per hour (regular), \$165.00 per hour (overtime), \$165.00 per hour (Sunday/holidays) and a \$95.00 per visit travel/show up charge.

Since the proposed contract is multi-year, Boone & Darr's regular rates were lower than the other proposer in each of years 2-4. Boone & Darr's overtime rates were the same or slightly higher than the other proposer in years 2-4. Boone & Darr does not assess a truck/show up charge in years 2-4 while the other firm continued the same fee from year one.

**CA-23 - Resolution to Approve an Michigan Natural Resources Trust Fund Grant Agreement for the Allen Creek Railroad Berm Opening Project and Accept and Appropriate up to \$300,000.00 in Grant Funds (8 Votes Required)**

**Question:** Regarding CA-23, after the \$700K for this project, what will be the balance in the Alternative Transportation Fund, and how much is added to the fund annually? (Councilmember Lumm)

**Response:** The estimated fund balance in the ALT Fund is \$567,000 as of 6/30/18. The fund annually receives 5% of the annual weight and gas tax revenue, which fluctuates with the amount of taxes collected. This year's budgeted amount is \$565,341. The five-year average of the amount contributed to the fund balance is \$70,800.

**CA-25 – Resolution to Approve Restoration of Two-way Traffic on First and Ashley Streets**

**CA-26 - Resolution to Support Huron Street Transportation Improvements**

**Question:** Q1. On the city website there’s data on miles of bike lanes, bike parking spaces downtown, etc., but no data on how many bike commuters or bike trips there are downtown. Perhaps I’ve missed it, but I don’t ever recall seeing that data – do we have any counts of bike commuters or bike trips on these particular downtown streets or in total for downtown? (Councilmember Lumm)

**Response:** We have census commuter data for residents within the general project area, City of Ann Arbor, and State of Michigan (see table below). This information shows that more residents living within the project areas walk and bike than drive to work (46% of residents within the study area walk or bike to work compared to 37% who drive). In addition, City of Ann Arbor residents are much more likely to walk or bike than the average Michigan resident, indicating a strong bike culture within Ann Arbor.

Based on feedback received during the outreach process, improved street conditions and protected bike lanes could help even more residents feel comfortable walking and biking.

<b>Mode</b>	<b>Study Area</b>	<b>Ann Arbor</b>	<b>Michigan</b>
Walk	41%	15%	2%
Vehicle	37%	62%	91%
Public Transit	11%	11%	1%
Work at Home	11%	7%	4%
Bicycle	5%	5%	1%
Other	1%	1%	1%

Data from from 2016 ACS (American Community Survey) 5-year estimates.

**Question:** Q2. Also on bike volume, and in anticipation of the “if we build it, they will come” response, can you please elaborate on the biking commuter or bike trip volume increases you would anticipate with the proposed changes here and if you have any real-world, actual data or biking volume increases in other cities? (Councilmember Lumm)

**Response:** Ann Arbor is ranked in the #18 spot for top ranking cities with the largest share of the population making bike commutes to work. Clearly this is a trend that is happening here and important to many people.

A growing body of research has been conducted around level of traffic stress (LTS) tolerance among existing or potential cyclists. Lower stress facilities reduce barriers to cycling and increase ridership. The existing infrastructure only caters to the somewhat confident and highly confident bike riders, or only 9-16% of the population.

The proposed infrastructure provides a low stress option for the entire length of William Street and First Street, which caters to the “Interested but Concerned” type of bike riders, in addition to confident riders. Streets that have low stress appeal to 60-72% of the population. This is why many communities see an increase in ridership with protected bike lanes.

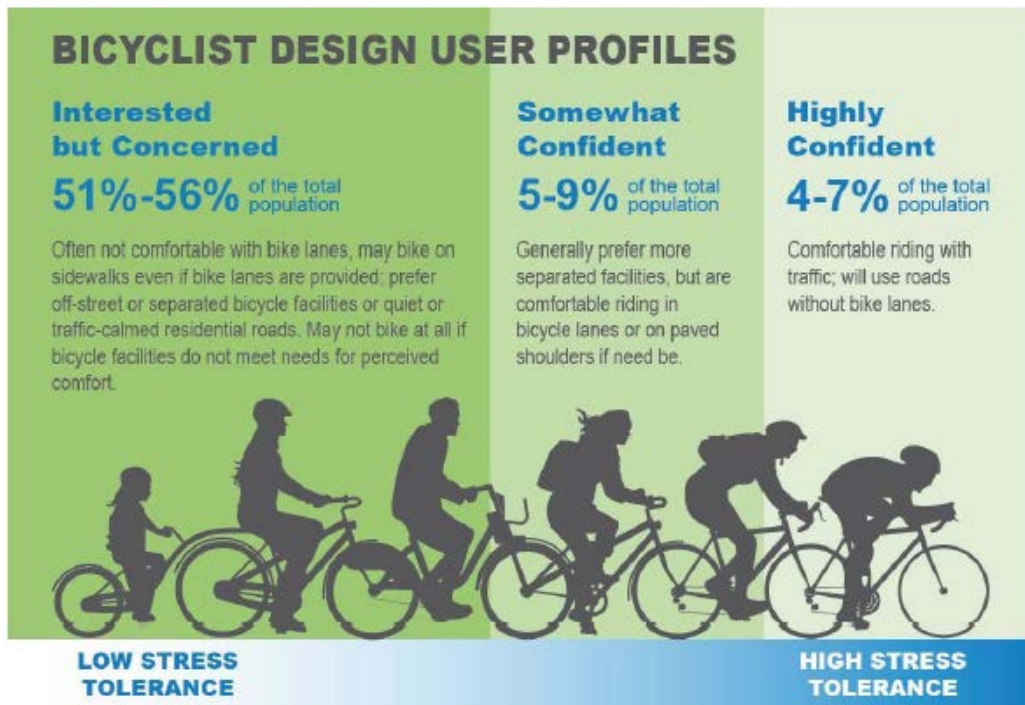


Figure 52 Bicyclist design user profiles (Source: MassDOT guide)

Also, data and studies in cities across the country have shown an increase in bike ridership when protected bike lanes and other lower stress bicycle infrastructure is built. The increase in ridership is more significant as more facilities are built quickly and contribute to a more robust overall network of bike routes.

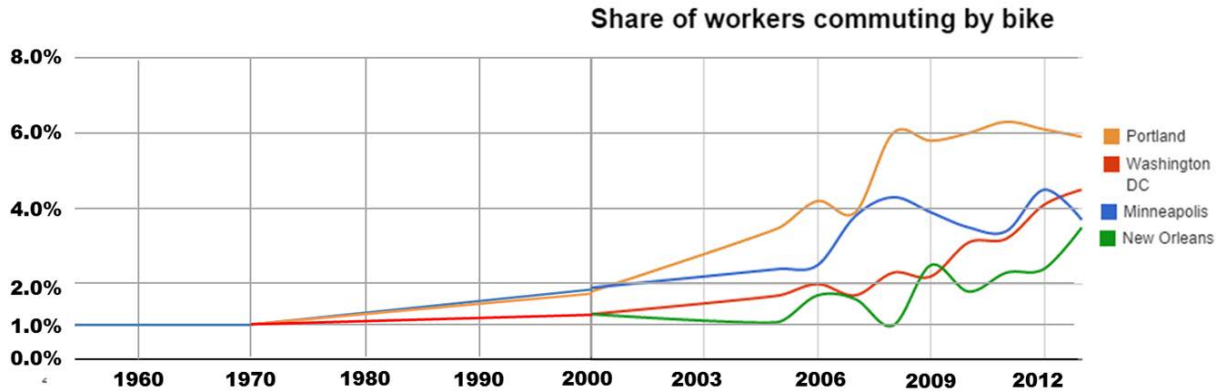


Chart from [www.bikeportland.org](http://www.bikeportland.org). As more bike facilities are constructed, rates of cycling are shown to increase.

Toole Design Group, the engineering firm involved in the projects, has conducted studies in Cambridge, MA on pre- and post-construction ridership. Cambridge Street, where protected bike lanes were installed, saw weekday bicycle numbers increase between 16% and 67%, depending on the time of day. Brattle Street, where a two-way parking protected bike facility was installed, saw large increases in bike ridership between 14% and 1000%, depending on direction of travel and time of day. Bikes on the sidewalk also generally decreased on Brattle Street for all time periods. From the data we collected within the project areas, 46% of trips that either started or ended on First or Ashley Streets were less than 3 miles long, and 23% of trips were between 3 and 5 miles long. According to the National household travel survey, the average bicycling trip was 2.26 miles. This number accounts for ALL trips, not just commuting. Typically, people who commute by bicycle are willing to commute up to 5 miles.

Facilities can help promote more bicycle trips to downtown, freeing up parking spaces for those driving into town. While we do not have a precise estimated increase, experience across the country indicates the positive benefit of investing in protected bike lanes.

**Question:** Q3. The resolved clause for CA-26 indicates that Council “approves” the changes, but ultimately that’s MDOT’s call – correct? Also, what are the average daily trips on Huron and what are MDOT’s (and federal) guidelines with regard to the volume break-points where road diets/lane reductions (4 to 2 lanes) are not recommended? (Councilmember Lumm)

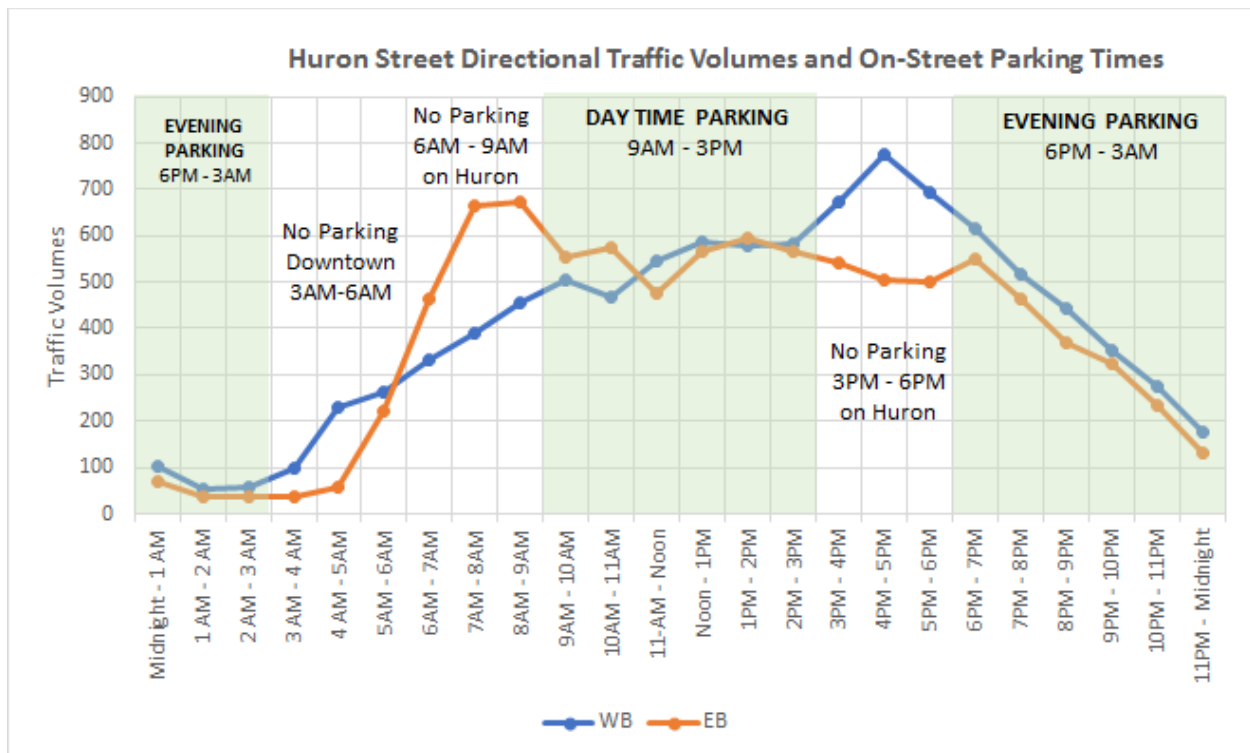
**Response:** Yes, that is correct. MDOT requested city council support for the direction of these changes before they will move the request through the formal MDOT review process.

Regarding non-rush hour parking and guidelines: The proposed change is for going from a 5-lane to 3-lane road during the non-rush hour periods of the day (First to

Division), and from 4-lane to 2-lane from State Street to Division (which was added at the request of the City Transportation Commission). At all times, the existing center left turn lanes are maintained.

AADT (average annual daily trips) vary block by block along Huron Street. Typically, Huron Street ADT ranges from 18,500 to about 20,000 along the corridor. But, since the parking restrictions apply during non-rush hours, hourly traffic volumes are appropriate to evaluate road operations.

FHWA’s Road Diet Guide states that a lane reduction is “probably feasible at or below 750 vehicles per hour per direction.” In regard to when a lane reduction might not be appropriate, the FHWA guide states the “feasibility [is] less likely above 875 vehicles per hour per day during the peak hour.” Huron Non-Peak hour directional volumes vary but stay below 750 vehicles per hour (max of about 650 vehicles per hour).



MDOT will review these traffic numbers and volumes and determine if the proposed changes are acceptable. City Council support is needed for MDOT to provide this review and oversight.

**Question:** Q4. In the workshop materials, there was a concern raised (p. 112) that “the abrupt two down to one flows at Third Street/Chapin and at Division Street would create massive traffic tie ups and likely lead to unsafe diversions of traffic to smaller parallel streets that are much less capable of handling the high traffic loads.” Can you please speak to that concern including any traffic modeling data that you have? (Councilmember Lumm)

**Response:** The western transition point occurs at First Street where the road is transitioning from a 4-lane to 5-lane configuration already. This shift will not occur at 3rd St. / Chapin. Signage will be included in the design, consistent with other communities that have adopted this practice and in coordination with MDOT and the City. Please note that the term non-rush hour parking also includes loading zones, pick-up drop-off, police-only parking, school bus parking, and transit stops. We worked closely with adjacent stakeholders to meet their functional needs in a managed way.

These practices are already occurring during Sunday with church parking and informally along the corridor for parking and drop-off without any advance warning to drivers. The proposed project would provide signage and consistency in how the roadway will operate.

Traffic patterns were modeled extensively, including exploring a range of other approaches to reconfiguring the street. Overall, traffic flow was discussed during the design and engineering process as the technical team and DDA Board considered alternatives. Not wanting traffic pushed to parallel streets was an important area of consideration for the design. Some alternatives (e.g. a complete road diet down to 3-lanes) were rejected for this reason. The selected design was based on an approach that will not lead to significant increases in traffic congestion and negative impacts to neighboring streets.

This determination is based on professional expertise and best practices in reviewing modeling data. The professional opinion of the traffic engineers on the team is that the amount of vehicle queuing in the model does not suggest significant diversions or impacts to other streets.

During rush hour periods (anticipated from 6-9am and 3:00-6pm) on-street parking will be prohibited, Huron street will continue to operate as a 5-lane road, and adjustments to the signals will maintain current travel time while improving safety.

Outside of the rush hour period, there would be a slight increase in travel time along the corridor (approximately 15-seconds per block), as a result of the street operating like a 3-lane road. These changes will also coincide with slower, more even-flowing traffic, and additional safety improvements.

We've reviewed a range of case studies from other communities that have made this same change along similar roadways. While there were concerns up front, these projects have been successful and supported by their communities.

If the proposed changes receive council support, the DDA will continue to refine this design in coordination with MDOT and City staff.

**Question:** Q5. Neither CA-25 or CA-26 reference the William Street protected bikeway plan reviewed at the June 11<sup>th</sup> work session. Assuming that's still planned (its referenced in DS-1), why is it not included on tonight's agenda? (Councilmember Lumm)

**Response:** The William Street protected bikeway is still planned. There is not a resolution for the changes, as Council approval is not required. City Code speaks to Council approval prior to the adoption of a rule or regulation concerning 1-way streets. In addition, the Michigan Department of Transportation (MDOT) has requested City Council support for the Huron transportation elements.

**Question:** Q5a. Regarding implementing lane reductions/road diets, it has previously been stated that city staff can make those decisions and that council approval is not required. Can you please elaborate on why staff believes it is appropriate for council to be excluded from making discretionary decisions that can significantly impact the quality of life of residents. Also, can you please reconcile that position with the apparent need for council to approve any actions concerning one-way streets (referenced in whereas clause of the DDA resolution on First & Ashley). How does it make sense for council approval to be required in the instance of one-way streets, but not road diets as both impact traffic safety and congestion? (Councilmember Lumm)

**Response:** The implementation of lane reductions/road diets is based on engineering best practices following the analysis of relevant traffic data and crash reports. Decisions on changes to 1-way streets are specifically delegated to City Council based on City Code Chapter 126, Article I, Section 10:2, which states:

“The approval of the Council shall be obtained prior to the adoption of a rule or regulation concerning 1-way streets, traffic control signals, or the prohibition of parking extending for more than 1 block.”

**Question:** Q6. How much has been spent on the consultants for the First and Ashley/William project study (SmithGroup JJR; Toole Design Group; Wade Trim) and the Huron Improvement project study (SmithGroup JJR; Fishbeck, Thompson, Carr, Huber)? (Councilmember Lumm)

**Response:** The design, engineering, and public engagement fee for complex urban street projects is typically around 10-12% of the total project costs. The consultant fees for Huron, First, Ashley, and William fall within that range and include surveying and assessing existing infrastructure, designing and engineering to replace the aged infrastructure and make improvements, extensive public engagement, and a traffic and safety analysis. So far, the DDA has been billed \$431,251.28 for all four street improvements.

**Question:** Q7. Agenda item DS-1 is to authorize issuance of \$15.5M in bonds for the three projects reviewed June 11<sup>th</sup> (First/Ashley; William; Huron). Is that the full cost of the projects (including the studies already conducted and design)? If not, what is the full cost? (Councilmember Lumm)

**Response:** The full cost of the projects is \$17M. In order to issue a bond, the DDA is required to provide 15% down and can do so by paying for design and initial



construction costs in cash. The \$15.5M is the estimated amount the DDA needs to borrow after funding in cash 15% of the total project costs.

The Huron, First, Ashley, and William Street projects are primarily infrastructure projects, and the budget includes:

- \$1 Million in road resurfacing and street surface restoration on First, Ashley, and William
- Watermain replacement and upsizing
- Curb and sidewalk replacement, as needed
- Street light replacement and addition
- New trees and landscaping, where needed
- Stormwater improvements

These above improvements focused on repairing or replacing under-performing infrastructure makes up about 70% of the construction budget. The projects also seek to advance the City's commitment to Vision Zero and being a leading pedestrian and bicycle-friendly community. As a result, the budget also includes dollars for a bikeway on First and William and intersection safety improvements on all four corridors.

**Question:** Q8. At the work session, it was indicated that the Huron construction would be next Spring/Summer (2019) and First & Ashley and William would be in 2020. Is that still the plan? (Councilmember Lumm)

**Response:** Yes - that is still plan. Construction begins in 2019 for Huron Street and 2020 for First & Ashley and William Street.

**C-2 - An Ordinance to Amend the Zoning Map, Being a Part of Section 5:10.2 of Chapter 55 of Title V of the Code of the City of Ann Arbor, Zoning of 6.4 Acres from C1A/R (Campus Business Residential District) WITH CONDITIONS to C1A/R WITH CONDITIONS (AS AMENDED), 1140 Broadway Rezoning, (CPC Recommendation: Approval - 9 Yeas and 0 Nays)**

**Question:** Q1. The staff report for the June 5<sup>th</sup> Planning Commission meeting indicates that the site plan was amended and superseded May 17<sup>th</sup> to a two-parcel site covering the 6.4 acres. Perhaps I missed it, but I don't recall being notified of that change – was it approved administratively? Did the revised site plan change any of the fundamental aspects of the plan (building size, layout, design, parking etc? Also, what are the implications of two parcels vs. one parcel (if any) and what are the implications of additional future land divisions (the staff report goes on to say that “Future land divisions, and future amended site plans and future amended site plans to reflect the land divisions, are possible that still cover the 6.4 acre site?) (Councilmember Lumm)

**Response:** Yes, the plan was approved administratively. This plan reflects a land division to create two parcels, Parcels A and B, as well as update the comparison chart,

provide a looping water main through the site and increase Building A by 1,007 square feet. Subsequently, another administrative site plan was approved (SP18-024) to reflect another land division, which creates Parcel C by further dividing Parcel A. No changes besides showing the 3 parcels that now make up the 6.4-acre site and updating the comparison chart were proposed or approved as part of this most recent site plan which supersedes all previously approved plans. No more land divisions are possible because each parcel is close to its maximum floor area ratio – in order to divide a parcel further, first its building size would need to be reduced to create more FAR “headroom;” otherwise a land division request would be denied because it would create a nonconforming parcel.

**Question:** Q2. I am confused about the new condition stating that only the existing site plan (as amended) can be built on the site. My understanding is that zoning conditions remain with the property in perpetuity so does that mean only this site plan can be built on the property unless the zoning is changed? (Councilmember Lumm)

**Response:** Yes.

**Question:** Q3. Can you please summarize the neighborhood/community feedback that’s been received regarding the new conditions offered by the developer as well as the land division? Also, I was a bit confused by the last paragraph in the cover memo. Was a public hearing actually held and what notice was provided regarding the hearing? (Councilmember Lumm)

**Response:** Seven people spoke at the public hearing held on May 16, 2018 and three people spoke at the June 5, 2018 public hearing. One person stated they were opposed to the additional condition and offered their preferred additional conditions. The remaining people made general comments opposed to the development but nothing specific to the proposed additional condition.

A public hearing was properly noticed and held on May 16, 2018. That meeting’s packet was published after 5pm on Friday, May 11, 2018. The Planning Commission continued the public hearing to June 5, 2018 because of the after hours packet publication.

**Question:** Q4. What is the status of the related Brownfield Plan. Was it approved by the County and if so, has any progress been made on the plan? (Councilmember Lumm)

**Response:** The Brownfield Plan has been approved by Washtenaw County. The subsequent Act 381 Workplan has also been approved by both MDEQ (environmental activities) and MEDC (non-environmental activities). In addition to this Plan, MDEQ has committed an additional \$1 million grant that will seek to degrade the contaminants in the site at their source, with the intent of positively impacting the effectiveness of the permeable reactive barrier that will be installed pursuant to the Workplan.

**Question:** NOW, THEREFORE, Developer and City agree: 1. Conditions Running with the Property. This Statement of Conditions covers the Property described in the attached Exhibit A. The Statement of Conditions is incorporated into the zoning of the Property and shall be binding upon and inure to the benefit of the Developer and the City, and their heirs, successors and assigns, and shall run with the Property. 2. Site Plan. The conditional zoning was granted by the City based, in part, by the Developer's stated proposed use of the Property as a **mixed-use urban village** development, as shown in an excerpt from the proposed Site Plan attached as Exhibit B. (my bold)  
Why is this language here?

There are now officially three separate parcels. Two are 100% residential.

The 4,600 square feet of commercial space in building C can either expand by 3,000 square feet or disappear altogether - by administrative approval. Yes, it is entirely possible to have all three parcels 100% residential in this **mixed-use urban village** development. This is in the third phase, so we won't know for a long time what it will end up being. The average Panera is 4,500 square feet. I think it helps people to have something they can visualize: 1,000 new residents and one Panera. (Councilmember Kailasapathy)

**Response:** The phrase "mixed-use urban village" was and continues to be included in the Statement of Conditions because it is, as noted, the Developer's stated proposed use of the Property.

**Question:** 2. We still have not seen the roundabout analysis that we asked for. Traffic will back up from the light at Plymouth and Broadway, just a short distance away. The round-about will cease to function. All it will do is encourage additional traffic to flow out of the development making a right turn up the Broadway hill. Planning says since this was approved as part of the site plan they aren't questioning it. Council may have to ask to have this reconsidered at this time. (Councilmember Kailasapathy)

**Response:** The transportation impact analyses and review comments are all part of the public record for the original site plan. These items are available for public viewing through the City's [eTrakit](#) portal on a2gov.org. The comments developed by the third party reviewing engineer were incorporated into the transportation review for each submission cycle on the project.

The relevant files in [eTrakit](#) can be found under 1140 Broadway SP17-009. The document titled, "Revised TIS Review Comments 6-21-17 Reponse.pdf", page 3, item G, provides a detailed response of the various design scenarios proposed. Further comments were made by the transportation engineers in Traffic Review #5 and Traffic Review #6.

**Question:** 3. The lot splits show the condo parcel with more than .9 cars per unit. To get around this, they have a reciprocal easement that states all the parcels can share parking. But there is nothing in the easement to enforce this. The city approved the lot

split based on each parcel meeting the requirements, but they don't in an enforceable manner. The city should be insisting on something that is enforceable. Otherwise, when they sell each condo with a spot, or more than one parking spot for a three bedroom condo, then the .9 spot per apartment goes down even lower. The ability to cheat is there unless the City insists now on something that is enforceable. (Councilmember Kailasapathy)

**Response:** The land divisions and site plans for administrative approval are separate from the offer for additional conditions to the C1A/R With Conditions zoning designation. However, note that the zoning ordinance allows off-street parking to be provided on the subject site or on another site if shown on an approved site plan. The 1140 Broadway development provides at least the minimum number of required parking spaces for the approved site plan based on the variance that was granted.

**Question:** 4. FEMA recommended an enforcement clause that I have not seen in any document. The City needs to do this to make sure the developer is responsible if there are future costs. I can't find the detail now, but we have asked for this before. (Councilmember Kailasapathy)

**Response:** All applicable FEMA requirements have been incorporated into the approved site plan to ensure compliance with the appropriate FEMA map amendments.

### **DC – 3 - Resolution for Community Events Fund Disbursements from the FY19 Budget**

**Question:** Regarding DC-3, can you please summarize any significant year-to-year changes in allocations and have any organizations been added or removed for FY19? (Councilmember Lumm)

**Response:** There are no significant changes. The annual budgeted community events fund amount has been \$59,000 since FY16. There were three new applicants for FY19 funding. Funding was recommended for all three; none were removed. Recommended awarded amount were adjusted slightly to allow for the three new applicants to receive awards.

### **DS-1 - Resolution Authorizing Publication of Notice of Intent to Issue General Obligation Capital Improvement Bonds to Fund Downtown Development Authority Project (Not To Exceed \$15,500,000.00) (6 Votes Roll Call)**

**Question:** Regarding DS-1, is it typical that when the DDA issues bonds that they are general obligation bonds of the city (and not dedicated revenue source bonds like water/sewer bonds)? If not, why are these being handled in this manner? (Councilmember Lumm)

**Response:** A Downtown Development bond was considered, but this type of bond is typically structured to be repaid from TIF proceeds (which excludes parking revenues) backed by a General Obligation pledge of the City. Downtown Development bonds can result in a higher interest rate than a City capital improvement bond.

Staff is recommending the capital improvement bond structure, which will include a separate project financing agreement at the time the bond is authorized, because it can commitment all of the DDA revenues to be a source of repayment prior the city's general obligation pledge. In addition, this structure results in the lowest interest rate.