



---

TO: Mayor and Council

FROM: Derek Delacourt, Community Services Area Administrator  
Craig Hupy, Public Services Area Administrator  
Michael G. Nearing, Acting City Engineer  
Cresson Slotten, Systems Planning Manager

CC: Howard S. Lazarus, City Administrator

SUBJECT: Council Agenda Responses

DATE: 7/18/16

---

**CA-3 – Resolution to Approve Street Closings for the Electric Bolt 8K Run/Walk July 31, 2016**

**Question:** Does the organizer have plans to give notice directly to the residents who will find their streets closed due to the event? (Councilmember Warpehoski)

**Response:** Yes. Flyers will be distributed to the impacted neighborhoods.

**CA-8 – Resolution to Approve an Agreement with Parsons Brinckerhoff Michigan, Inc. for Project Management and Construction Engineering Services for the Stadium Boulevard Reconstruction Project (\$1,654,078.01)**

**CA-9 – Resolution to Approve a Cost-sharing Agreement with the Michigan Department of Transportation for the Stadium Boulevard Reconstruction Project – South Main Street to Kipke Drive (\$7,738,700.00)**

**CA-10 – Resolution to Approve an Agreement with the Michigan Department of Transportation for the West Stadium Boulevard RRFB Project**

**Question:** The potential 50% SRF loan forgiveness on the stormwater portion represents a significant amount of money (about \$700k). What is the likelihood of being

granted the 50% forgiveness on this project and what has been on our overall general track record in receiving the forgiveness? (Councilmember Lumm)

**Response:** To date, all of our projects have received loan forgiveness through the SRF Program and we expect to receive loan forgiveness on the Stadium Boulevard Reconstruction Project as well. The final amount of loan forgiveness for this project is currently unknown.

Prior to FY 15, we received 50% loan forgiveness on all projects. Since that time, however, the amount of potential loan forgiveness has been reduced due to funding availability. For example, on our current Geddes Road Reconstruction Project, we have received \$300,000 in loan forgiveness of the principle balance of \$1,315,000 (22.8%). Our recently completed Stone School Road Reconstruction Project received \$150,000 in loan forgiveness of the principle balance of \$2,175,000 (6.9%) and the City's Fall 2016/Spring 2017 Street Tree Purchase and Planting Project received \$150,000 in loan forgiveness of the principle balance of \$365,000 (41%.) The actual loan forgiveness has varied over the course of the last fiscal year.

**Question:** Was PBM the lower of the two conforming bids? If not, what was the Alfred Benesch bid and why was PBM recommended? (Councilmember Lumm)

**Response:** Yes. PBM's submitted proposal amount was lower than Alfred Benesch's. The submitted proposal by PBM had an estimated total value of work of \$1,721,418.98. Alfred Benesch's estimated total value was \$2,725,314.40. PBM was recommended due to their past performance on past high profile City projects such as the Broadway Bridges Reconstruction Project, the Stadium Boulevard Bridges Replacement Project, and the Huron Parkway Bridge Rehabilitation Project. PBM's project team, organization, and past experience on these types of projects has been very successful in the past and we believe that they will continue to provide exemplary services on this project as well.

**Question:** It's good to see the federal grant for a portion of the RRFB cost – are there other RRFB grant requests outstanding? Also, for the city's share of the RRFB's cost (\$38K), why isn't the Alternative Transportation Fund being used as the funding source? (Councilmember Lumm)

**Response:** The Alternative Transportation Fund's balance is being preserved in anticipation of its need for grant matching funds for the non-motorized aspects of the programmed Allen Creek Railroad Berm Opening project.

**C-1 – An Ordinance to Add a New Section 9:328a, to Amend Sections 9:328, 9:329 and 9:333, and to Repeal Sections 9:330, 9:331, and 9:332 of Chapter 118, Tobacco Regulation, of Title IX of the Code of the City of Ann Arbor**

**Question:** In the rationale section of the proposed ordinance, it indicates that at least 140 jurisdictions in 13 states have raised the legal sale age for tobacco products to 21 – are any of those in Michigan or would Ann Arbor be the first? Also in terms of the signage posting requirements for retailers, is it essentially just replacing the existing signage or are there new, additional signage requirements? (Councilmember Lumm)

**Response:** Based on our research, there are no municipalities in Michigan that have passed a Tobacco 21 ordinance. Also, in the past month, we have consulted with other municipalities' attorneys statewide and have found no other municipalities that have a Tobacco 21 ordinance. To our knowledge, Ann Arbor would be the first.

The sign required by the ordinance amendment would not replace the sign required by state law. There would be two signs:

1. The sign required under state law indicating sales of tobacco products are prohibited to persons under 18; and,
2. The sign required under the ordinance amendment indicating that City ordinance prohibits sales of tobacco products and sales of electronic smoking devices to persons under 21.

**DB-3 – Resolution to Approve the 615, 633, and 637 South Main Brownfield Plan**

**Question:** Am I reading the Brownfield Plan correctly that if all goes according to plan, the TIF reimbursement is completed in six years and after that the full amount of incremental taxes (about \$900K annually by my math) will accrue to the City and other taxing entities? (Councilmember Lumm)

**Response:** The TIF table in the Brownfield Plan attached to this item indicates that the developer is expected to be fully reimbursed in 2023 (Year 6) and all capture by the Washtenaw County Brownfield Redevelopment Authority (WCBRA) ending in 2024 (Year 7) after some additional capture for the Local Site Remediation Revolving Fund. After Year 7, all taxes are planned go to their respective taxing authorities. This is a plan, so if the value of the property is higher than planned, the TIF is repaid at a faster rate and taxing jurisdictions receive new taxes sooner than planned. Because this is a conservative plan, this is often the case.