



TO: Mayor and Council

FROM: Milton Dohoney Jr., City Administrator

CC: Nick Hutchinson, City Engineer
Marti Praschan, CFO
Jordan Roberts, Public Services Area Administrator
Missy Stults, Sustainability & Innovations Director
Mariah Walton, Deputy City Administrator

SUBJECT: January 20, 2026 Council Agenda Response Memo

DATE: January 15, 2026

CA-4 - Resolution to Prohibit On-Street Parking on the North Side of Catherine Street from N. Division Street to N. Ingalls Street

Question: 1. The staff memo states on-street parking will need to be eliminated on the north side of Catherine Street, including eliminating parking between N. Division Street and N. State Street and allowing parking on the south side between N. State Street and N. Ingalls Street. (Councilmember Mallek)

- a. Approximately how many parking spots will be eliminated with this resolution?

Response: Approximately 34 parking spaces would be eliminated to support this redesign.

- b. Is staff able to estimate the current demand/use for these parking spots?

Response: A parking study was not completed as part of this project.

- c. Should these parking spaces be eliminated, what alternatives are there for current users and nearby residents?

Response: Multiple alternatives for parking exist in this area:

January 20, 2026, Council Agenda Response Memo– January 15, 2026

Page 1 of 5

City Administrator's Office

- Off-street parking for each residence/parcel along the
- Michigan Medicine parking garage at Catherine/Glen
- All of the side streets within this project area with the exception of Glen – Division, State, Thayer, Ingalls – have parking on them that is not impacted by this project.

d. Can staff elaborate why parking will be completely eliminated on Catherine St between N. Division Street and N. State Street?

Response: The existing layout has a bicycle lane for westbound travel only. The space currently allocated for parking along the north curb would be reallocated to accommodate:

1. an eastbound bicycle lane, and
2. a painted buffer between the cycletrack and travel lane.

The new buffer will also include CityPosts that will better protect the two-way cycletrack from the vehicle travel lane.

2. The memo notes Catherine St is a corridor with pedestrian and bicyclist crashes over the last five years. Can staff elaborate on this and provide the estimated number and severity of the crashes in this stretch?

Response:

Pedestrian and bicyclist crashes:

- 1 pedestrian crash (incapacitating injury)
- 1 pedestrian crash (non-incapacitating injury)
- 2 bicycle crashes (no injury)

Note: analysis of this was completed several months ago. As such, the most recent 5-year analysis period of certified police crash data is 2020-2024.

3. Noting this section of Catherine St is currently a one-way street with designated (painted) bikes lanes already, can staff estimate the proposed cost of extending the 2-way bicycle route on Catherine Street for the three blocks between N. Division St and N Ingalls St.?

Response: Staff have not yet prepared a detailed cost estimate but are confident this can be completed within the \$500,000 allocated by City Council.

Question: Please explain rationale for prohibiting parking on this stretch of Catherine St. (Councilmember Disch)

Response: (Response also provided above) The existing layout has a bicycle lane for westbound travel only. The space currently allocated for parking along the north curb would be reallocated to accommodate:

1. an eastbound bicycle lane, and
2. a painted buffer between the cycletrack and travel lane.

The new buffer will also include CityPosts that will better protect the two-way cycletrack from the vehicle travel lane.

CA-8 - Resolution to Approve Adding 2.0 Full Time Employee Equivalent (FTE's) to the Transportation Unit and Appropriate \$87,500.00 to the FY2026 Major Streets Fund Budget (8 Votes Required)

Question: Is this money for signs and signals coming out of the General Fund or is it internal to the Transportation Budget? (Councilmember Disch)

Response: Funds for the addition of 2.0 FTEs will be appropriated from the Major Streets Fund unobligated fund balance to the Transportation Division's Major Streets Operations & Maintenance budget.

CA-13 - Resolution to Approve a Three-Year Software Subscription Agreement with EnergyCAP, LLC for Municipal Energy Monitoring Software (\$120,701.53)

Question: The resolution in CA-13 notes that a software subscription with EnergyCAP, LLC would be used to track, monitor, and evaluate municipal energy usage because the city is in need of software to help manage energy usage and bills to help ensure expenses are appropriate and identify opportunities to lower energy usage. (Councilmember Mallek)

- a. Can staff provide anticipated outcomes from this subscription if this resolution is approved?

Response: Having an energy management software will help us gain a deeper and more holistic understanding of energy usage across the City, including aggregate usage as well as anomalous spikes and troughs. Right now staff are having to manually review bills, making the process resource intensive, and likely leading to missed opportunities. With an energy management software, we'll be able to automate this process, allowing us to spend more time in solving errors that might exist and finding solutions that will help us further lower our energy usage across municipal operations. The software will also allow us to track progress in meeting energy reduction goals in a streamlined and efficient manner.

- b. What metrics will be used to track outcomes from this proposed subscription?

Response: Changes in energy usage is the main variable we expect to see impacted through this subscription. Additionally, we anticipate seeking savings in staff time – but we do not have a plan to track this. More specifically, we currently do not have a holistic understanding of energy usage across the municipal organization. The software will help us gain that perspective by automatically inputting and analyzing our energy bills, usage, and expenditure. This will allow staff to focus on ways to reduce usage or fix issues (such as leaks) much more efficiently than is currently possible.

- c. Does staff envision a payback from this subscription through lower municipal energy use/bills in the future? If yes, what kind of payback range might be anticipated?

Response: Many communities do see a payback from energy management software, and it is quite possible Ann Arbor will as well.

CA-16 - Resolution to Approve a Grant Agreement with the Ann Arbor Housing Development Corporation to Support the Development of a Sustainable and Affordable Housing Project at 350 S. Fifth Ave. and Appropriate Funding (\$1,000,000.00) (8 Votes Required)

Question: This is very exciting. Would staff of either AAHC or OSI list the other AAHC projects to which Climate grants have been made to support innovative net zero heating/cooling? Might they have a few words to offer about the importance of the collaboration between these two service areas? Is this kind of resource sharing common in cities? (Councilmember Disch)

Response: OSI and AAHC have been collaborating since the inception of OSI in 2018. The two units have co-written grants, supported each other in design work, technical analysis, and community engagement. And have even shared funding, such as:

- The granting of \$275,000 from OSI’s budget to the Housing Commission in FY24 (first year of climate millage) for Dunbar Tower
- The granting of \$200,000 from OSI’s budget to the Housing Commission in FY25 for Dunbar Tower
- \$180,000 for resiliency hub at Green Baxter Court
- The awarding of multiple Sustaining Ann Arbor Together grants to the Housing Commission for sustainability-related community projects

Staff are unable to speak about how common this type of relationship is in other communities but in Ann Arbor, we view collaboration between affordable housing and climate action as critical.

DS-2: Resolution to Approve a Transformational Brownfield Plan for 350 South Fifth Avenue

Question:

1. The Transformational Brownfield Plan states that, of the future incremental tax revenue generated by the commercial space from the proposed project at 350 S Fifth St, the various local property taxes generated within the DDA boundaries would still be captured by the DDA as typical if the plan is approved and implemented; the remaining amount that would have been shared with the local jurisdictions, and only that amount, would be captured as part of this transformational brownfield TIF (Section 6.5, pages 32-33). This is estimated at 70% of future incremental tax revenue generated going to the DDA and the remaining 30% of TIR that is not captured by the DDA going to the project brownfield. (Councilmember Mallek)
 - a. Is it typical for a brownfield project within a downtown development authority boundary to capture only the various other taxing jurisdiction taxes (and not the portion that typically goes to the DDA)?

Response: Yes, it's typical that Brownfield Plans may be approved within DDA Districts. Statute excludes DDA capture from being captured by Brownfield Plans. In these cases, the Authority and developer will petition the DDA to "forego" their capture, and allow it to be captured and used by the Authority to finance brownfield Eligible Activities. The 350 S. Fifth Plan has been drafted with the assumption that the Amended DDA Plan will be adopted prior to the Brownfield Plan, and therefore subject to the 30% limitation.

- b. Is staff able to estimate the approximate amount the DDA will gain from future incremental tax revenue generated by this project over the life of the proposed brownfield program (30 years)? (Councilmember Mallek)

Response: The 70% of DDA capture resulting from this Plan is approximately \$481,000 over 30 years. Please note: should the Brownfield Plan be adopted prior to the new DDA Plan (which is currently anticipated to come before City Council for consideration on April 20th), the Project will be considered "grandfathered" under the current approach between the DDA and Brownfield Authority, which would allow 100% of the millages usually captured by the DDA to "pass-through" to the Brownfield Authority. In this case, this would therefore result in an additional \$481,000 in tax capture to support the 350 S. Fifth project.