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TO: Mayor and Council

FROM: Kelly Beck, Employee Benefits Supervisor  
Jennifer Hall, Executive Director, AAHC  
Wendy Rampson, Planning Manager  
Colin Smith, Parks & Recreation Services Manager

CC: Steven D. Powers, City Administrator

SUBJECT: Council Agenda Responses

DATE: 2/17/15

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**CA 6 – Resolution to Approve E. Washington Street Closing for Oktoberfest – September 11-13, 2015, Requested by Arbor Brewing Company**

**CA-7 – Resolution to Approve W. Washington Street Closing for Oktoberfest – September 11-13, 2015, Requested by Grizzly Peak Brewing Company and the Blue Tractor**

**Question:** Has it typically been the City's policy to not allow downtown street closings on UM football weekends? Have there been any exceptions and if so, what were the specifics? Have we discussed alternative dates with the sponsors and if so, what was their response? (Councilmember Lumm)

**Response:** For the past six years, the event has occurred during UM home football games twice. Both of which had denial recommendations from the Police and eventually approved by Council. As a practice, the Police will continue to recommend denying the application for street closures for events during home football weekends. The reason for the recommendation is not only for potential added traffic congestion, it is also to remain consistent with other requests for street closures that also come in for UM home games. For instance, fraternities and others have made similar street closure requests for campus area streets to hold block parties during home football Saturdays. The

Police need to be consistent in their recommendations. Staff has had a discussion with the applicant, but no alternate date has been selected.

**DB-1 – Resolution in Support of the ReImagine Washtenaw Corridor Improvement Study (CPC Recommendation – Approval: 7 Yeas, 0 Nays)**

**Question:** Based on experience in other communities, are there any recommendations in the ReImagine plan that have been demonstrated to impede auto traffic? For example, do narrower lanes mean less auto throughput? (Councilmember Westphal)

**Response:** Making changes to pedestrian crossings at intersections, such as increasing the crossing time, would delay auto traffic, although these delays would be minor. In off-peak times, narrower lanes will help calm traffic moving through the corridor, but they should have little effect on throughput in either situation. In fact, studies have shown that traffic actually moves more efficiently at lower speeds (closer to 25, than higher speeds, i.e. 45 mph). If capacity were simply measured in lane-miles, there is no reduction of capacity planned.

**Question:** Are there recommendations that could improve auto flow? Are there recommendations that improve safety? (Councilmember Westphal)

**Response:** The recommended Ann Arbor cross-section will improve traffic flow and intersection efficiency considerably, as explained in the communication regarding ReImagine Washtenaw questions sent to City Council from Wendy Rampson on February 16, 2015. Almost all of the study's recommendations improve safety for all future users of the corridor.

**Question:** Where are the highest land values per acre in Ann Arbor? How fast is the traffic in these neighborhoods? How walkable are they? (Councilmember Westphal)

**Response:** A response to this question is not readily available and would require a significant amount of study and research to properly answer.

**Question:** Did this plan have significant public input? Does the community characterize the status quo on Washtenaw as acceptable? (Councilmember Westphal)

**Response:** The public input is summarized on Page 10 of the report, and the full community engagement survey may be found in Appendix A. There was a large public outreach campaign leading up to four large community meetings in May of 2013 that solicited public feedback on various cross-section alternatives for the corridor. In addition, the meeting material was placed for online feedback. The feedback received included many concerned about the additional congestion that any changes might bring, and just as many concerned that something needs to be done to make the corridor safer and more attractive for all users. There were many comments about the significant congestion, delays, and difficulty in accessing the corridor.

**Question:** What is the practical impact of not passing this resolution? (Councilmember Westphal)

**Response:** Ann Arbor has been an important stakeholder and member of the ReImagine Washtenaw coalition. ReImagine Washtenaw asked MDOT to endorse the Study, once completed, but MDOT would like to see the local support take place first. Therefore, all local unit members (City of Ypsilanti, Ypsilanti Township, and Pittsfield Township), as well as Washtenaw County, have been asked to pass resolutions of support and/or adoption of the Study. The City of Ann Arbor is the only remaining jurisdiction that has yet to support/adopt the Study.

**Question:** What is the likely timeline for any ROW improvements? (Councilmember Westphal)

**Response:** Corridor improvements will be incremental, over 3 to 30 years. The Capital Improvements Plan and the WATS Transportation Improvement Plan will be important tools in determining timeline.

#### **DC-2 – Resolution for Community Events Fund Disbursements from the FY2015 Budget**

**Question:** Can you please provide the latest list of approved FY15 allocations from the Community Events Fund. (Councilmember Lumm)

**Response:** Attached are copies of the three approved Council resolutions for allocations from the FY15 community events fund: Council Resolution R-13-392 approved December 16, 2013, Council Resolution R-14-293 approved August 18, 2014, and Council Resolution R-14-309 approved September 2, 2014. The total FY15 Community Events Fund budget is \$50,000.

#### **DS-1 – Resolution to Approve the Renewal Contracts with Blue Cross Blue Shield of Michigan (\$1,527,552.00)**

#### **DS-2 – Resolution to Approve Agreements with Express Scripts to Provide Prescription Drug Coverage (\$66,640.00)**

**Question:** Can you please clarify what the \$12.9M annual cost referenced in the cover memo on DS-1 represents -- in other words, does it include the \$3.0M in prescription drug costs referenced in DS-2 and does it include the \$1.5M in administrative and stop loss fees paid to BCBS? (Councilmember Lumm)

**Response:** The \$12.9M annual cost references the medical claims paid for the active and retiree medical plans. It does include the \$1.5M in administrative and stop-loss insurance fees paid to BCBSM. It does not include prescription drugs.

**Question:** Can you please explain what is meant by "annual aggregate attachment point"? Also on prescription drugs, what is the City's generic drug usage rate experience? (Councilmember Lumm)

**Response:** The "annual aggregate attachment point" is also referred to as Stop-Loss insurance which we have on the medical plan. We have not had stop-loss on the prescription side of the plan in the past. Due to some extremely pricey specialty medications that have hit the market, and are being utilized by some of our members, we thought it best to add this stop-loss insurance for the current year and monitor the need for it on an annual basis going forward.

The City's Generic Fill Rate is currently at 81.8% of all medications being filled. Compared to Express Scripts Book of Business: mid-employers are at 81.4% while Local Government groups are at 79.8%. We have mandatory generic drugs required on the plan as well as a copay differential between generic and brand medications passed on to the members. For some of the older retiree groups with flat copays, we have implemented programs that push them onto the generics when appropriate and approved by their doctors.

We expect the generic fill rate to increase within the next few years as \$647,157 of our current brand drugs spend is losing patent protection by 2018.

**DS-4 – Resolution to De-commit Funding from the Sewage Disposal System Fund Balance from Near North Apartments and Appropriate Those Funds and Establish a Project Budget for Sanitary Sewer Expenses for North Maple Estates (\$153,611.00 Sewage Disposal System) (8 Votes Required)**

**Question:** Can you please refresh my memory on whether/not the City's funding of sewer improvements was contemplated when Council approved the site plan and development agreement for North Maple Estates last September. If not, why not, and what's changed? (Councilmember Lumm)

**Response:** The Ann Arbor Housing Commission did not discuss the sewer funding at the time we requested site plan approval because the site plan approval process is a separate process from the funding process. We must have site plan approval before we can apply for outside funding sources and we need site plan approval before our architect and general contractor can finalize the construction drawings and get good cost estimates.

At the time that the site plan was approved in September 2014, we had not secured any funding. It was a coincidence that the request for \$729,000 from the Ann Arbor Housing Trust Fund (AAHTF) was the same night as site plan approval. We needed the AAHTF funding approved in September to show local support for our tax credit application that was due in October 2014. We only found out in December 2014 that we were approved for tax credits. We are getting bids from investors right now to purchase those tax credits and based on the response from investors, we have a good idea now of what

our remaining funding gap is – which is around \$1.1 million. I am applying for \$750,000 in Federal Home Loan Bank (FHLB) funds. If we receive FHLB funds and the city approves \$153,611 from the sewer fund then the final remaining gap is about \$200,000, which will be a deferred developer fee until the end of the project.

The sewer funding came from a private developer over 10 years ago for Walnut Ridge. It is not general fund dollars. It was specifically set up to cover the costs of new sewer infrastructure for an affordable housing project and since we have not had any new affordable housing projects built, it has not been utilized. It was previously allocated for Near North but since that project will not be built, it is available to allocate to an alternative project.



# City of Ann Arbor

301 E. Huron St.  
Ann Arbor, MI 48104  
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## Master

**File Number: 13-1530**

**File ID:** 13-1530

**Type:** Resolution

**Status:** Passed

**Version:** 1

**Reference:**

**Controlling Body:** City Council

**File Created Date :** 12/16/2013

**\* File Name:** 12/16/13 - Art Fair Community Events reso

**Final Action:** 12/16/2013

**Title:** Resolution Instructing the City Administrator to Allocate FY2015  
Community Events Monies to the Benefit of The Ann Arbor Street Art Fair

### Notes:

**Sponsors:** Taylor and Lumm

**Enactment Date:** 12/16/2013

**Attachments:** 2014 AASAF Map 11.22.pdf,  
AASAFExpenses2013-2.pdf,  
AASAFMultiYearP&L-2.pdf, AASAFNeed  
Statement-2.pdf, Executed Contract

**Enactment Number:** R-13-392

**Drafter/Contact:** Jacqueline Beaudry

**Hearing Date:**

**\* Admin/Mgr:**

**Effective Date:**

### History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:	
1	City Council	12/16/2013	Approved				Pass	
	<b>Action Text:</b>	A motion was made by Councilmember Taylor, seconded by Councilmember Lumm, that the Resolution be approved. On a voice vote, the Mayor declared the motion carried.						

**Text of Legislative File 13-1530**

Resolution Instructing the City Administrator to Allocate FY2015 Community Events Monies to the Benefit of The Ann Arbor Street Art Fair

Whereas, The Ann Arbor Street Art Fair, the Original ("AASAF") is one of four non-profit organizations that cooperate to produce four annual art fairs collectively known as "Art Fair";

Whereas, Every year Art Fair attracts thousands of artists and vendors and over 500,000 attendees to Ann Arbor;

Whereas, Every year Art Fair plays a central and vital role in Ann Arbor's cultural environment;

Whereas, Every year Art Fair plays an absolutely existential role in our downtown economy, making survival possible for many local restaurateurs, merchants, and vendors;

Whereas, Although the four organizations that provide the Art Fairs cooperate with each other, they are each separate entities, with separate revenue streams, costs, and missions;

Whereas, AASAF bears costs that are not shared by the other organizations, namely rent due to the University of Michigan ("University") for use of University property;

Whereas, AASAF has revenue constraints that are not shared by the other organizations, namely sponsorship and vendor limitations imposed by the University due to AASAF's location on University property;

Whereas, The satisfaction of AASAF's mission to provide community benefits reduces AASAF's ability to maximize revenue, namely by the use of otherwise sellable booth space for the Art Demo Zone, Art Activity Zones, Street Painting Exhibition, and the Fountain Stage;

Whereas, The cost and revenue challenges facing AASAF, as well as its ongoing use of potential booth space for children's, performance, and community events have resulted in annual deficits since 2010 ranging from \$5700 to approximately \$8000;

Whereas, The City of Ann Arbor charges Art Fair approximately \$60,000 a year to cover the cost of Art-Fair specific and requested City services, namely street barrier location, supplementary safety services, and solid waste removal;

Whereas, The annual cost of those services allocable to the AASAF is approximately \$8000.

Whereas, The Community Events Fund offers support to community events that would

otherwise be required to pay monies to the City of Ann Arbor to offset the cost of event-specific City services;

Whereas, The other three organizations that cooperate with AASAF to produce Art Fair do not run annual deficits, have not requested cost-offset assistance from the Community Events Fund, and have expressed their written support for the specific allocation contemplated in this resolution;

Whereas, The City Council does not wish this specific allocation to AASAF to reduce the monies that would otherwise be available to other community organizations; and

Whereas, This resolution is presented outside the ordinary process leading to the development of the City Administrator's FY2015 budget due to AASAF's need to budget and plan for the 2014 Street Art Fair;

RESOLVED, That the City Council directs the City Administrator to include in his recommended FY2015 budget, \$10,000.00 from the Community Events Fund to offset amounts otherwise payable by the AASAF;

RESOLVED, That the City Administrator shall hold the Community Events Fund harmless despite the foregoing allocation by increasing the FY2015 Community Events Fund in his recommended budget by \$10,000.00 over and above the figure that he would have otherwise provided but for this resolution.

Sponsors: Councilmembers Taylor and Lumm



# City of Ann Arbor

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## Master

**File Number: 14-1289**

<b>File ID:</b> 14-1289	<b>Type:</b> Resolution	<b>Status:</b> Passed
<b>Version:</b> 1	<b>Reference:</b>	<b>Controlling Body:</b> City Council
		<b>File Created Date :</b> 08/18/2014
<b>* File Name:</b> 8/18/14 Resolution for FY15 Community Events Fund Disbursements		<b>Final Action:</b> 08/18/2014

**Title:** Resolution for Community Events Fund Disbursements from the FY 2015 Budget

**Notes:**

**Sponsors:** Briere and Warpehoski

**Enactment Date:** 08/18/2014

**Attachments:** Executed Contract (Wonderfool Productions), Executed Contract (Main St Area Association), Executed Contract (Ann Arbor Summer Festival Inc), Executed Contract (Wonderfool Productions), Executed Contract (Main St Area Assoc), Executed Contract (Ann Arbor Council for Tarditional Music and Dance), Executed Contract (Michigan Takes back the Night), Executed Contract (Ann Arbor Jaycees), Executed Contract (A2 Convention and Vistors Bureau)

**Enactment Number:** R-14-293

**Drafter/Contact:** Sara Higgins

**Hearing Date:**

**\* Admin/Mgr:**

**Effective Date:**

### History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	City Council	08/18/2014	Approved				Pass
	<b>Action Text:</b>	A motion was made by Councilmember Warpehoski, seconded by Councilmember Briere, that the Resolution be approved. On a voice vote, the Mayor declared the motion carried.					

**Text of Legislative File 14-1289**

Resolution for Community Events Fund Disbursements from the FY 2015 Budget

Whereas, The Ann Arbor City Council wishes to support activities that promote or bring the community together in its richness;

Whereas, The Ann Arbor Community Events Committee met and reviewed funding requests from community groups; and

Whereas, The Committee recommends the following allocations:

- 1) Ann Arbor Jaycees - \$4,000 to cover city costs for the Summer Carnival Event held on June 25-29, 2014;
- 2) Ann Arbor Jaycees - \$4,000 to cover city costs for the Fourth of July Parade on July 4, 2014;
- 3) Main Street Area Association - \$1,250 to cover city costs for the Rolling Sculpture Car Show Event on July 11, 2014;
- 4) Ann Arbor Street Art Fair - \$10,000 to cover city costs for the Ann Arbor Street Art Fair on July 16-19, 2014 as approved in Council Resolution No. R-13-392;
- 5) Ann Arbor Convention & Visitors Bureau - \$750 to cover city costs for the NJATC Block Party Event on July 30, 2014;
- 6) Ann Arbor Convention & Visitors Bureau - \$750 to cover city costs for the UA Block Party Event on August 11, 2014;
- 7) Ann Arbor Council for Traditional Music and Dance - \$800 to cover city costs for the Dancing in the Streets Event on August 31, 2014;
- 8) Hikone - Ann Arbor Educational Exchange Program - \$2,500 for costs related to the Hikone Exchange in November, 2014;
- 9) Michigan Takes Back the Night - \$1,700 to cover city costs for the 2015 Take Back the Night event on April 2, 2015;
- 10) UM Alice Lloyd Scholars Program - \$1,500 to cover city costs for the Fool Moon Event on April 10, 2015;
- 11) UM Alice Lloyd Scholars Program - \$1,500 to cover city costs for the Festifools Event on April 12, 2015;
- 12) Main Street Area Association - \$1,250 to cover city costs for the Taste of Ann Arbor Event on June 7, 2014;
- 13) Ann Arbor Summer Festival - \$25,000 to cover city costs for the Top of the Park Event beginning on June 12, 2015.

RESOLVED, That the Ann Arbor City Council approve the allocation from the FY 2015 Community Events Fund.

Submitted by: Councilmembers Sabra Briere and Chuck Warpehoski



# City of Ann Arbor

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## Master

**File Number: 14-1339**

**File ID:** 14-1339

**Type:** Resolution

**Status:** Passed

**Version:** 1

**Reference:**

**Controlling Body:** City Council

**File Created Date :** 09/02/2014

**\* File Name:** 9/2/14 Resolution for FY15 Community Event Fund Disbursement

**Final Action:** 09/02/2014

**Title:** Resolution for Community Events Fund Disbursements from the FY 2015 Budget

### Notes:

**Sponsors:** Briere

**Enactment Date:** 09/02/2014

**Attachments:**

**Enactment Number:** R-14-309

**Drafter/Contact:**

**Hearing Date:**

**\* Admin/Mgr:**

**Effective Date:**

### History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:	
1	City Council	09/02/2014	Approved				Pass	
	<b>Action Text:</b>	A motion was made by Councilmember Briere, seconded by Councilmember Warpehoski, that the Resolution be approved. On a voice vote, the Mayor declared the motion carried.						

**Text of Legislative File 14-1339**

Resolution for Community Events Fund Disbursements from the FY 2015 Budget

Whereas, The Ann Arbor City Council wishes to support activities that promote or bring the community together in its richness;

Whereas, The Ann Arbor Community Events Committee met and reviewed funding requests from community groups; and

Whereas, The Committee recommends the following allocation:

- 1) Community Works Plus - \$1,000 to cover city costs for the African-American Festival Event scheduled on June 6, 2015;

RESOLVED, That the Ann Arbor City Council approve the allocation from the FY 2015 Community Events Fund.

Submitted by: Councilmember Briere