

**Ann Arbor Downtown Development Authority Meeting Minutes
Wednesday, January 5, 2022**

Place: DDA Office, 150 S. Fifth Ave., Suite 301, Ann Arbor, MI 48104

Time: 12 Noon

1. ROLL CALL

Present: Micah Bartelme, Alex Dieck, Tyler Kinley, Jessica A.S. Letaw, Molly McFarland, Jonathan Massey, Darren McKinnon

Absent: Milton Dohoney, Ji Hye Kim, Marie Klopf

Staff: Maura Thomson, Interim Executive Director/Communications Manager
Jada Hahlbrock, Manager of Parking Services
Amber Miller, Capital Projects Manager
Kelley Graves, Management Assistant/Board Secretary

Others: Jerry Lax/DDA Attorney

Public: None.

2. APPROVAL OF BOARD MEETING AGENDA

Mr. Bartelme moved and Ms. Letaw seconded the motion to approve the meeting agenda.

A vote on the motion showed:

Ayes: Bartelme, Dieck, Kinley, Letaw, Massey, McFarland, McKinnon

Nays: None

Absent: Dohoney, Kim, Klopf

The motion was approved.

3. PUBLIC COMMENT

None.

4. REPORTS FROM CITY BOARDS AND COMMISSIONS

Ms. Thomson shared the CAC meeting update on behalf of Mr. Honeyman. The CAC members and other attendees met last night via Zoom. They discussed the Main Street water main replacement planned for 2023. Vaughn Martin of Wade Trim attended to provide information on the project. They learned there are no permanent streetscape improvements planned for this project due to complex issues, including the numerous sidewalk vaults, that must be addressed before any major streetscape improvements can be considered. Per Mr. Honeyman's minutes, the Downtown Area Citizens Advisory Council wishes the board members and staff of the Downtown Development Association a happy and fruitful new year.

5. DDA MEMBER COMMUNICATIONS

Ms. Letaw thanked Staff for their work in preparing the conference room space for the return to in-person meetings.

6. EXECUTIVE DIRECTOR REPORT

Ms. Thomson thanked Ms. Graves for her work on preparing the DDA office for the return of Staff, the Board, and the public to an in-person environment. She said that the City of Ann Arbor has received the Gold Level Award for Bicycle Friendly Communities from the League of American Bicyclists. The City included the William Street and First Street bikeways as part of the extensive application. Ms. Thomson said this award highlights the City's and the DDA's shared goals and efforts.

7. APPROVAL OF MINUTES

Ms. Letaw moved and Mr. Bartelme seconded a motion to approve the December minutes.

A vote on the motion showed:

Ayes: Bartelme, Dieck, Kinley, Letaw, Massey, McFarland, McKinnon

Nays: None

Absent: Dohoney, Kim, Klopf

The motion was approved.

8A. SUBCOMMITTEE REPORTS –EXECUTIVE COMMITTEE

Mr. Massey moved and Mr. Bartelme seconded the following resolution:

RESOLUTION TO HIRE JEFFREY WATSON AS DDA EXECUTIVE DIRECTOR

Whereas, Public Act 57 of 2018 The Recodified Tax Increment Financing Act (PA57) authorizes the DDA Board to hire and fix the compensation of an executive director subject to the approval of the governing body of the municipality;

Whereas, PA57 also stipulates that the director shall serve at the pleasure of the Board, and shall be the chief executive officer of the Authority;

Whereas, The previous executive director retired on January 29, 2021;

Whereas, The DDA Board authorized contracting with GovHR to assist the DDA Board with the search process in its Resolution to Approving the Selection of GovHR USA LLC to Conduct Search for the Next DDA Executive Director;

Whereas, GovHR, in preparation for this search, interviewed DDA staff, DDA Board members, City staff, and City Council members and used the information gathered to prepare a recruitment brochure and job posting for the position;

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Whereas, GovHR posted the position on national job boards and marketed the position through key professional organizations, and also vetted candidates through one on one interviews, social media searches, and the contacting of references;

Whereas, GovHR received over 100 applications for the position and provided resumes and cover letters for eight semi-finalists to the Search Committee which reviewed those finalists in a closed session on October 8, 2021 and upon returning to open session did narrow the slate of candidates to four and did direct GovHR to schedule first-round interviews with those candidates on October 28, 2021;

Whereas, The Search Committee did interview four candidates at an open meeting on October 28, 2021, and on the following day did hold another open meeting in which they selected three candidates to move forward for interviews with the full DDA Board;

Whereas, The DDA Board did publicly interview three candidates at a special meeting held on November 8;

Whereas, The DDA Board did meet again on November 9 and November 16 to deliberate on their selection and that at that meeting the DDA Board did approve The Resolution to Authorize an Offer of Employment to Jeffery D. Watson which authorized the DDA Board Chair along with support from staff, GovHR, and DDA Legal Counsel to negotiate the terms of an employment agreement with Mr. Watson;

Whereas, Terms of employment were agreed on by the parties and formalized in the Employment Agreement Between the Ann Arbor DDA and Jeff Watson;

Whereas, the terms of employment include participation in City benefit programs provided to Non-Union employees, under the terms and agreements of such individual plans, and an annual base salary of \$142,000;

RESOLVED, That the DDA Board approves the Resolution to Hire Jeff Watson as DDA Executive Director contingent on staff's receipt of satisfactory results of employment screenings as required and completed by the City of Ann Arbor HR Department according to their standard policies and processes;

RESOLVED, That the DDA Board approves the terms of the employment agreement as presented;

RESOLVED, That the DDA Board authorizes staff to put this action forward to the Ann Arbor City Council for their consideration as required by Michigan Public Act 57 of 2018;

RESOLVED, That Jeff Watson's employment with the DDA shall commence the day following the approval of City Council.

Prior to the vote, Mr. Kinley stated that the agreement was reviewed by the DDA attorney, the City attorney's office, and the City HR department. He said similar severance packages and moving expense allowances have been approved for City positions of equal or higher levels. Ms. Letaw

asked the Board to consider conducting a 90-day and 180-day performance review of Mr. Watson. The Board will need to establish performance metrics for the review process. Mr. Lax said the City attorney's office has reviewed the agreement and supports its contents. He said that considering City Council would seek the attorney's advice, he thinks it is a good indication that Council will not have any major issues with the agreement.

A vote on the resolution showed:

Ayes: Bartelme, Dieck, Kinley, Letaw, Massey, McFarland, McKinnon

Nays: None

Absent: Dohoney, Kim, Klopf

The resolution was approved.

Ms. Letaw moved and Mr. McKinnon seconded the following resolution:

**RESOLUTION AUTHORIZING A TRANSITIONAL OVERLAP PERIOD FOR
EXECUTIVE DIRECTOR POSITION**

Whereas, Maura Thomson has served as the DDA Interim Executive Director since December 2020;

Whereas, The DDA Board has expressed a wish to set its new Executive Director up for success;

Whereas, The DDA Board recognizes that the new Executive Director will benefit greatly from Ms. Thomson's assistance, support, and knowledge when stepping into this position;

Whereas, The DDA Board recognizes that a period of overlap can be helpful to new employees;

RESOLVED, The DDA board approves a 3-month transitional overlap period beginning on the date the new Executive Director takes office, during which Maura Thomson's salary will remain at its current level (\$137,784 annual) as Interim Executive Director.

Prior to the vote, Mr. Kinley said there is a precedent for an overlap period, set when Joe Morehouse retired and Sara McCallum was hired. Mr. McKinnon thanked Ms. Thomson for all of her work as Interim Executive Director while continuing her role as Communications Manager throughout this process.

A vote on the resolution showed:

Ayes: Bartelme, Dieck, Kinley, Letaw, Massey, McFarland, McKinnon

Nays: None

Absent: Dohoney, Kim, Klopf

The resolution was approved.

The next Executive Committee meeting is scheduled for Wednesday, February 2, 2022 at 11 am.

8B. SUBCOMMITTEE REPORTS – CAPITAL IMPROVEMENTS
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Ms. Dieck moved and Mr. McKinnon seconded the following resolution:

RESOLUTION TO MODIFY THE WADE TRIM CONSTRUCTION ENGINEERING AND INSPECTION CONTRACT

Whereas, The DDA's Development Plan highlights identity, infrastructure, transportation, and sustainability as overarching Principles;

Whereas, On June 30, 2021 the DDA Board approved a Wade Trim contract amendment of \$224,000 for construction engineering, inspection, and staking services for a total of \$1,408,859 to add Division and William Street construction management, inspection, and business support services to the original scope;

Whereas, Construction management, engineering, inspection, and staking are required to manage construction activities;

Whereas, staff recommends increasing the Wade Trim contract by \$86,000 for a total of \$1,494,859 to support these services during continued construction of the Division Street Bikeway and this recommendation is supported by the Capital Improvements Committee;

Resolved, The DDA Board authorizes the DDA Director to increase the Wade Trim contract to \$1,494,859 to be paid from the Capital Construction fund (494).

A vote on the resolution showed:

Ayes: Bartelme, Dieck, Kinley, Letaw, Massey, McFarland, McKinnon

Nays: None

Absent: Dohoney, Kim, Klopf

The resolution was approved.

Ms. Dieck said construction is substantially complete on First, Ashley, Division, and William. Work on punch list items continues. Some items are significantly impacted by supply chain issues, like the signal poles at Division and Huron, and will be installed in the spring.

The next Capital Improvements Committee meeting is scheduled for Wednesday, February 16 at 11 am.

8C. SUBCOMMITTEE REPORTS - AFFORDABLE HOUSING/ECONOMIC DEVELOPMENT

Ms. Letaw said the Committee received a presentation from a member of the "Green Team", a citizen gardening group. The presentation included a review of the work the group did on the Library Lot. City staff, including the City CFO, two attorneys, and Director of the Housing

Commission, made a request to the DDA to share in the debt service on the 350 S. Fifth lot. This request will come to the board in February.

The next Affordable Housing/Economic Development Committee meeting is scheduled for Wednesday, February 9 at 9:00 am (DDA only).

8D.	SUBCOMMITTEE REPORTS – OPERATIONS
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Mr. Massey said the December Committee meeting was cancelled due to a lack of agenda items.

The next Operations Committee meeting is scheduled for Wednesday, January 26 at 11:00 am.

8E.	SUBCOMMITTEE REPORTS- FINANCE
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Mr. Bartelme said the December Finance Committee meeting was cancelled due to a lack of agenda items. The Committee will receive the first draft of the FY2023 budget at the next meeting.

The next Finance Committee meeting is scheduled for Thursday, January 27, 2022 at 9:00 am.

9.	NEW BUSINES
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None.

10.	PUBLIC COMMENT
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None.

11.	ADJOURNMENT
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Ms. Letaw moved and Mr. McKinnon seconded the motion to adjourn.

A vote on the motion showed:

Ayes: Bartelme, Dieck, Kinley, Letaw, Massey, McFarland, McKinnon

Nays: None

Absent: Dohoney, Kim Klopf

The motion was approved.

The meeting adjourned at 12:25 pm

Respectfully submitted,
Maura Thomson, Interim Executive Director

ANN ARBOR DOWNTOWN DEVELOPMENT AUTHORITY
Executive Committee Meeting
Wednesday, January 5, 2022

Place: DDA Office, 150 S. Fifth Ave., Suite 301, Ann Arbor, MI 48104

Time: 11:18 am

Present: Micah Bartelme, Kelley Graves, Tyler Kinley, Jessica A.S. Letaw,
Maura Thomson

Absent: Ji Hye Kim

Public: None.

Resolution to Hire Jeffrey Watson as DDA Executive Director: Mr. Kinley stated that the agreement was reviewed by the DDA attorney, the City attorney's office, and the City HR department. He said similar severance packages and moving expense allowances have been approved for City positions of equal or higher levels. There was agreement to bring the resolution forward to the Board.

Resolution to Authorize Transitional Overlap Period for Executive Director Position: Mr. Kinley said there is a precedent for an overlap period, set when Joe Morehouse retired and Sara McCallum was hired. There was agreement to bring this resolution forward to the Board.

New Business: Mr. Kinley stated the importance of filling the open Board member positions. Staff to provide the Board with a list of current applicants. The Mayor selects the candidates and Council approves the appointments.

Ms. Letaw reminded the Committee about previous discussions on improving the Board/Staff relationship.

Public Comment: None.

Adjournment: There being no other business, the meeting adjourned at 11:35 am.

Respectfully submitted,
Maura Thomson, Interim Executive Director

**ANN ARBOR DOWNTOWN DEVELOPMENT AUTHORITY
OPERATIONS COMMITTEE MEETING MINUTES
Friday, January 28, 2022**

Place: DDA Office, 150 S. Fifth Ave., Suite 301, Ann Arbor, MI 48104
Time: 11:00 am
Committee Present: Tyler Kinley, Darren McKinnon
Committee Absent: Jonathan Massey
Staff: Jada Hahlbrock, Sara McCallum, Maura Thomson, Kelley Graves
Public: None.

Parking System Financials: Ms. McCallum presented the parking system financials for December 2021. Questions were asked and answered.

Resolution to Establish Project Budget for Parking Operator Transition: Ms. Hahlbrock outlined the anticipated transition costs associated with onboarding the new parking operator (e.g., handheld payment devices, credit card merchant accounts, firewall, employee onboarding, etc.). Questions were asked and answered. The committee agreed to bring the resolution forward to the board.

Resolution to Approve PSA with Fishbeck: Fishbeck was approved by the board in December 2021 to provide parking system engineering and administration services on an 'as-needed' basis. Ms. Hahlbrock provided an overview of the resolution and corresponding PSA for Fishbeck for the FY23 parking system maintenance and restoration work. Contractor selection and a project budget for the work will be brought to the Committee in May. Work to begin in July. The committee agreed to bring the Fishbeck resolution forward to the board.

Resolution to Establish Project Budget for DDA Curb Management Study with Walker Consultants: Ms. Hahlbrock said Walker Consultants was selected to conduct the curb management study based on its strong parking background, experience creating curb management toolkits for other communities, and network of resources for data collection. Their RFP response including deliverables and timeline were included in the packet. Questions were asked and answered. The committee agreed to bring the Walker Consultants resolution forward to the board.

Go!Pass Update: Ms. Hahlbrock provided the getDowntown updated on behalf of AAATA's Mary Boonin who is handling the getDowntown functions on an interim basis since Chris Simmons' departure. There is a decrease in the number of employers enrolled in the go!Pass program this year compared to 2021 but an increase in the number of passes purchased. Ms. Boonin will bring the getDowntown FY23 grant request to the February Operations Committee meeting.

Public Comment: None.

The next Operations Committee meeting is scheduled for Wednesday, February 23, 2022 at 11 am.

The meeting adjourned at 11:50 am.

Respectfully submitted by, Jeff Watson, Executive Director

**ANN ARBOR DOWNTOWN DEVELOPMENT AUTHORITY
FINANCE COMMITTEE MEETING MINUTES
Thursday, January 27, 2022**

Place: DDA Office, 150 S. Fifth Ave., Suite 301, Ann Arbor, MI 48104

Time: 9:00 am

Committee Present: Micah Bartelme, Marie Klopf

Other Board Present: Tyler Kinley

Staff: Jeff Watson, Maura Thomson, Sara McCallum, Jada Hahlbrock, Kelley Graves

Public: None.

Financial Reports: Ms. McCallum walked the committee through the DDA's FY22 second quarter reports by fund. Questions were asked and answered.

FY23 Budget-First Draft: Ms. McCallum presented the first draft of the FY23 budget. Items of note include a 10% increase in projected parking revenues for FY22 and some anticipated increases in the FY23 budget related to increasing costs of products and services, an increase in payroll due to new and proposed staffing changes, an increase in the parking operator health insurance premium. Questions were asked about best practices for fund balance levels. Ms. McCallum said the DDA has a general fund balance policy in place and is in compliance with that policy; however, a more comprehensive policy would be beneficial. When staff capacity allows, a draft policy will be crafted for Finance and Operations Committee review. Staff will work to finalize the FY23 budget for the Committee to review next month.

Expense Registers: Ms. Klopf proposed some revisions to simplify the reporting format. Ms. McCallum to provide revised reports at the next meeting. Ms. Klopf moved and Mr. Bartelme seconded the motion to approve the October, November, and December 2021 monthly expense registers as presented. The motion was approved.

Public Comment: None.

Next Meeting: The next Finance Committee meeting is scheduled for Thursday, February 24, 2022 at 9am.

The meeting adjourned at 10:10 am

Respectfully submitted by: Jeff Watson, Executive Director