

MEMORANDUM

TO: DDA Board

FROM: Amber Miller, DDA Capital Projects and Planning Manager

DATE: 2.14.2024

REGARDING: DDA Development Plan Scope of Services

On April 17th, 2023 the Ann Arbor City Council authorized a professional services agreement with [Interface Studio LLC for Comprehensive Plan Services](#). This effort includes updating the vision and land use plan for the DDA District. The Interface Studio team includes Smithgroup, Ninigret Partners and &Access, and was selected from seven proposals received through a competitive RFP process. To continue to align DDA work with City goals and initiatives, DDA Staff recommend utilizing this process and consultant team for the DDA Development Plan work.

Background:

Michigan ACT 57 of 2018 requires all DDA's create a Development Plan and TIF Plan. The Development Plan establishes the boundary and identifies the activities and projects the DDA will participate in. The TIF Plan documents the collection and use of tax increment revenues. The Ann Arbor DDA's Development Plan was last updated in 2003 and expires in 2033. Since this time, the downtown and community priorities have changed significantly and a new plan is needed to reflect pandemic impact and recovery as well as a continued commitment to A2 Zero, Vision Zero, affordable housing, and downtown vibrancy.

Contract Scope

Given that a new Development and TIF Plan is a unique and important undertaking for the DDA, the contract scope provides added capacity and flexibility. The base contract amount is \$150,500 with approximately \$30,000 in contingency. In addition, while staff anticipate cost savings through the collaboration with other efforts, substantial staff coordination and DDA Board and City Council leadership meetings are built in. Lastly, Interface and Smithgroup introduced an additional sub-consultant, Points North, to support the TIF Plan update and help the DDA navigate the limitations of the TIF cap currently in place. The DDA budget includes dollars for this effort.

Key outcomes and deliverables:

- Build on adopted values and plans and align with important initiatives underway. Develop a comprehensive list of potential DDA project and programs based on:
 - City Comprehensive Plan
 - Downtown Circulation Study
 - MDOT Jurisdictional Transfer Study
 - Downtown Energy Utility Study

- Public restroom Pilot Project
- Street and infrastructure maintenance and service coordination with City Public Services, the Main Street Business Improvement Zone (BIZ), and the Downtown Business Associations.
- Existing DDA programs and policies (e.g. public art program, vault grant program, City Capital Improvement Plan, Housing Grants, etc.)
- Develop and refine project and program scenarios based on projected TIF revenue cap scenarios, community engagement, and the DDA's role and values.
- Provide statutory guidance and expand on DDA staff research from other Michigan DDA's to ensure the DDA Development Plan aligns with Act 57 of 2018, MCL 125.4217
- Prepare an executive summary DDA Plan overview document and final DDA Plans.