

**ANN ARBOR DOWNTOWN DEVELOPMENT AUTHORITY MEETING MINUTES**

**Wednesday, July 3, 2013**

**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 12:00 p.m.

**1. ROLL CALL**

Present: Newcombe Clark, Russ Collins, Robert Guenzel, Leah Gunn, Roger Hewitt, Joan Lowenstein, Keith Orr, Sandi Smith, John Splitt

Absent: John Hieftje, John Mouat, Nader Nassif

Staff Susan Pollay, Executive Director

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

Audience: Art Low, Republic Parking  
Maggie Ladd, SUAA  
John Kotarski, Public Art Commission  
Dave Askins, *Ann Arbor Chronicle*  
Andy Box, AAFD  
Max Clayton, Ann Arbor Art Fair  
Bob Miller, AA PAC  
Eli Neiburger, AADL  
Alice Liberson, resident  
Betsy Jackson  
Ray Detter, Downtown Area CAC  
Andrew Cluley, 89.1 WEMU  
Ryan Stanton, A2.com

**2. AUDIENCE PARTICIPATION**

John Kotarski said the Ann Arbor Public Art Commission was working to select an art installation for the Stadium Bridges, and extensive outreach was done to encourage public participation in the selection. Mr. Kotarski shared images by the finalist artists.

Max Clayton said that the Art Fair Trolley navigates the circumference of the Fair, making stops at parking facilities, and is important to creating an inviting visitor experience. The Fair directors very much hoped for DDA funding assistance to ensure that the Trolley could continue to run.

Alice Liberson identified herself as an Ann Arbor resident and business owner. She said that she has concerns about the South University area, including its current planned projects as well as future growth, and she doesn't want the area to become to something it isn't. She suggested that S. U. Avenue should become pedestrian-only, and closed to vehicle traffic.

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

Downtown Area Citizens Advisory Council. Mr. Detter reported that at the CAC meeting, Marsha Chamberlin, also a member of the Public Arts Commission, gave an update on the new Public Art Ordinance. Mr. Detter said that the CAC supports the efforts of the DDA to replace the deteriorating Main Street light poles, and recommends that some element of public art be included in this project. Mr. Detter said that most of the meeting was spent discussing the D1 zoning review, as the City has hired a consultant to assist with gaining input through public meetings and an on-line survey. The task force reviewing the Downtown Design Guidelines and Process will meet on Wednesday, July 24<sup>th</sup> at 4:30 at City Hall. There are also two public meetings (July 10) to discuss properties at 121 & 123 E. Liberty and 210 S. 4<sup>th</sup> Ave. Mr. Detter encouraged all to attend.

**4. COMMUNICATIONS FROM THE DDA CHAIR**

Mutually Beneficial/Joint City-DDA Committee. Ms. Gunn said 4 representatives from the DDA Board would serve on the committee: Mr. Hewitt, Ms. Smith, Mr. Guenzel, and Ms. Lowenstein.

**5. COMMUNICATIONS FROM DDA MEMBERS**

Mr. Hewitt gave an update on the Connector Study. He also reported that during the Mayor's Green Fair, MDOT, SEMCOG, AATA and the DDA worked together to bring a refurbished passenger rail car to downtown, and over 1,000 people toured the rail car that evening.

Ms. Smith said the DDA website had recurrent problems, and a new website was recently launched. It now includes a fresh layout and an interactive map showing parking and transportation options.

**6. APPROVAL OF MINUTES**

Ms. Gunn moved and Mr. Splitt seconded approval of the June 2013 meeting minutes.

**A vote on the motion showed:**

AYES: Clark, Collins, Guenzel, Gunn, Hewitt, Lowenstein, Orr, Smith, Split

NAYS: none

ABSENT: Hieftje, Mouat, Nassif

ABSTAIN: none

**The motion carried.**

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

Discussion on Affordable Housing. Ms. Smith said the committee was joined by Mary Jo Callan (Washtenaw County), Jennifer Hall (Housing Commission) and Julie Steiner (Housing Alliance), who shared important information on affordable housing and what's going on with funding changes from the Federal Government. Discussions will continue at future committee meetings.

South University BIZ. Ms. Lowenstein moved and Ms. Smith supported the following resolution.

**RESOLUTION TO APPROVE A GRANT TO SUPPORT THE DEVELOPMENT OF A BUSINESS IMPROVEMENT ZONE (BIZ) IN THE SOUTH UNIVERSITY AREA**

Whereas, The DDA Plan set forward that the DDA would work to make it possible for downtown businesses and civic groups to undertake efforts to keep sidewalks cleaned of snow and debris;

Whereas, Business Improvement Districts (BID) and Business Improvement Zones (BIZ) enable property owners to select services they wish to privately fund as a group that are *over and above* the services provided by local governmental agencies;

Whereas, With financial support from the DDA, a BIZ was successfully established on S. Main Street in 2010, and BIZ representatives report that this BIZ has proven to be very helpful addressing concerns about area cleanliness and visitor comfort;

Whereas, South University property owners have made a request to the DDA for a \$59,200 grant to help them create a BIZ in the South University area that is within the DDA District to pay for services *over and above* those currently provided by the city;

Whereas, A grant from the DDA would enable this group to hire a consultant to guide them through the process of creating this BIZ, as well as to cover administrative costs;

Whereas, Whereas, a BIZ Blueprint was previously established and will also be used to assist in the development of a South University BIZ, thus significantly reducing the cost to form this BIZ;

Whereas, The total cost for this effort will be \$84,200, with DDA funds matched by \$25,000 from South University property owners and the South University Area Association, thus demonstrating their own personal commitment and involvement;

Whereas, The Partnerships Committee recommends approval of this \$59,200 grant made in multiple disbursements provided at key milestone points in the project's evolution;

RESOLVED, The DDA approves a grant of \$59,200 to support the effort to create a new Business Improvement Zone in the South University Area.

Ms. Lowenstein said increased residential and commercial activity in the SU area has increased the problem of sidewalk debris, snow removal, and other maintenance, and property owners want to create a BIZ to address this problem. She said that a BIZ Blueprint was created, but there is still a tremendous amount of work to be done by a consultant; Mr. Orr added that the process will also involve a lot of legal work.

Mr. Collins said the support of the DDA for this project would be in response to local businesses and property owners who want to make their area more appealing. The DDA likes to help these groups meet their goals especially when it overlaps with the DDA mission.

Mr. Clark expressed concern that the resolution called for the grant money to be paid out regardless of votes or milestones met along the way. Ms. Smith proposed clarifying the last resolve clause by adding “up to” \$59,200. The amendment was seen as friendly. The resolution, as amended:

**RESOLUTION TO APPROVE A GRANT TO SUPPORT THE DEVELOPMENT OF A BUSINESS  
IMPROVEMENT ZONE (BIZ) IN THE SOUTH UNIVERSITY AREA**

Whereas, The DDA Plan set forward that the DDA would work to make it possible for downtown businesses and civic groups to undertake efforts to keep sidewalks cleaned of snow and debris;

Whereas, Business Improvement Districts (BID) and Business Improvement Zones (BIZ) enable property owners to select services they wish to privately fund as a group that are *over and above* the services provided by local governmental agencies;

Whereas, With financial support from the DDA, a BIZ was successfully established on S. Main Street in 2010, and BIZ representatives report that this BIZ has proven to be very helpful addressing concerns about area cleanliness and visitor comfort;

Whereas, South University property owners have made a request to the DDA for a \$59,200 grant to help them create a BIZ in the South University area that is within the DDA District to pay for services *over and above* those currently provided by the city;

Whereas, A grant from the DDA would enable this group to hire a consultant to guide them through the process of creating this BIZ, as well as to cover administrative costs;

Whereas, a BIZ Blueprint was previously established and will also be used to assist in the development of a South University BIZ, thus significantly reducing the cost to form this BIZ;

Whereas, The total cost for this effort will be \$84,200, with DDA funds matched by \$25,000 from South University property owners and the South University Area Association, thus demonstrating their own personal commitment and involvement;

Whereas, The Partnerships Committee recommends approval of this \$59,200 grant made in multiple disbursements provided at key milestone points in the project’s evolution;

RESOLVED, The DDA approves a grant of up to \$59,200 to support the effort to create a new Business Improvement Zone in the South University Area.

**A vote on the resolution as amended showed:**

AYES: Clark, Collins, Guenzel, Gunn, Hewitt, Lowenstein, Orr, Smith, Split

NAYS: none

ABSENT: Hieftje, Mouat, Nassif

ABSTAIN: none

**The resolution passed.**

**The next Partnerships/Economic Development Committee meeting will be July 10<sup>th</sup> at 9:00am.**

<b>7. B. OPERATIONS COMMITTEE</b>
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May 2013 Parking Report. Mr. Hewitt reviewed the May parking numbers. He said that the Operations Committee has decided that while this data will be tracked on a monthly basis, it will now be presented to the committee for review on a quarterly basis. Mr. Clark stated his support for this, saying that he felt it was wise for the committee and board to avoid the temptation of making policy decisions based on data from one month; quarterly reports will allow for better understanding of trends and general health of the system. Mr. Splitt said that he agreed as well.

Streetscape Framework Plan. Mr. Hewitt moved and Mr. Splitt supported the following resolution.

**RESOLUTION TO DEVELOP A DOWNTOWN STREETScape FRAMEWORK PLAN**

Whereas, The DDA's Development Plan highlighted identity, infrastructure, and transportation as key strategies, and also recognized that an enjoyable pedestrian experience is one of downtown's principal attractions, as well as a necessary element in its social and economic life;

Whereas, A Downtown Streetscape Framework Plan would align with these strategies, as it would address quality of place in streetscape design, on-going maintenance, and private development projects;

Whereas, Other benefits to a Downtown Streetscape Framework Plan will include:

- Considerable collaboration with key agency staff, including City, AATA, and UM
- Shortened planning phases, and thus cost, for future streetscape projects due to the overarching plan guidance

Whereas, It is estimated that a realistic budget for this project will be approximately \$200,000, including consultants, contingency, and other related costs, with funds likely to be spent 2013/14 and 2014/15;

Whereas, The Operations Committee recommends DDA approval;

RESOLVED, The DDA establishes a Streetscape Framework Plan project with a project cost of \$200,000.

RESOLVED, The DDA Operations Committee Chairs are authorized to work with staff to create a final project budget, timeframe, and proceed with the planning process.

Mr. Hewitt explained that the creation of a streetscape framework plan would have key benefits, including the opportunity to collaborate with the City and a shortened planning phase for any future streetscape projects. Ms. Smith said she wanted to be certain that the process to create a Framework Plan wouldn't stop the DDA for taking action on a streetscape project if an immediate opportunity arose. Mr. Splitt said it would not.

**A vote on the resolution showed:**

AYES: Clark, Collins, Guenzel, Gunn, Hewitt, Lowenstein, Orr, Smith, Split

NAYS: none

ABSENT: Hieftje, Mouat, Nassif

ABSTAIN: none

**The resolution passed.**

Sidewalk Repairs in the DDA. Mr. Splitt moved and Mr. Hewitt supported the following resolution.

**RESOLUTION AUTHORIZING THE ESTABLISHMENT OF A PROJECT BUDGET OF \$50,000 TO BE USED FOR GENERAL SIDEWALK REPAIRS IN THE DDA DISTRICT**

Whereas, The DDA Development Plan sets forward that the DDA will work to ensure that sidewalks and other public right of way elements are regularly maintained, as this communicates a great deal about the image of downtown;

Whereas, A variety of downtown sidewalk areas needing repair were noted in two maintenance walk arounds, including such elements as displaced bricks, uneven sidewalk flags, and missing, dead or overgrown trees;

Whereas, The cost for these repairs has been estimated to be \$50,000.

Resolved, The DDA authorizes the expenditure of up to \$50,000 from its (003) TIF Fund in FY 2013/14 to be used for downtown maintenance including replacing missing trees, pruning trees, and repairing sections of sidewalk.

Mr. Splitt explained that DDA staff and Board members had several walk-arounds to identify downtown sidewalks in need of repair. The City will use its Sidewalk Millage will pay to repair sections of sidewalk against the buildings, but will not fix other elements, including damaged tree pits, displaced brick or broken concrete in the extension area. The DDA would tackle a number of these problems this summer, as well as fixing sidewalks in the downtown that have not yet seen City Sidewalk Millage repair efforts. Tree pruning and tree replacement will also be included in the scope of work.

**A vote on the resolution showed:**

AYES: Clark, Collins, Guenzel, Gunn, Hewitt, Lowenstein, Orr, Smith, Split

NAYS: none

ABSENT: Hieftje, Mouat, Nassif

ABSTAIN: none

**The resolution passed.**

Street Lights on Main. Mr. Splitt moved and Ms. Lowenstein supported the following resolution.

**RESOLUTION TO AUTHORIZE A GRANT TO THE CITY OF ANN ARBOR FOR THE REPLACEMENT OF THE STREET LIGHTS ON S. MAIN STREET**

Whereas, The DDA Development Plan set forward strategies aimed at fortifying and increasing downtown's attractiveness to developers, businesses, residents, and visitors, including the maintenance of streetscape elements;

Whereas, The streetlights on S. Main Street between Huron and William Streets have deteriorated and must be replaced;

Whereas, These decorative streetlights including some with multiple globes have become an important symbol of the Main Street commercial area and do a great deal to support the great amount of activity in this area;

Whereas, City staff have determined that the cost to replace these street lights will be \$516,000, which will include new decorative poles with banner brackets and LED light fixtures, including two poles that will be taller to accommodate banners being strung across Main Street for special events;

Whereas, Through the 2013/14 budget approval process it was determined that the City would undertake this street light replacement in calendar year 2013, with the DDA allocating \$300,000 toward the cost of the project, and the City allocating \$216,000;

Resolved, The DDA authorizes a grant to the City in the amount of \$300,000 toward the total project costs to replace deteriorated street lights on S. Main Street.

Ms. Pollay said that the light poles along Main Street are deteriorating from within and are in need of replacement. During the budget process City Council directed the DDA to allocate \$300,000 toward the cost of the project. Mr. Clark asked if the money would come from the TIF fund. Ms. Pollay said it would. Mr. Clark suggested an amendment to the resolution to identify the money as coming from TIF. The amendment was seen as friendly. The resolution, as amended:

**RESOLUTION TO AUTHORIZE A GRANT TO THE CITY OF ANN ARBOR FOR THE REPLACEMENT OF THE STREET LIGHTS ON S. MAIN STREET**

Whereas, The DDA Development Plan set forward strategies aimed at fortifying and increasing downtown's attractiveness to developers, businesses, residents, and visitors, including the maintenance of streetscape elements;

Whereas, The streetlights on S. Main Street between Huron and William Streets have deteriorated and must be replaced;

Whereas, These decorative streetlights including some with multiple globes have become an important symbol of the Main Street commercial area and do a great deal to support the great amount of activity in this area;

Whereas, City staff have determined that the cost to replace these street lights will be \$516,000, which will include new decorative poles with banner brackets and LED light fixtures, including two poles that will be taller to accommodate banners being strung across Main Street for special events;

Whereas, Through the 2013/14 budget approval process it was determined that the City would undertake this street light replacement in calendar year 2013, with the DDA allocating \$300,000 toward the cost of the project, and the City allocating \$216,000;

Resolved, The DDA authorizes a grant to the City in the amount of \$300,000, from its (003) TIF Fund, toward the total project costs to replace deteriorated street lights on S. Main Street.

**A vote on the resolution as amended showed:**

AYES: Clark, Collins, Guenzel, Gunn, Hewitt, Lowenstein, Orr, Smith, Split

NAYS: none

ABSENT: Hieftje, Mouat, Nassif

ABSTAIN: none

**The resolution passed.**

Art Fair Trolley. Mr. Hewitt moved and Mr. Collins supported the following resolution.

**RESOLUTION TO APPROVE FUNDING FOR THE ART FAIR TROLLEY**

Whereas, the DDA Plan directs the DDA to encourage programs that promote activity and pedestrian enjoyment of downtown by encouraging an active street life, including public art and exhibits, and the regular use of public areas for entertainment, parades or street fairs;

Whereas, The Ann Arbor Art Fair is a nationally-renowned, signature Ann Arbor event that draws hundreds of thousands of fairgoers to downtown during a period that is otherwise very slow, and has been measured to generate more than \$78 Million of area economic impact;

Whereas, The Art Fair has grown in size to include more than 1,000 artists, and spans much of downtown, including the South University area, Central UM Campus, State Street area, and Main Street areas;

Whereas, The Art Fair conducted a survey in 2010 and heard from patrons that the size of the Fair was both very attractive but very difficult to manage, so an Art Fair Trolley was created as an experiment to address this concern;

Whereas, The Art Fair Trolleys have proven to be very popular;

Whereas, The annual cost of the Trolleys is in excess of \$25,000, and fares (riders pay \$1 and can use the Trolley throughout the day) provide only a negligible source of funding;

Whereas, Art Fair organizations are seeking sustainable underwriting for the A2 Art Trolleys, and have secured \$10,000 from the Ann Arbor Convention and Visitors Bureau and are asking the DDA to match this with a grant of \$10,000;

Whereas, The DDA Operations Committee reviewed this request and recommend approval with the request, with a requirement that representatives of the Fair must report back to the Operations Committee after each Art Fair with a detailed revenue and expense report and overview of operations that summer;

Resolved, The DDA approves funding \$10,000 for the Art Fair Trolleys contingent on a detailed revenue and expense report and overview of operations at the conclusion of the Art Fair.

**A vote on the resolution showed:**

AYES: Clark, Collins, Guenzel, Gunn, Hewitt, Lowenstein, Orr, Smith, Split

NAYS: none

ABSENT: Hieftje, Mouat, Nassif

ABSTAIN: none

**The resolution passed.**

Forest Ave Structure pilot project. Mr. Hewitt said the Operations Committee had discussed and decided to proceed with a pilot program at the Forest Structure, in which monthly parking permits would be distributed to building owners, not individual employees or residents. This was being attempted in a quest to arrive at a more "fair" distribution system that didn't benefit one property owner over another, and would potentially reduce the permit wait list. In this pilot project, buildings owners will get a onetime offer of a quantity of monthly permits based on the size of their building. Permits holders that currently have permits at the Forest Structure will be allowed to keep their permits. Mr. Orr asked the measurements of success; Mr. Hewitt said that this pilot program will be more about gathering information and gauging interest in this mechanism for distributing permits. Mr. Clark said fairness is a complicated issue, and he supported this pilot permit project as it may provide an answer about how best to respond to future contribution-in-lieu requests.

City Council request. Mr. Hewitt said that City Council had approved a request to the DDA that it provide \$300,000 for downtown police officers. Part of the stated reason for the request was to free up downtown police officers for attention to other sectors of the city. After much discussion, the Committee determined that it needed more time to study options and learn from other cities before making a recommendation to the board.

**The July Operations Committee was cancelled. The next Committee meeting will be on August 28<sup>th</sup> at 11am.**

<b>8. OTHER DDA BUSINESS</b>
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Resolutions of Thanks To Outgoing DDA Board Members, as amended.

**RESOLUTION THANKING NEWCOMBE CLARK**

Whereas, Newcombe Clark has served on the Ann Arbor Downtown Development Authority board since 2009;

Whereas, Newcombe Clark participated in the development of many important projects throughout his tenure on the DDA, including the DDA's Connecting William Street Plan and creation of a DDA Brownfield Policy, as well as discussion of a host of other important policy decisions;

Whereas, Newcombe Clark brought great knowledge to the DDA drawn from his many years as an experienced real estate professional, as well as valuable insight as a long-time downtown resident;

Whereas, Newcombe Clark also brought a valuable level of understanding, and sometimes new words to the DDA vocabulary, drawn from his time as an MBA student at the Ross School of Business at the University of Michigan, as well as a propensity for "polite and persistent poking" on issues that mattered to him;

Whereas, Newcombe Clark will also be remembered for his intelligence, principles, and passionate commitment of his time and talent in service to downtown Ann Arbor;

RESOLVED, The Ann Arbor Downtown Development Authority, on behalf of the community, thanks Newcombe Clark for his great service and many contributions during his years on the DDA.

**A vote on the resolution showed:**

AYES: Collins, Guenzel, Gunn, Hewitt, Lowenstein, Orr, Smith, Split

NAYS: none

ABSENT: Hieftje, Mouat, Nassif

ABSTAIN: Clark

**All applauded. The resolution passed.**

**Resolution Thanking Leah Gunn**

Whereas, Leah Gunn has contributed a tremendous amount of time, energy and dedication to the Ann Arbor Downtown Development Authority since joining the board in 1991, including serving as Board Chair in 1995/6 and again in 2012/13;

Whereas, Leah Gunn was instrumental in helping the DDA evolve into an energetic, mission-driven and impactful organization that has enormous capacity to respond to the many, diverse and complex issues facing downtown;

Whereas, Leah Gunn brought great commitment to solving the multi-million dollar deterioration problem in the parking structures, to creating important partnerships with Washtenaw County, the City, and nonprofit agencies to foster a diversity of downtown housing options, and to pursue such transformative projects as the two-way traffic transition in the State Street area, the Fifth & Division Improvements Project, and the construction of the Library Lane parking structure;

Whereas, Leah Gunn's strength of character, decisiveness, and willingness to do the work necessary to overcome challenges made her an invaluable leader and board member;

Whereas, Leah Gunn's remarkable passion for the DDA and its work will be sorely missed, and her commitment to the downtown and community is an inspiration to all who have had the good fortune to work beside her;

RESOLVED, The Ann Arbor Downtown Development Authority extends its great thanks and best wishes to Leah Gunn for her abundant contributions to the downtown, and indeed to the community as a whole, through her work on the Ann Arbor Downtown Development Authority.

**A vote on the resolution showed:**

AYES: Clark, Collins, Guenzel, Hewitt, Lowenstein, Orr, Smith, Split

NAYS: none

ABSENT: Hieftje, Mouat, Nassif

ABSTAIN: Gunn

**All applauded. The resolution passed.**

Ms. Gunn said that one of her most important contributions at the DDA was to be involved in the hiring of Susan Pollay who has worked so hard and done so much for the DDA.

**Ms. Gunn reminded everyone that there would be no board meeting in August. The next board meeting will be on September 4<sup>th</sup>.**

<b>9. OTHER AUDIENCE PARTICIPATION</b>
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Alice Liberson said that while she has no issues with the availability and/ or cost of parking downtown, she does find the E-Park machines to be mean-spirited because previously one could utilize the time left over from another patron. She also disliked the fact that meter bags were installed in the morning for evening events, and asked that parkers be allowed to use the spaces until the evening.

<b>10. ADJOURNMENT</b>
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There being no other business, Ms. Gunn moved and Mr. Guenzel supported a motion to adjourn. Ms. Gunn declared the meeting adjourned at 1:09 pm.

Respectfully submitted,  
Susan Pollay, Executive Director