

ANN ARBOR DOWNTOWN DEVELOPMENT AUTHORITY MEETING MINUTES

Wednesday, December 3, 2014

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

Time: Mr. Mouat called the meeting to order at 12:04 p.m.

1. ROLL CALL

Present: Cyndi Clark, Russ Collins, Bob Guenzel, Roger Hewitt, Joan Lowenstein, Al McWilliams, John Mouat, Keith Orr, Rishi Narayan, Steve Powers, Sandi Smith, John Splitt

Absent: none

Staff Present: Susan Pollay, Executive Director
Joseph Morehouse, Deputy Director
Amber Miller, Planning and Research Specialist
Jada Hahlbrock, Management Assistant

Audience: Art Low, Republic Parking
Brian Kern, Republic Parking
Nancy Shore, getDowntown
Ray Detter, Downtown Area CAC
Changming Fan
Maggie Ladd, SUAA
Frances Todoro, SSAA
Alex de Parry

2. AUDIENCE PARTICIPATION

Francis Todoro said that the State Street Area Association board voted unanimously to support the DDA creating a downtown ambassador program, as they feel it will provide much-needed services, as well as a point of coordination for existing services.

Maggie Ladd said that members of the South University Area Association support the creation of a downtown ambassador program, as they feel it will enhance the downtown experience for residents and visitors.

Changming Fan said he fully supports the creation of an ambassador program. He said it is needed to move the City forward. The program can use technology and people to bring everyone together.

3. REPORTS FROM CITY BOARDS AND COMMISSIONS

Downtown Area Citizens Advisory Council. Mr. Detter said CAC members held their annual holiday dinner. Their primary discussion centered on the proposed DDA ambassador program.

There was a question about how it might work with the proposed CVB ambassador program, and any potential volunteer groups that might also want to provide hospitality services. They also noted that some DDA capital projects might not get done if the DDA instead directed such a large amount of funds to an ambassador program, and that only the DDA takes on these kinds of capital projects. Their consensus was to ask the DDA to wait to act until after the DDA board retreat so the ambassador program could be evaluated against other priorities.

4. COMMUNICATIONS FROM DDA MEMBERS

Mr. Narayan extended congratulations to Mr. McWilliams on his upcoming nuptials.

5. EXECUTIVE DIRECTOR REPORT

Ms. Pollay said that DDA staff & representatives from Carl Walker Inc. met with City staff to get direction on the 4th & William construction. There will be a meeting with Main Street area businesses to find ways to minimize project impacts in the adjacent parking lot and alley.

Ms. Pollay shared that the Street Framework Advisory group will meet on December 9th. The final plan will now be called the Downtown Street Design Manual. One element will be recommendations for how to utilize the right-of-way in flexible ways to accommodate special events and large crowds, and described how she has seen this done in other cities.

Ms. Pollay provided an update on draft DDA amendments presented to the State House Commerce Committee for consideration. She said that there was no schedule yet for when these amendments would be discussed, much less voted on.

6. APPROVAL OF MINUTES

Mr. Hewitt moved and Ms. Lowenstein supported approval of the November 2014 DDA meeting minutes.

A vote on the minutes showed:

AYES: Clark, Collins, Guenzel, Hewitt, Lowenstein, Mc Williams, Mouat, Narayan, Orr, Powers, Smith, Splitt

NAYS: none

ABSENT: none

ABSTAIN: none

The motion carried.

7. A. SUBCOMMITTEE REPORTS - PARTNERSHIPS/ ECONOMIC DEVELOPMENT COMMITTEE
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318 W Liberty St. Mr. McWilliams moved and Mr. Splitt supported the following resolution.

RESOLUTION TO PROVIDE A DDA PARTNERSHIPS GRANT FOR THE PROJECT AT 318 W. LIBERTY STREET

Whereas, The Partnerships Committee reviewed a Partnerships Grant request from the developer of a project to be located at 318 W. Liberty Street and believes that project meets the threshold set forward in the Grant program for support, specifically adding to downtown's residential density, and redeveloping a less-attractive property located on a major corridor into the downtown;

Whereas, The portion of the new taxes generated by this project that will be captured by the DDA has been estimated to be \$47,666/year;

Whereas, The project will include the installation of an expanded water main that will be utilized by other potential developable properties within the DDA, and the developer has asked the DDA for a grant to help cover the cost of this expanded water main;

Whereas, The Partnerships Committee recommends that the DDA approve a Partnerships Grant to help pay for the cost of the expanded water main located within the DDA District using the details set forth within the Partnerships Grant Policy, which sets forward a maximum grant amount calculated using 25% of the actual TIF captured from a development over ten years, times 40% which is the percentage estimate established by the Partnerships Committee for the amount of new water main within the DDA District;

Whereas, The amount of the grant is estimated to be \$47,666, and under the Partnerships Grant Policy, this grant would be paid out following receipt of TIF equal to or greater than the grant amount from this project, thus the payment schedule for this grant may be over several fiscal years;

RESOLVED, The DDA approves a Partnerships Grant for the project located at 318 W. Liberty Street to be used to cover some of the costs to install the section of an upsized water main under W. Liberty Street within the DDA District;

RESOLVED, The actual amount of the Grant shall be calculated using 25% of the actual TIF captured from a development over ten years, times 40%, estimated at this time to be approximately \$47,666;

RESOLVED, If the City Assessor determines that the TIF captured by the DDA from the proposed project at 318 W. Liberty is less than has been estimated, the DDA will reduce its grant to this project proportionately.

RESOLVED, The DDA payments to the Developer shall be timed as recommended by its Partnerships Committee as listed above, however the DDA reserves the right to adjust the payment schedule if its budget so requires.

RESOLVED, This DDA Partnerships Grant will sunset by June 30, 2016 if the project footings and foundations are not completely installed by that date. It is the responsibility of the developer to report milestones to the DDA.

Mr. McWilliams said that the Committee felt the project met the grant threshold for support, and they recommended support to fund a portion of the cost of the new water main within the DDA District.

Mr. Splitt offered an amendment to clarify the grant calculation. He suggested “ ...the actual amount of the Grant shall be calculated using ~~25%~~ 10% of the actual TIF captured from a development over ten years, ~~times 40%~~, estimated at this time to be approximately \$47,666.” Mr. McWilliams said that the proposed amendment as friendly. After discussion the decision was made to make the change in the Resolved clause but keep the Whereas clause unchanged.

The amended resolution is as follows;

RESOLUTION TO PROVIDE A DDA PARTNERSHIPS GRANT FOR THE PROJECT AT 318 W. LIBERTY STREET

Whereas, The Partnerships Committee reviewed a Partnerships Grant request from the developer of a project to be located at 318 W. Liberty Street and believes that project meets the threshold set forward in the Grant program for support, specifically adding to downtown’s residential density, and redeveloping a less-attractive property located on a major corridor into the downtown;

Whereas, The portion of the new taxes generated by this project that will be captured by the DDA has been estimated to be \$47,666/year;

Whereas, The project will include the installation of an expanded water main that will be utilized by other potential developable properties within the DDA, and the developer has asked the DDA for a grant to help cover the cost of this expanded water main;

Whereas, The Partnerships Committee recommends that the DDA approve a Partnerships Grant to help pay for the cost of the expanded water main located within the DDA District using the details set forth within the Partnerships Grant Policy, which sets forward a maximum grant amount calculated using 25% of the actual TIF captured from a development over ten years, times 40% which is the percentage estimate established by the Partnerships Committee for the amount of new water main within the DDA District;

Whereas, The amount of the grant is estimated to be \$47,666, and under the Partnerships Grant Policy, this grant would be paid out following receipt of DDA TIF from this project, thus the payment schedule for this grant may be over several fiscal years;

RESOLVED, The DDA approves a Partnerships Grant for the project located at 318 W. Liberty Street to be used to cover some of the costs to install the section of an upsized water main under W. Liberty Street within the DDA District;

RESOLVED, The actual amount of the Grant shall be calculated using 10% of the actual TIF captured from a development over ten years, estimated at this time to be approximately \$47,666;

RESOLVED, If the City Assessor determines that the TIF captured by the DDA from the proposed project at 318 W. Liberty is less than has been estimated, the DDA will reduce its grant to this project proportionately.

RESOLVED, The DDA payments to the Developer shall be timed as recommended by its Partnerships Committee as listed above, however the DDA reserves the right to adjust the payment schedule if its budget so requires.

RESOLVED, This DDA Partnerships Grant will sunset by June 30, 2016 if the project footings and foundations are not completely installed by that date. It is the responsibility of the developer to report milestones to the DDA.

A vote on the amended resolution showed:

AYES: Clark, Collins, Guenzel, Hewitt, Lowenstein, McWilliams, Mouat, Narayan, Orr, Powers, Smith, Splitt

NAYS: none

ABSENT: none

ABSTAIN: none

The resolution passed.

The next Partnerships & Economic Development Committee meeting will take place on December 10th at 11:00 am.

7. B. SUBCOMMITTEE REPORTS - MARKETING COMMITTEE

Communication Committee. Mr. McWilliams moved and Ms. Smith supported the following resolution.

RESOLUTION TO CHANGE THE NAME OF THE DDA MARKETING COMMITTEE TO THE DDA COMMUNICATION COMMITTEE

Whereas, At its 2014 Annual Meeting the DDA voted to establish a DDA Marketing Committee;

Whereas, Modifying the name to Communication Committee will enable the committee to better address a broader work plan

RESOLVED, The DDA Marketing Committee shall henceforth be known as the DDA Communication Committee.

Mr. McWilliams said that The Marketing Committee was created at the DDA's 2014 Annual meeting. As it has begun its work, much of the focus has been on an array of communication

elements, not just marketing. He said the name change will enable the committee to work toward broader goals.

A vote on the resolution showed:

AYES: Clark, Collins, Guenzel, Hewitt, Lowenstein, McWilliams, Mouat, Narayan, Orr, Powers, Smith, Splitt

NAYS: none

ABSENT: none

ABSTAIN: none

The resolution passed.

Data. Mr. McWilliams said the Committee continues to discuss what data is available and how it can be helpful. He will be working with DDA staff to create a communications plan to be presented and discussed at the next meeting.

The next Marketing Committee meeting will take place on December 10th at 12:30 pm.

7. C. SUBCOMMITTEE REPORTS - FINANCE COMMITTEE

2014 Operating Revenues and Expenses Report. Mr. Narayan went through the report. He noted that it was intended to be used to review revenues and expenses for each parking facility, but does not include capital repair and maintenance costs. He also noted that the facilities work together as a system, including facilities with and without debt service. Questions were asked and answered.

2014 Audit Status. Mr. Narayan reported that a draft has been received and is being reviewed. The auditor has been invited to attend the Finance meeting on December 19th.

The next Finance Committee meeting will take place Friday, December 19th at 9:30 am.

7. D. SUBCOMMITTEE REPORTS - OPERATIONS COMMITTEE
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Phase II/Connector Study. Mr. Hewitt moved and Mr. Splitt supported the following resolution.

RESOLUTION AUTHORIZING COMPLETION OF PAYMENTS FOR PHASE II OF THE CONNECTOR STUDY GRANT

Whereas, In October 3, 2012 the DDA voted to approve a \$30,000 grant for Phase II of the Ann Arbor Connector Study;

Whereas, The Study process timeline was extended and invoices are being received after the DDA grant had anticipated and after the DDA's grant policy which sunsets grants at the end of the second fiscal year;

RESOLVED, The DDA authorizes payments as needed to complete its grant to this project.

Mr. Hewitt said that the Study progressed more slowly than originally anticipated, and will soon be completed. The resolution would enable the remaining invoices to be paid. He suggested an amendment to add a new expiration date to the resolution. Mr. Splitt accepted the amendment as friendly.

The amended resolution is as follows.

**RESOLUTION AUTHORIZING COMPLETION OF PAYMENTS FOR PHASE II OF THE CONNECTOR
STUDY GRANT**

Whereas, In October 3, 2012 the DDA voted to approve a \$30,000 grant for Phase II of the Ann Arbor Connector Study;

Whereas, The Study process timeline was extended and invoices are being received after the DDA grant had anticipated and after the DDA's grant policy which sunsets grants at the end of the second fiscal year;

RESOLVED, The DDA authorizes payments as needed to complete its grant to this project, through June 30, 2015.

A vote on the amended resolution showed:

AYES: Clark, Collins, Guenzel, Hewitt, Lowenstein, McWilliams, Mouat, Narayan, Orr, Powers, Smith, Splitt

NAYS: none

ABSENT: none

ABSTAIN: none

The resolution passed.

First & Huron Lot Lease. Mr. Splitt moved and Mr. Hewitt supported the following resolution.

**RESOLUTION TO APPROVE THE FIRST LEASE AMENDMENT WITH HURON ASHLEY L.L.C. FOR
THE FIRST AND HURON PARKING LOT**

Whereas, The DDA has managed the First and Huron parking lot since 1992;

Whereas, A new 3-year lease amendment between the DDA and Huron Ashley Limited Partnership has been negotiated;

Whereas, The DDA Operations Committee recommends DDA approval of this lease amendment;

RESOLVED, The DDA approves the lease amendment for the First and Huron parking lot with Huron Ashley LLC, and authorizes the DDA Board Chair to sign this agreement.

Mr. Splitt said the Operations Committee recommends approval.

A vote on the resolution showed:

AYES: Clark, Collins, Guenzel, Hewitt, Lowenstein, McWilliams, Mouat, Narayan, Orr,
Powers, Smith, Splitt

NAYS: none

ABSENT: none

ABSTAIN: none

The resolution passed.

Fifth & Huron Lot Lease. Mr. Hewitt moved and Mr. Splitt supported the following resolution.

**RESOLUTION TO APPROVE THE NINTH LEASE AMENDMENT WITH CITY HALL LLC
FOR THE FIFTH AND HURON PARKING LOT**

Whereas, The DDA has leased the Fifth and Huron parking lot from City Hall LLC for public parking since December 2001;

Whereas, The eighth lease amendment expired on 12/1/14;

Whereas, A new three-year lease amendment has been negotiated and the DDA Operations Committee recommends DDA approval of this lease amendment;

RESOLVED, The DDA approves the ninth lease amendment with City Hall LLC for the Fifth and Huron lot, and authorizes the DDA Board Chair to sign this lease amendment.

Mr. Splitt said the Operations Committee recommends approval.

A vote on the resolution showed:

AYES: Clark, Collins, Guenzel, Hewitt, Lowenstein, McWilliams, Mouat, Narayan, Orr,
Powers, Smith, Splitt

NAYS: none

ABSENT: none

ABSTAIN: none

The resolution passed.

350 S Fifth Avenue Lot. Mr. Splitt moved and Ms. Lowenstein supported the following resolution.

**RESOLUTION TO OBJECT, WITH CONDITIONS, TO THE ADDITION OF THE 350 S. FIFTH AVENUE
LOT TO THE MUNICIPAL PARKING SYSTEM**

Whereas, The DDA has managed the public parking system since 1992 in support of its mission to strengthen the downtown and encourage private investment;

Whereas, At the request of the City, the DDA demolished the former YMCA building on 350 S. Fifth Avenue and created a temporary surface parking lot;

Whereas, On November 7, 2013, City Council approved Resolution No. R-13-331, authorizing the City Administrator to negotiate a purchase agreement for the 350 S. Fifth Avenue property with Dennis Dahlmann who had made the highest purchase price offer, and a proposal to build improvements on the property including a structure with a FAR of no less than 400%, including retail/restaurant on the first floor, large floor plate office on the remaining lower levels, residential apartments on the upper floors, a substantial landscaped open space including a grand fountain, and parking on site including a below-grade connection to the Library Lane parking structure;

Whereas, On November 17, 2013 City Council approved the purchase agreement for 350 S. Fifth Avenue, setting forward the requirement that the future building receive its final Certificate of Occupancy no later than January 2018, later delayed to April 2, 2018;

Whereas, On transfer of title to 350 S. Fifth Avenue from the City to Fifth Fourth, LLC (successor entity to Mr. Dahlmann) the DDA removed all parking equipment from the site;

Whereas, On November 17, 2014 City Council approved a resolution directing the City Administrator and City Attorney to enter into negotiations with Fifth Fourth LLC and the DDA to lease the property for public parking on a temporary basis and to provide notice to the DDA to add the lot to the municipal parking system;

Whereas, Under the City/DDA parking contract during the 30 day notice period, the DDA is able to take one of three actions;

- Allow the period to expire without action, thereby accepting the surface lot as part of the municipal parking system
- Object to the addition of the surface lot to the municipal parking system in whole by providing written objections to the City
- Object to the addition of the surface lot addition unless certain conditions are met. If these conditions are met as part of the lease terms the DDA would withdraw its objection.

Whereas, The Operations Committee has reviewed the City Council action and recommends DDA approval of the following:

1. Authorize the Operations Committee Chairs and DDA Director to act on behalf of the DDA during the period of lease negotiations with Fifth Fourth LLC
2. Convey the DDA objection to the addition of the surface lot addition unless certain conditions are met as follows:

- All operational and capital costs associated with the lot must be paid first by any revenues generated from the site. This will include the cost to reinstall parking, signage and other equipment to the site and the eventual removal of this equipment, as well as the maintenance and operational cost to operate the lot during the temporary period it will be in operation as a public parking lot.
- The next \$100,000/year revenues generated from the site must be paid to the City's Affordable Housing Trust Fund from revenues generated from the site.
- If there are any remaining net revenues generated from the site after the first two items are paid, the remaining net revenues would be split between the owner of Fifth Fourth LLC and the DDA public parking system.
- The DDA will agree to waive lost parking revenues from the nearby garages due to patrons shifting their parking to the 350 S. Fifth Avenue lot if the City will agree to waive its 17% portion from parking revenues generated on this lot.

Whereas, In addition, the Operations Committee recommends that the DDA urge the owner(s) of Fifth Fourth LLC to make a significant personal contribution of their own to the City's Affordable Housing Trust Fund.

RESOLVED, The DDA authorizes the Operations Committee Chairs and DDA Director to act on behalf of the DDA during the period of lease negotiations with Fifth Fourth LLC;

RESOLVED, The DDA objects to the addition of the 350 S. Fifth Avenue surface lot addition to the municipal parking system unless certain conditions are met as recommended by its Operations Committee:

- All operational and capital costs associated with the lot must be paid first by any revenues generated from the site. This will include the cost to reinstall parking, signage and other equipment to the site and the eventual removal of this equipment, as well as the maintenance and operational costs to operate the lot during the temporary period it will be in operation as a public parking lot.
- The next \$100,000/year revenues generated from the site must be paid to the City's Affordable Housing Trust Fund from revenues generated from the site.
- If there are any remaining net revenues generated from the site after the first two items are paid, the remaining net revenues would be split between the owner of Fifth Fourth LLC and the DDA public parking system.
- The DDA will agree to waive lost parking revenues from the nearby garages due to patrons shifting their parking to the 350 S. Fifth Avenue lot if the City will agree to waive its 17% portion from parking revenues generated on this lot.

RESOLVED, If the DDA representatives deem that these conditions have been met by the details of the lease between Fifth Fourth LLC, the DDA, and the City, the DDA will withdraw its objection to the addition of the 350 S. Fifth Avenue parking lot to the municipal parking system.

Mr. Hewitt said the resolution conveys an objection to the addition of the lot unless certain conditions are met; if these are met, the DDA will withdraw its objection. The resolution also authorizes the Operations Committee Chairs and DDA Director to negotiate on behalf of DDA.

Ms. Smith proposed 3 amendments.

Amendment #1- Make the following change to the 8th Whereas clause, ~~"The DDA will agree to waive~~ *In recognition of the* lost parking revenues from the nearby garages due to patrons shifting their parking to the 350 S. Fifth Avenue lot, ~~if the City will agree to waive its 17% portion from parking revenues generated on this lot."~~ Mirror the same language in the Resolved section.

Amendment #2- Move the last Whereas clause into the 8th Whereas clause, and make it a bullet point. ~~"Whereas,~~ In addition, the Operations Committee recommends that the DDA urge the owner(s) of Fifth Fourth LLC to ~~make~~ *pledge* a significant personal contribution of their ~~own~~ *proceeds* to the City's Affordable Housing Trust Fund." Mirror the language in the Resolved section.

Amendment #3- Add an additional Resolved at the end. *"RESOLVED, The final negotiated contract will come back to the DDA Board for ratification."*

All three amendments were seen as friendly by Mr. Splitt and Ms. Lowenstein.

The resolution as amended is as follows.

RESOLUTION TO OBJECT, WITH CONDITIONS, TO THE ADDITION OF THE 350 S. FIFTH AVENUE LOT TO THE MUNICIPAL PARKING SYSTEM

Whereas, The DDA has managed the public parking system since 1992 in support of its mission to strengthen the downtown and encourage private investment;

Whereas, At the request of the City, the DDA demolished the former YMCA building on 350 S. Fifth Avenue and created a temporary surface parking lot;

Whereas, On November 7, 2013, City Council approved Resolution No. R-13-331, authorizing the City Administrator to negotiate a purchase agreement for the 350 S. Fifth Avenue property with Dennis Dahlmann who had made the highest purchase price offer, and a proposal to build improvements on the property including a structure with a FAR of no less than 400%, including retail/restaurant on the first floor, large floor plate office on the remaining lower levels, residential apartments on the upper floors, a substantial landscaped open space including a grand fountain, and parking on site including a below-grade connection to the Library Lane parking structure;

Whereas, On November 17, 2013 City Council approved the purchase agreement for 350 S. Fifth Avenue, setting forward the requirement that the future building receive its final Certificate of Occupancy no later than January 2018, later delayed to April 2, 2018;

Whereas, On transfer of title to 350 S. Fifth Avenue from the City to Fifth Fourth, LLC (successor entity to Mr. Dahlmann) the DDA removed all parking equipment from the site;

Whereas, On November 17, 2014 City Council approved a resolution directing the City Administrator and City Attorney to enter into negotiations with Fifth Fourth LLC and the DDA to lease the property for public parking on a temporary basis and to provide notice to the DDA to add the lot to the municipal parking system;

Whereas, Under the City/DDA parking contract during the 30 day notice period, the DDA is able to take one of three actions;

- Allow the period to expire without action, thereby accepting the surface lot as part of the municipal parking system
- Object to the addition of the surface lot to the municipal parking system in whole by providing written objections to the City
- Object to the addition of the surface lot addition unless certain conditions are met. If these conditions are met as part of the lease terms the DDA would withdraw its objection.

Whereas, The Operations Committee has reviewed the City Council action and recommends DDA approval of the following:

1. Authorize the Operations Committee Chairs and DDA Director to act on behalf of the DDA during the period of lease negotiations with Fifth Fourth LLC
2. Convey the DDA objection to the addition of the surface lot addition unless certain conditions are met as follows:
 - All operational and capital costs associated with the lot must be paid first by any revenues generated from the site. This will include the cost to reinstall parking, signage and other equipment to the site and the eventual removal of this equipment, as well as the maintenance and operational cost to operate the lot during the temporary period it will be in operation as a public parking lot.
 - The next \$100,000/year revenues generated from the site must be paid to the City's Affordable Housing Trust Fund from revenues generated from the site.
 - If there are any remaining net revenues generated from the site after the first two items are paid, the remaining net revenues would be split between the owner of Fifth Fourth LLC and the DDA public parking system.
 - In recognition of the parking revenues that will be lost from the nearby garages due to patrons shifting their parking to the 350 S. Fifth Avenue lot, the City will agree to waive its 17% portion from parking revenues generated on this lot.

- In addition, the Operations Committee recommends that the DDA urge the owner(s) of Fifth Fourth LLC to pledge a significant contribution of their proceeds to the City's Affordable Housing Trust Fund.

RESOLVED, The DDA authorizes the Operations Committee Chairs and DDA Director to act on behalf of the DDA during the period of lease negotiations with Fifth Fourth LLC;

RESOLVED, The DDA objects to the addition of the 350 S. Fifth Avenue surface lot addition to the municipal parking system unless certain conditions are met as recommended by its Operations Committee:

- All operational and capital costs associated with the lot must be paid first by any revenues generated from the site. This will include the cost to reinstall parking, signage and other equipment to the site and the eventual removal of this equipment, as well as the maintenance and operational costs to operate the lot during the temporary period it will be in operation as a public parking lot.
- The next \$100,000/year revenues generated from the site must be paid to the City's Affordable Housing Trust Fund from revenues generated from the site.
- If there are any remaining net revenues generated from the site after the first two items are paid, the remaining net revenues would be split between the owner of Fifth Fourth LLC and the DDA public parking system.
- In recognition of the parking revenues that will be lost from the nearby garages due to patrons shifting their parking to the 350 S. Fifth Avenue lot, the City will agree to waive its 17% portion from parking revenues generated on this lot.
- The DDA urges the owner(s) of Fifth Fourth LLC to pledge a significant contribution of their proceeds to the City's Affordable Housing Trust Fund.

RESOLVED, If the DDA representatives deem that these conditions have been met by the details of the lease between Fifth Fourth LLC, the DDA, and the City, the DDA will withdraw its objection to the addition of the 350 S. Fifth Avenue parking lot to the municipal parking system.

RESOLVED, The final negotiated contract will come back to the DDA Board for ratification.

A vote on the amended resolution showed:

AYES: Clark, Guenzel, Hewitt, Lowenstein, McWilliams, Mouat, Narayan, Powers, Smith, Splitt

NAYS: Collins, Orr

ABSENT: none

ABSTAIN: none

The resolution passed.

Downtown Ambassadors. Mr. Hewitt moved and Mr. Splitt supported the following resolution.

RESOLUTION TO AUTHORIZE THE ESTABLISHMENT OF A DOWNTOWN AMBASSADOR PROGRAM

Whereas: Many downtowns throughout the country provide Ambassador Programs to enhance the user experience;

Whereas: The Ann Arbor Downtown Development Authority is responsible for the construction, maintenance and operation of the public parking system. The DDA also takes responsibility to improve public sidewalks within the downtown;

Whereas: The DDA provides customer service, through its operator, within the parking facilities;

Whereas: The DDA wishes to expand its customer service to the public sidewalks and other outdoor public areas in the downtown through an Ambassador Program;

Whereas: This Ambassador Program will provide assistance as needed to the people who use downtown;

Whereas: This Ambassador Program will provide information about downtown attractions to the people who use downtown;

Whereas: This Ambassador Program will serve as a liaison to governmental services for the people who use downtown;

Whereas: This Ambassador Program will alert governmental departments to issues that need their attention;

Whereas: This Ambassador program will further demonstrate the DDA's desire that all the people who use downtown have a pleasant experience;

Whereas, The Operations Committee has spent many months researching and discussing this program, including receiving information from representatives of the downtown area associations, Ann Arbor Area Convention and Visitors Bureau, City of Ann Arbor Police, Washtenaw County Office of Community & Economic Development, Project Outreach Team (PORT), as well as information about Ambassador programs in Michigan and around the country;

Whereas, The Operations Committee recommends that the DDA authorize the establishment of a downtown Ambassador program, and the expenditure of up to \$300,000/year for a period of three years for this program;

Whereas, The Operations Committee further recommends that the DDA authorize the Operations Committee to formulate the details of the program and report back to the DDA with details such as which company will be hired to operation the program, and the kinds of metrics that will be used to assess program impacts ,

RESOLVED, The DDA authorizes the establishment of a downtown Ambassador program, and the expenditure of up to \$300,000 per year for a period of three years for this program;

RESOLVED, The DDA authorizes the Operations Committee to formulate the details of the program and report back to the DDA with details such as which company will be hired to operation the program, and the kinds of metrics that will be used to assess program impacts .

Mr. Hewitt said the process and discussions regarding the proposed program had been very deliberative and thoughtful.

Mr. Hewitt proposed an amendment, a change to the final resolved clause. "RESOLVED, The DDA *Board* authorizes the Operations Committee to formulate the details of the program, select a *recommended vendor, negotiate a proposed contract and scope of services, and bring this contract back to the DDA Board for approval, with* ~~and report back to the DDA with details such as which company will be hired to operation the program,~~ and the kinds of metrics that will be used to assess program impacts."

Many board members offered up statements both for and against the program.

Ms. Smith asked for a postponement of the vote until the January, or later, DDA Board meeting.

A vote on the postponement showed:

AYES: Powers, McWilliams, Smith

NAYS: Clark, Collins, Guenzel, Hewitt, Lowenstein, Mouat, Narayan, Orr, Splitt

ABSENT: none

ABSTAIN: none

The postponement failed.

Mr. Hewitt's proposed amendment was reasserted. Mr. Splitt accepted the amendment as friendly. The amended resolution is as follows.

RESOLUTION TO AUTHORIZE THE ESTABLISHMENT OF A DOWNTOWN AMBASSADOR PROGRAM

Whereas: Many downtowns throughout the country provide Ambassador Programs to enhance the user experience;

Whereas: The Ann Arbor Downtown Development Authority is responsible for the construction, maintenance and operation of the public parking system. The DDA also takes responsibility to improve public sidewalks within the downtown;

Whereas: The DDA provides customer service, through its operator, within the parking facilities;

Whereas: The DDA wishes to expand its customer service to the public sidewalks and other outdoor public areas in the downtown through an Ambassador Program;

Whereas: This Ambassador Program will provide assistance as needed to the people who use downtown;

Whereas: This Ambassador Program will provide information about downtown attractions to the people who use downtown;

Whereas: This Ambassador Program will serve as a liaison to governmental services for the people who use downtown;

Whereas: This Ambassador Program will alert governmental departments to issues that need their attention;

Whereas: This Ambassador program will further demonstrate the DDA's desire that all the people who use downtown have a pleasant experience;

Whereas, The Operations Committee has spent many months researching and discussing this program, including receiving information from representatives of the downtown area associations, Ann Arbor Area Convention and Visitors Bureau, City of Ann Arbor Police, Washtenaw County Office of Community & Economic Development, Project Outreach Team (PORT), as well as information about Ambassador programs in Michigan and around the country;

Whereas, The Operations Committee recommends that the DDA authorize the establishment of a downtown Ambassador program, and the expenditure of up to \$300,000/year for a period of three years for this program;

Whereas, The Operations Committee further recommends that the DDA authorize the Operations Committee to formulate the details of the program and report back to the DDA with details such as which company will be hired to operation the program, and the kinds of metrics that will be used to assess program impacts ,

RESOLVED, The DDA authorizes the establishment of a downtown Ambassador program, and the expenditure of up to \$300,000 per year for a period of three years for this program;

RESOLVED, The DDA Board authorizes the Operations Committee to formulate the details of the program, select a recommended vendor, negotiate a proposed contract and scope of services, and bring this contract back to the DDA Board for approval, with the kinds of metrics that will be used to assess program impacts.

A vote on the amended resolution showed:

AYES: Clark, Collins, Guenzel, Hewitt, Lowenstein, Mouat, Powers, Splitt

NAYS: McWilliams, Narayan, Orr, Smith

ABSENT: none

ABSTAIN: none

The resolution passed.

4th & William Project Update. Mr. Splitt reported that the project plan will be submitted to the City in December. He said DDA staff will meet with Main Street area businesses and residents to get input on construction plans.

Washtenaw County Parking Contract. Mr. Splitt said the discussion will continue at the December committee meeting.

DDA/AAATA Board Summit. Mr. Orr said that Michael Benham from AAATA attended to introduce the idea of a DDA/AAATA board summit, as the organizations have many overlapping projects and interests. AAATA staff will work to set a date for January.

The next Operations Committee meeting will be December 17th at 11:00 am.

7. E. SUBCOMMITTEE REPORTS – EXECUTIVE COMMITTEE

Nothing to report from Committee.

The next Executive Committee meeting will be January 7th at 11:00 am.

8. NEW BUSINESS

Establishing the 2015 meeting schedule. Ms. Pollay asked that Board members review proposed dates so a 2015 meeting calendar can be approved at the January Board meeting.

Ms. Smith asked that future grants and project resolutions include details about the sources of funds.

Mr. Collins said that volunteers could be an important part of a professionally managed ambassador program. He said that many groups use volunteers to supplement existing professional staff.

Mr. Splitt extended an invitation to the Board for the SSAA Holiday gathering on December 9th.

9. OTHER AUDIENCE PARTICIPATION
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Mr. Fan said he appreciated the work on the Ambassador program and that the next step would be to discuss the details. He said that the DDA and City must always be moving ahead.

10. ADJOURNMENT

There being no other business, Mr. Hewitt moved and Mr. Narayan supported a motion to adjourn. Mr. Mouat declared the meeting adjourned at 1:57 pm.

Respectfully submitted,
Susan Pollay, Executive Director

ANN ARBOR DOWNTOWN DEVELOPMENT AUTHORITY
Executive Committee Meeting
Wednesday, December 3, 2014

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

Time: 11:10 a.m.

Present: Roger Hewitt, John Mouat, Rishi Narayan, Keith Orr, Sandi Smith (ex officio),
Susan Pollay (ex officio)

Absent: none

Others: Changming Fan

Committee actions and discussions

Agenda Review. The group reviewed the December DDA meeting agenda. Ms. Pollay let the group know that a third individual had signed up for public speaking to talk about the resolution regarding ambassadors. Ms. Pollay also said that during her report, she would be asking board members to help determine the dates for 2015 DDA committee meetings so that a calendar of meetings could be voted on by the board at its January 2015 meeting.

Partnerships Grant. Mr. Splitt said that he would be suggesting that the DDA amend the draft resolution to provide greater clarity about the percentage amount of the grant. He felt that the current version could be made more clear.

Ambassador Grant. Mr. Hewitt said that he would be suggesting that the DDA amend the draft resolution to provide greater clarity about the next steps should the board vote to approve the creation of a downtown ambassador program. The current version did not have enough detail about who would be ultimately approving a contract and scope of work for the project.

There being no other business, the meeting adjourned at 11:45 a.m.
Susan Pollay, Executive Director

ANN ARBOR DOWNTOWN DEVELOPMENT AUTHORITY
PARTNERSHIPS & ECONOMIC DEVELOPMENT COMMITTEE MEETING MINUTES
Wednesday, December 10, 2014 11 am DDA office, 150 S. Fifth Avenue, Suite 301, 48104

DDA Present: Joan Lowenstein, Al McWilliams, Keith Orr, Sandi Smith, John Splitt

DDA Absent: Cyndi Clark, Bob Guenzel, Russ Collins, Roger Hewitt, John Mouat, Rishi Narayan, Steve Powers

Other Participants: Graydon Krapohl/City Council; Jane Lumm/City Council; Jeremy Peters/Planning Commission; Charles Griffith/AAATA

Also Attending: Mary Jo Callan, Brett Lenart, Paul Montagno/Washtenaw County

Staff Present: Susan Pollay, Amber Miller, Jada Hahlbrock

Public: Sabra Briere, Ray Detter

1. Washtenaw County Affordable Housing Needs Assessment- Ms. Callan, Mr. Montagno and Mr. Lenart presented an overview of the findings from the soon to be released Washtenaw County Affordable Housing Needs Assessment. The project consultants will attend the January Partnerships Committee meeting, at which time next steps and implementation ideas will be discussed. Once the report is officially released, County staff anticipate making many presentations.
2. Partner Updates-
AAATA- Mr. Griffith said the CEO search is underway. The AAATA Board is working with a consultant and hopes to have a pool of candidates identified within the next month.

Planning Commission- Mr. Peters said that the review of the CIP document will continue at the next Planning Commission meeting. Also expected at an upcoming Commission meeting will be a discussion about a revised set of recommendations for the East Huron Overlay District.

City - Ms. Lumm reported that the City Council had its annual planning session and identified 5 areas of focus for 2015: Allen Creek Greenway, roads, urban forestry, pedestrian safety and accessory dwelling units. Work plans and budgets will be developed with these priorities in mind. Ms. Lumm also shared news on proposed legislation that would allow bars to serve until 4am.

DDA- Ms. Pollay said that at the recent DDA Board meeting many resolutions were passed. This included a resolution regarding the proposal to reopen a parking lot on 350 S. Fifth Avenue, as well as resolution to approve moving forward to create a downtown ambassador program. Mr. Splitt provided an update on the 4th & William stair/elevator project.

3. Public Comment-
None
4. Next meeting.
The next committee meeting will take place Wednesday, January 14th at 11:00 am.

The meeting adjourned at 12:30 pm.

Respectfully submitted, Susan Pollay, Executive Director

**ANN ARBOR DOWNTOWN DEVELOPMENT AUTHORITY
COMMUNICATION COMMITTEE MEETING MINUTES**

Wednesday, December 10, 2014

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

Time: 12:30 p.m.

DDA Present: Joan Lowenstein, Al McWilliams, Keith Orr, Sandi Smith, John Splitt

DDA Absent: Cyndi Clark, Bob Guenzel, Russ Collins, Roger Hewitt, John Mouat, Rishi Narayan, Steve Powers

Staff Present: Susan Pollay, Executive Director
Amber Miller, Planning & Research Specialist
Jada Hahlbrock, Management Assistant

Public: None

1. Creating a Communication Plan. Mr. McWilliams presented ideas that could become part of a communications plan. These included a goal to increase general awareness, a goal to increase downtown-stakeholder awareness, and a branding strategy. Committee members discussed these ideas, including ideas for measuring success, including a before and after survey. It was acknowledged, that to be successful, the DDA may wish to hire a contractor or a staff member to oversee/take responsibility to direct this process. A discussion about the plan goals and ways to accomplish these goals will continue at the January committee meeting.
2. Next meeting.
The next committee meeting will take place Wednesday, January 14th at 12:30 pm.
3. Public Comment.
None

The meeting adjourned at 1:45 pm.

Respectfully submitted, Susan Pollay, Executive Director

**ANN ARBOR DOWNTOWN DEVELOPMENT AUTHORITY
OPERATIONS COMMITTEE MEETING MINUTES
Wednesday, December 17, 2014**

Place: DDA Office, 150 S. Fifth Avenue, Suite 301, Ann Arbor, 48104
Time: 11:00 a.m.
Present: Roger Hewitt, Joan Lowenstein, John Mouat, Keith Orr, John Split
Absent: Cyndi Clark, Russ Collins, Bob Guenzel, Al McWilliams, Rishi Narayan, Steve Powers, Sandi Smith
Staff: Susan Pollay, Joseph Morehouse, Amber Miller, Jada Hahlbrock
Public: Art Low, RPS; Changming Fan; Ray Detter, CAC

1. New Business
 - a. Retreat Planning- Ms. Pollay reminded the group about the date of the retreat, described early thoughts about format, and asked that DDA members think about a project they want to present on at the retreat.
2. Other Committee Business
 - a. Parking Operations- Mr. Low provided updates on recent parking equipment installations and upgrades.
 - b. 4th & William- Mr. Splitt said plans were submitted to the City for review. DDA representatives met with Main St business owners to receive input on how to minimize impact in the adjacent alley and lot during construction.
 - c. Street Framework - Ms. Pollay said that City staff are providing comments.
3. Old Business
 - a. Proposed County Parking Contract- Ms. Pollay reported that a meeting with County staff has been scheduled.
 - b. 5th/William Lot- The City was provided a copy of the DDA resolution. No response has been received.
 - c. Future Parking Demand- Ms. Pollay said that as a first step she recommended the Committee get an analysis of parking data to determine parking trends. To that end, she recommended that the DDA commission an updated parking study from Nelson/Nygaard to compare against their 2006 study. In addition she recommended that a survey of downtown employees be conducted in cooperation with the getDowntown program to elucidate information such as time employees get to work/leave work, employee willingness to consider different transportation modes, price sensitivity, etc. DDA staff will work with Republic Parking to determine what parking data is available.
 - d. Ambassador Program Update- The committee discussed information received through their RFQ, RFP and interviews. The committee selected Block by Block as their recommended firm to negotiate a contract with. Ideas for project metrics included number of contacts with City departments, and number of contacts with businesses about regulatory issues.
 - e. Passenger rail study – Mr. Hewitt said that he had been in conversation with AAATA about a passenger rail study that has the potential to lead to a future downtown commuter program. The DDA had been asked for a small grant (\$5,000) to be part of the local match; Ms. Pollay said that she would work with AAATA to provide these funds.
4. Public Comment- None.
5. Next meeting- **Wednesday January 21st at 11:00 am. (note new date)**

The meeting adjourned at 1:00 pm.
Susan Pollay, Executive Director

**ANN ARBOR DOWNTOWN DEVELOPMENT AUTHORITY
FINANCE COMMITTEE MEETING MINUTES
Friday, December 19, 2014**

Place: DDA Office, 150 S. Fifth Avenue, Suite 301, Ann Arbor, 48104
Time: 9:30 a.m.
Present: Roger Hewitt, Rishi Narayan, John Split
Absent: Cyndi Clark, Russ Collins, Bob Guenzel, Joan Lowenstein, John Mouat, Al McWilliams, Keith Orr, Steve Powers, Sandi Smith
Also Present: Tom Crawford, City; Mark Kettner, Rehmann
Staff: Susan Pollay, Joseph Morehouse, Jada Hahlbrock
Public: None

1. Financial Statements

- a. FY 2014 Audit Presentation- Mr. Kettner from Rehmann presented the DDA's FY 2014 audit report. He said that this was a clean audit, meaning that the financial statements had been presented fairly in all material respects. This is the highest level of assurance an audit can receive. Questions were asked and answered. Mr. Kettner made suggestions for ways the timeline for the audit process can be shorted next year.
- b. November 2014 Expense Report- Committee members reviewed the report.
- c. Revised Funds Committed Report- Committee members reviewed the report and made further suggestions for ways the report could be modified to make it that much more useable.

2. New Business

- a. FY 2016 & 2017 DDA Budget- Committee members discussed how they wanted to develop this year's budget. A meeting will be held on January 6 at 3pm to begin work on the budget.

3. Old Business

- a. Debt Service- Mr. Morehouse noted that the City is in the process of refunding several bonds, which will result in significant cost savings to the DDA.

4. Next meeting- Tuesday January 27, 2015 at 8:30 am.

5. Public Comment- None

The meeting adjourned at 11:00 am.
Susan Pollay, Executive Director