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TO: Mayor and Council

FROM: Howard S. Lazarus, City Administrator

CC: Michael Cox, Police Chief  
Tom Crawford, CFO  
Craig Hupy, Public Services Area Administrator  
Raymond Hess, Transportation Manager  
Nick Hutchinson, City Engineer  
Brett Lenart, Planning Manager  
Remy Long, Greenbelt Program Manager  
Susan Pollay, Executive Director, DDA  
Colin Smith, Parks and Recreation Services Manager

SUBJECT: September 3 Council Agenda Responses

DATE: August 29, 2019

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**CA-2 - Resolution to Authorize Revised Purchase Agreement and Agreement for Temporary Occupancy Restrictions Pending Sewer Service for 1146 South Maple Road (8 Votes Required)**

**Question:** Regarding CA-2, do the easement areas being incorporated into the proposed agreement exist today as access points to Hansen Nature Area? If so, are they maintained by the Parks Dept., and if not, does staff agree these additional access points are needed and beneficial? (Councilmember Lumm)

**Response:** They are not access points currently and would not become access points under the terms of the agreement. Parks would maintain only the western easement area. The southern easement would simply be open space. Maintenance of the western easement area would be consistent with the adjacent nature area, which Parks staff views as beneficial.

**CA-5 - Resolution to Submit Renewal Proposal and Application to the USDA FY 2020 Regional Conservation Partnership Program (RCP), in Partnership with Washtenaw County, Legacy Land Conservancy, and Others, to Secure up to \$1,000,000.00 in Additional Federal Grant Funding for Conservation Easements**

**Question:** Regarding CA-5, can you please provide a status update on the Greenbelt Advisory Commission's strategic discussions at this mid-point of the 30-year greenbelt millage? Will Council be included in strategic discussions at some point? If so, when will is that expected and if not, why not? (Councilmember Lumm)

**Response:** Greenbelt Program staff were informed that on July 26 the Greenbelt Advisory Commission Chair, Jennifer Fike, sent all Councilmembers a letter announcing the strategic plan review, and inviting Council participation in the public meetings and soliciting direct feedback should the meetings prove inconvenient (letter attached).

The public meetings held on July 29 and August 15 yielded excellent feedback and recommendations from citizens, partner organizations and landowners. Here is the list of the remaining public meetings Councilmembers can attend:

- Thursday, Sept. 5, 4:30–7 p.m. — Larcom City Hall, second floor City Council chambers, 301 E. Huron St., Ann Arbor.
- Tuesday, Sept. 24, 5:30–7:30 p.m. — Ann Arbor District Library, Westgate Branch, 2503 Jackson Ave., Ann Arbor.
- Monday, Sept. 30, 5:30–7:30 p.m. — Ann Arbor District Library, Westgate Branch, 2503 Jackson Ave., Ann Arbor.
- Thursday, Oct. 3, 4:30–7 p.m. — Larcom City Hall, second floor City Council chambers, 301 E. Huron St., Ann Arbor.

After the final meeting on October 3<sup>rd</sup>, a draft strategic plan will be prepared for the Greenbelt Advisory Commission's consideration, and then submitted to Council for input in November. It is the Greenbelt Advisory Commission's goal to adopt the new strategic plan by the end of 2019.

**CA-8 – Resolution to Renew and Amend the Current Agreement with Psybus, P.C., for Additional Professional Psychological Evaluation Services for the Ann Arbor Police Department Employees (\$27,795.00)**

**Question:** Regarding CA-8, the cover memo indicates that “as part of a new wellness plan, all sworn AAPD employees were required to receive an annual psychological evaluation.” Are annual psychological evaluations conducted in most other police departments? (Councilmember Lumm)

**Response:** No, however officer wellness programs are strongly encouraged in police agencies. Wellness programs are promoted nationally to address the trending police suicide rate and overall health of public safety employees.

**Question:** When this contract was originally awarded in 2015, was the contract exempt from City Council approval because it was for \$25,000 or less? When did the contract exceed \$25,000? Has that excess been paid to the contractor, or has payment been delayed until approved by this resolution? (Councilmember Eaton)

**Response:** The contract was exempt from Council approval because it was \$25,000 or less. FY2019 is when the contract exceeded \$25,000. The contract has not been paid until approved by this resolution.

**Question:** The memo attached to the resolution implies that the amount being approved is \$27,795.00, but the contract is actually being amended to remove any limit. Is there any limit to how much can be spent on these services under the amended contract? (Councilmember Eaton)

**Response:** The services are provided upon request so AAPD will ensure that the amounts expended do not exceed budgeted amounts.

**Question:** The original agreement was awarded for “for up to a six years”, but the resolution says: “The City intends to competitively bid this agreement in the near future.” Is there a reason the City did not seek competitive bids prior to the beginning of the fiscal year? (Councilmember Eaton)

**Response:** Because the original agreement was competitively bid and for up to six years, there was no need to put it out to bid previously. The department is reviewing current contracts and has determined that putting out a new request for proposal may be in the City’s best interest.

### **CA-10 - Resolution to Approve Revised Bylaws of the Public Art Commission**

**Question:** Regarding CA-10, in reading the new bylaws it does not appear there are any substantive changes in terms of roles and responsibilities, but can you please confirm that’s accurate. If not, please summarize the substantive changes and rationale for them? (Councilmember Lumm)

**Response:** There are no changes to roles or responsibilities. Those types of changes would need to be made through an ordinance amendment by Council. This revision is primarily to update the standard provisions.

**Question:** Article 4, Membership, does not make clear whether the Council member appointed to the Commission is a voting member. Can this be amended to state that a Council member will be appointed to the Commission and clearly state whether that Council member will be a voting member? (Councilmember Eaton)

**Response:** The bylaws reflect the required membership of the commission. The Council member appointment to this commission is an ad hoc appointment that is not required by the ordinance. When Council makes such an ad hoc appointment, they are treated as a nonvoting liaison. If Council wishes to make this a required appointment, an ordinance amendment would be appropriate. The bylaws would then be amended to track the ordinance.

See City Code 1:238:

[https://library.municode.com/mi/ann\\_arbor/codes/code\\_of\\_ordinances?nodeId=TITIAD\\_CH8ORBOCO\\_1\\_238ANARPUARCO](https://library.municode.com/mi/ann_arbor/codes/code_of_ordinances?nodeId=TITIAD_CH8ORBOCO_1_238ANARPUARCO)

**CA-12 - Resolution to Authorize a Sole Source Purchase Order to Siemens Mobility, Inc. for Eagle Traffic Control Products in the Amount of \$468,000.00**

**Question:** How much did the City spend for the initial installation of the in-street bollards (Qwick-Kurb gateway treatment signage) in fiscal year 2019? How much did the City spend on maintenance of the in-street bollards, including seasonal installation and removal? How much was spent on replacement of damaged in-street bollards during fiscal year 2019? Additionally, what is the unit cost for the in-street bollards? (Councilmember Eaton)

**Response:** The City spent \$40,053.13 for installation, removal, and replacement of gateway treatment in-street bollards in FY2019. Staff would need additional time to further breakdown this cost. The per unit cost for the gateway treatment in-street bollards is \$323.48 for each assembly (excluding staff costs for installation). Also, note that the monthly Crosswalk Improvement and Maintenance reports indicates how many locations and in-street bollard signs are installed and replaced.

**CA – 13 - Resolution to Authorize a Purchase Order to Carrier & Gable, Inc. for Traffic Control Materials and Supplies (\$397,000.00)**

**Question:** Regarding CA-13, the cover memo indicates the RRFB locations are to be determined – what locations are under consideration? (Councilmember Lumm)

**Response:** The annual resolution to authorize purchases for traffic control materials and supplies includes projects already underway (see monthly Crosswalk Improvements and Maintenance reports), current initiatives, as well as supplies for maintenance work. Ongoing initiatives include work to support the improvement of crosswalks to the desired design level according to prioritized needs (as was presented to City Council earlier this year). This also includes maintenance work to replace items at the end of their useful life or replacing damaged items.

**CA-16 - Resolution to Award a Construction Contract to Lester Brothers Excavation, Inc., for As-Needed Directional Boring (\$175,644.00, Bid No. ITB-4590)**

**Question:** The resolution awards this contract to the low bidder, Lester Brothers Excavation, Inc. in the amount of \$175,644.00. The next lowest bid was for \$340,725.00, submitted by D & D Water & Sewer, Inc. Is there a readily apparent reason why the Lester Brothers bid was so much less than the other two bidders? (Councilmember Eaton)

**Response:** There was no readily apparent reason why the other two bids were notably higher. The lowest bid - Lester Brothers, which is staff's recommendation - was closely aligned with our internal estimates.

**CA-17 - Resolution to Award a Construction Contract to Erie Construction, LLC. (\$79,556.00) for the Wetland Mitigation at Leslie Park Golf Course Project (Bid No. ITB-4591)**

**Question:** Regarding CA-17, how was it determined (the process and the criteria) that the new wetland to be created would be located at Leslie Park golf course? Also, does the city have any other "mitigation credits" to be used in the city? (Councilmember Lumm)

**Response:** The mitigation location had to be within the City and within the same sub-watershed. Staff looked specifically for City owned parcels, as they would be the simplest to place to perform such mitigation. Leslie Park Golf Course was identified as a prime location, as it meets these criteria, and the improvement was welcomed by Parks staff. Golf staff were, and are, enthusiastic about the project as it will improve the golf hole, both visually and from a playability standpoint.

**Question:** Also, does the city have any other "mitigation credits" to be used in the city? (Councilmember Lumm)

**Response:** No.

**CA-19 - Resolution to Authorize a Professional Services Agreements with Orchard, Hiltz & McCliment, Inc. (OHM) for the Lower Town Area Mobility Study (RFP No. 18-21) (\$579,478.00)**

**Question:** In September 2018, the Council approved a consultant contract to update the Comprehensive Transportation Plan. When is that document expected to be completed? Will the comprehensive transportation master plan address the Lower Town area? How will the Lower Town traffic study coordinate with the comprehensive planning effort? (Councilmember Eaton)

**Response:** The timeline posted on the [project website](#) calls for completion of the Transportation Plan in the summer 2020. This is subject to change as the project unfolds.

Yes, the Comprehensive Transportation Plan (CTP) is a citywide project and address all areas of the City at a high level, including the Lower Town area. The CTP data and analysis are at the citywide level of detail. Evaluation at this scale allows for identifying trends and allows the team to identify systems level issues, high priority focus areas, corridors and locations for more detailed analysis. As a plan, the CTP generally, is at the “systems” level it does not include the detailed modeling and engineering anticipated in the Lower Town mobility study scope.

Given the CTP has started, the initial planning analysis and assumptions will be provided to the Lower Town team to assure there is no replication of effort and to allow for the team to build on the work already completed. It also enables the Lower Town team to understand the relative issues in light of a citywide analysis framework. The Lower Town project can advance concurrently with the CTP and share its intermediate and final findings for incorporation in the plan as a “focus area”.

**Question:** This contract costs \$579,478.00, while the contract for the Comprehensive Transportation Plan cost \$352,000. Why is a study of an area of the city more expensive than the cost for a plan for the entire city? (Councilmember Eaton)

**Response:** In this case, the mobility study is an engineering and modeling study at a granular level representing a greater level of detail and corresponding costs. This is more costly than a city wide planning effort as the analytical framework and data for a citywide planning exercise is generally available via organizations like WATS, SEMCOG, AAATA, MDOT and others. This allows the planning process the efficiency and effectiveness of shared data collection and analysis processes. They can be described as much as a compilation and review, rather than development of detailed data sets, development of location specific models and interpretation of model results.

**Question:** What was the thinking behind requesting hypothetical adjustments to the contract that completely eliminated tasks related to “public engagement” and “public safety audits”? Were these two categories considered least important/ least necessary by staff or did other communication (from council or elsewhere) telegraph the idea that these goals were valued less than others? (Councilmember Nelson)

**Response:** ‘Public engagement’ and ‘road safety audit’ are important task groups within the study scope. Their hypothetical removal was to show study cost reduction options in attempt to address Council’s previously stated concerns about cost. These two areas were not selected by their level of importance but rather provides options on how the study could be structured differently.

**CA-21 – Resolution to Award a General Services Agreement for Removal of Water Treatment Plant Residual Limestone to Prolime Corporation, Bid No. ITB-4594 (estimated \$325,600.00/yr)**

**Question:** Regarding CA-21, the cover memo indicates Prolime Corp. was the only response to the RFP at a cost of \$148 per dump. What is the cost the city is now paying for this service and is Prolime the provider? (Councilmember Lumm)

**Response:** Prolime is the current service provider and the city has been paying \$124.56 per dump under the existing contract since October 2014.

**B-1 – An Ordinance to Amend Section 5.15, Table 5-15 and Section 5.16.6 of Chapter 55 (Unified Development Code) of Title V of the Code of the City of Ann Arbor (Office District Permitted Uses, Accessory Restaurant/Bar/Food Service Use Specific Standards)**

**Question:** Regarding B-1, have there been any comments received or objections raised since first reading on August 5<sup>th</sup> , and if so, can you please summarize them? (Councilmember Lumm)

**Response:** No additional comments have been received.

**C-1 - An Ordinance to Amend Chapter 55 (Zoning), Rezoning of 7.7 Acres from R1E (Single-Family Dwelling District) With Conditions to PUD (Planned Unit Development District), Weber Rezoning, 2857 Packard Road (CPC Recommendation: Approval - 7 Yeas and 1 Nays)**

**Question: Q1.** The cover memo includes the statement/phrase “with prohibition to finishing the basements”. Can you please clarify what that means and why it’s here? (Councilmember Lumm)

**Response:** The underlying R1E zoning district restricts the floor area of homes to 2,000 square feet maximum. Floor area is measured from wall to wall and includes basements. The petitioner has agreed to exclude finishing basements in the PUD Supplemental Regulations to keep the floor area under 2,000 square feet. This could have the impact of ensuring the homes remain more modest in finished space, and potentially, price.

**Question: Q2.** When council approved the “stay” in February, it was indicated there would be a public participation meeting. Has that occurred? If not, why not, and if so, can you please summarize the input from that meeting and any other input the city has received on the revised proposal? (Councilmember Lumm)

**Response:** The petitioner held two neighborhood meetings on March 21 and April 11, 2019. The meeting minutes, attendees and presentation can be found in attachments in Legistar as part of the staff report.

**Question:** Q3. The staff report for the July 16<sup>th</sup> Planning Commission meeting listed the three public benefits of the PUD as:

1. Management of storm water from off-site neighbors
2. Preservation of natural features with a maintenance plan
3. A minimum of 54% of open space

Can you please elaborate on 1 and 2 – specifically how much storm water from how many neighbors is managed, and how that management is accomplished as well as specifically how the natural features maintenance plan will work (and who pays for it and what happens if it is violated/not done)? (Councilmember Lumm)

**Response:** The Washtenaw County Water Resources Commissioner rules stipulate that detention must be provided for on-site runoff and any off-site runoff that is directed to the stormwater management system. Off-site runoff (i.e. runoff from adjacent properties) can bypass the development, if it doesn't significantly change existing flow patterns. With regard to the northeast basin under the proposed site layout, the off-site drainage could not bypass the system without changing the flowpath and/or concentrating the flow, it is required to be included in the northeast basin. This will result in a reduction of the amount of runoff that flows to the eastern adjoining properties from current conditions.

A city-approved landmark tree maintenance/management plan and invasive species control plan must be implemented for 5 years after completion of construction. An annual monitoring report detailing activities completed, upcoming activities, condition of resource/status of programs and challenges must be submitted to Planning & Development. This requirement is part of the Development Agreement and Master Deed and enforcement will be from the Planning Dept. The developer will be responsible for the implementation of the natural feature maintenance plan until issuance of final certificate of occupancy. After final certificate of occupancy, the implementation of the natural feature maintenance plan will be the responsibility of the homeowners association.

**Question:** Q4. The cover memo also indicates that the site plan is contingent on “the existing house on the site remaining until a grading permit is approved to allow additional time to explore moving this house.” Can you please elaborate on what is being considered in terms of moving the house and who would pay/be responsible for doing that if it happened? (Councilmember Lumm)

**Response:** The petitioner agreed at the previous Planning Commission Meeting not to demolish the house until permits for construction were issued. The intention of this provision is to provide for neighbors and/or other interested parties to explore the possibilities of funding or conducting such work. Moving the house is not being pursued as a City-initiated effort.



**Question: Q5.** The Table on page 3 of the staff report indicates that after the trees are removed, the property no longer meets the definition of a woodland in Ch. 55. Other than the obvious impacts of significantly fewer trees, what other implications does not being a woodland have (if any) on how the property can be developed? (Councilmember Lumm)

**Response:** All trees provide benefits, however, when they are concentrated into a woodland, the benefits are greater. Those benefits include, carbon sequestration, managing stormwater runoff, improving air quality and providing habitat for forest and forest edge wildlife. With that being said, the benefits woodlands provide varies greatly based on location, size, condition and species composition. The woodlands on this site are considered mid-quality urban woodlands - they are relatively small in size and were dominated by 2 species. If developed without the additional natural resource protections identified in the PUD, the reduction in woodlands would reduce the amount of natural features on the site, and any corresponding mitigation requirements.

**Question: Q6.** The site plan denial in 2017 was largely based on the significant number of trees removed/natural features impacts. With this revised proposal, the number of trees removed has been reduced by about 20%, but is still quite significant (146 woodland trees removed and 38 landmark trees removed). Can you please elaborate on the thinking that led to staff changing its recommendation from denial to approval with so many trees still being removed (and just a 19% reduction)? Also, since the number of units has not changed, presumably the reduction in tree removal has been accomplished by re-locating the buildings on the site – can you please confirm if that’s accurate and provide a graphic of some kind showing where the buildings are proposed on the property now (and where they were previously)? (Councilmember Lumm)

**Response:** Per Chapter 55, Article V, 5.29.6H, when determining if proposed natural features impacts are limited to the minimum necessary to allow the reasonable use of the site, the following criteria shall be applied by the approving body, and staff evaluate site plans based on these criteria.

- a. The importance and overall value of natural features, both on the site on the site and on a city-wide basis. In general, the importance of the natural feature increases with the rarity, size, age and condition.
- b. The existence of overlapping natural features. Overlapping natural features increase the importance and overall value for presentation of the area
- c. The impact of the proposed disturbance on the integrity of the ecological systems or the continuity between natural features. Wherever possible, ecological systems and continuity between features should be preserved.
- d. The amount of disturbance in relation to the scale of the proposed development and to that permitted by Chapter 55 (Zoning)
- e. The adequacy of the mitigation plan.

The denied site plan removed all high quality natural features on the site, including, all of the trees in the bur oak stand on the west side of the property which included a 60" diameter tree, estimated to be 250-300 years old, and all the black walnut woodland trees

in the middle of the site. The trees preserved on the denied site plan were along the edges of the site and were generally low, or poor quality species.

The proposed PUD protects high and mid-quality natural features on the site. The landmark trees within the bur oak stand, including the 60" tree, and other mid to high quality trees across the site, including several black walnut trees in the middle of the site are proposed to be preserved on the site. The PUD also includes a plan to care for and monitor the bur oak trees on site and requires yearly inspection reports to be submitted to the City. Staff and Planning Commission considered the protection of these highest quality natural features, as well as the opportunity to protect these resources on a site, where currently as single family use, have no protection or mitigation requirements.

Buildings were relocated, attached units were created in the middle of the site, and utilities were relocated to preserve landmark and woodland trees on the site. The Alternatives Analysis sheet in the site plan package shows the denied site plan layout compared the current layout.

**Question: Q7.** What other changes (if any) have been made to the project/building site plan proposal beyond removal of about 20% fewer woodland trees and 15% fewer landmark trees? (Councilmember Lumm)

**Response:** To accomplish the protection of the referenced natural features, the dwelling units have been clustered into four, two-story townhouse buildings totaling 26 units inside the ring road as opposed to the previous single-family detached lots. The total number of units remains the same at 51.

**Question: Q8.** The staff report indicated the petitioner “declined to propose any energy efficiency criteria” and “also does not propose any affordable housing or contribution”. Is there a parkland contribution “ask” associated with this development and if so, is that being met? Also, is any of the 4.4 acres of open space available for public use? (Councilmember Lumm)

**Response:** The petitioner agreed to a Park Contribution of \$31,875 and this is listed in the proposed Development Agreement. The open space provided on site is not intended for the general public but can be utilized by the development residents.

### **DS-1 - Resolution to Approve a Professional Services Agreement with SDS Global Enterprises, Inc. for Diversity, Equity, and Inclusion Plan Services (\$161,000.00)**

**Question:** It was my understanding that Council postponed approval of this contract because the packet did not include information regarding how each company bidding on the contract was scored. The current packet identifies the seven companies who bid, but does not include any information on the scoring of each company. Please provide that information. (Councilmember Eaton)

**Response:** Below are listed each numerical score each committee member offered.

	Amy Cell	Global B	JER HG	FC	MCT	SDS	TES
<b>Professional Qualifications</b>							
KC	12	15	12	15	18	18	5
ED	15	10	12	10	20	20	3
WB	16.7	15	16	17.6	18	18.2	12
SS	15	10	20	15	5	18	5
<b>Average</b>	<b>14.675</b>	<b>12.5</b>	<b>15</b>	<b>14.4</b>	<b>15.25</b>	<b>18.55</b>	<b>6.25</b>
<b>Past Involvement</b>							
KC	12	18	12	20	22	23	5
ED	20	20	12	15	30	30	3
WB	25.5	20.2	28	27	28.5	28.3	15
SS	5	15	29	10	20	15	3
<b>Average</b>	<b>15.625</b>	<b>18.3</b>	<b>20.25</b>	<b>18</b>	<b>25.125</b>	<b>24.075</b>	<b>6.5</b>
<b>Proposed Work Plan</b>							
KC	15	10	15	26	20	18	3
ED	20	10	15	15	30	30	3
WB	28.8	25	26.2	26	28	27.8	15
SS	15	5	30	20	10	18	13
<b>Average</b>	<b>19.7</b>	<b>12.5</b>	<b>21.55</b>	<b>21.75</b>	<b>22</b>	<b>23.45</b>	<b>8.5</b>

**Question:** I see that the contracts were assessed primarily based on the three categories of Professional Qualifications, Past involvement with the city, and Proposed work plan, before considering price. In evaluating each proposal, how were those three categories weighted by percentage? (Councilmember Nelson)

**Response:** The seven proposals submitted were assessed primarily on the three categories required in the RFP process before considering price. Each category is allowed maximum points as follows:

Based on Section III of the RFP standard process.

Professional Qualifications	20 pts max
Past Involvement with Similar Projects	30 pts max
Proposed Work Plan	30 pts max
<b>Total</b>	<b>80 points</b>

**Question:** What numerical scores did each member of the committee offer for each proposal these three categories? (Alternatively, what average numerical score did each contract earn in these three categories?) (Councilmember Nelson)

**Response:** Please see above responses.

**Question:** Who participated in the interview of these candidates (if not the entire committee)? (Councilmember Nelson)

**Response:** Committee interview members were as follows:

Weneshia Brand, Housing  
Kayla Coleman, Public Engagement  
Brett Lenart, Planning  
Missy Stults, in for Emily Drennen, Office of Sustainability and Innovations  
Sharie Sell, Human Resources  
Robyn Wilkerson, Human Resources

### **DS-2 - Resolution to Proceed with a Road Reconfiguration Pilot for Traverwood Drive, from Huron Parkway to Plymouth Road**

**Question:** Regarding DS-2, in the discussions on Traverwood thus far, there have been conflicting comments made about the likely impact on safety (for vehicles, cyclists, and pedestrians) of allowing parking on one side of the street. Can you please clarify/compare the alternatives (parking/no parking) in terms of safety? (Councilmember Lumm)

**Response:** The original staff proposal for Traverwood Blvd. was developed in response to multiple requests for improvements to the on street parking adjacent to the AADL Traverwood building and requests for on street parking from the Michigan Islamic Center. This design maintains the existing shared used paths, provides a buffered bike lane for northbound (uphill) travel by bicycle, and provides a shared use condition for southbound (downhill) travel by bicycle. The following are safety considerations for this design:

**Pros:**

- Shared use paths provide separate facility for people on bicycles who are not comfortable riding in the street
- Separate facilities are preferred for people using bicycles in uphill segments as the grade impacts their ability to maintain speed

**Cons:**

- The presence of parked cars adjacent to a shared lane may lead to collisions between people opening car doors in front of, and in the path of, people riding bicycles

- The presence of parked cars provides a visual narrowing and encourages lower speed selection from people driving vehicles
- Narrowed pedestrian crossing of Traverwood Boulevard at Huron Parkway
- Illegal passing in the two way left turn lane will be eliminated

The design developed by staff in response to Council request maintains the existing shared used paths, provides a buffered bike lane for northbound (uphill) travel by bicycle, and provides a buffered bike lane for southbound (downhill) travel by bicycle. The design does not include any improvements to the on street parking adjacent to the AADL Traverwood building. The design does include reconstruction of curb radii at Huron Parkway to narrow the crossing and slow turning speeds.

Pros:

- Shared use paths provide separate facility for people on bicycles who are not comfortable riding in the street
- Buffered bicycle lanes will provide more space for cyclists
- Slightly narrowed pedestrian crossing of Traverwood Boulevard at Huron Parkway
- Illegal passing in the two way left turn lane will be eliminated

Cons:

- Without vertical elements to provide a visual narrowing the speed selection by people driving vehicles is not expected to reduce by much

**Question:** It was my understanding that this project was postponed to allow staff to modify the proposal to include bike lanes on both sides of the street. The current packet does not include any proposed modifications. Is it possible to have the proposed modifications prior to the September 3 meeting? (Councilmember Eaton)

**Response:** Attachment A in Legistar provides the revised configuration. Please note that the existing shared use paths are maintained, the existing vehicular lane configuration approaching Plymouth Rd. is maintained, buffered bike lane are provided from the Devon Circle (private approach) up to the intersection with Huron Parkway, and the existing on street parking configuration next to the AADL Traverwood is maintained.

**DS -3 – Resolution to Proceed with a Road Reconfiguration Pilot for Green Road, from Burbank Drive to Plymouth Road**

**Question:** How does this plan differ from the previous plan in addressing the conflict between vehicular/heavy freight/bicycle traffic at the driveway immediately north of Plymouth Rd.? (Councilmember Nelson)

**Response:** Staff observations of freight (tractor-trailer vehicle) movement at the shared driveway that serves CVS, Plum Market and the Red Roof Inn are dominated by east to west travel. Commercial drivers have been observed entering the shared driveway from Plymouth Road and exiting onto Green Road. The proposed design supports this movement. Staff acknowledge that the Red Roof Inn site is currently exploring options for redevelopment which may impact the freight travel pattern to include more west to east travel on the driveway. Freight vehicles turning right from Green Road into the shared driveway cannot complete the turn without entering the second northbound vehicle lane. The proposed design allows for the freight vehicle to be driven into the driveway without adversely impacting other vehicle lanes and creating vehicle crash potential. The buffered bike lane will provide separation between people driving vehicles and people riding bicycles. The buffer will provide improved sight lines for people driving freight vehicles of people riding bicycles.

**DS – 7 - Resolution Authorizing Publication of Notice of Intent to Issue General Obligation Capital Improvement Bonds to Fund Downtown Development Authority Ann Ashley Parking Structure Expansion Project (Not to Exceed \$27,000,000.00) (6 Votes Roll Call)**

**Question:** Q1. Perhaps I'm forgetting, but I do not recall any discussion of the DDA needing more, new office space. Can you please provide the rationale/elaborate on the need for the additional DDA office space? (Councilmember Lumm)

**Response:** The DDA doesn't need more office space.

**Question:** Q2, Similarly, I may be wrong, but don't recall any mention of this office buildout when the DDA reviewed its FY20 budget/FY21 Financial Plan and the Ann Ashley project with council in April. Did the DDA's FY20 budget or FY21 Plan include funding for new offices? If so, how much was budgeted and can you please indicate where it is in the budget? If not, what are the policies and practices governing the DDA's spending money that's not authorized in their budget including council notification? (Councilmember Lumm)

**Response:** The construction of offices and a public meeting room at the Ann Ashley structure would be paid for by the proposed Ann Ashley construction bond. The DDA contributes 15% cash equity towards funding the project in addition to the bond proceeds. The DDA and City budget would need to be amended to incorporate this project. If Council approves the Notice of Intent resolution, a resolution authorizing the sale of the

bond would come to Council for consideration sometime after the 45 day referendum period. Along with the authorizing resolution, a financing agreement between the DDA and the City will be provided for Council consideration. This agreement commits the DDA resources to repay the debt obligation.

**Question: Q3.** Also on the office space, depending on what Option is chosen, there will be 3,500 to 5,000 sq ft of new DDA office space. Who will occupy this new space and what happens to the existing DDA office space? (Councilmember Lumm)

**Response:** If the ground floor space on the south side of Ann Street was contained by walls, the space would hold approximately 7,700 gross square feet. The proposed new public meeting room would take up half of the ground floor space. This room is still being designed, but is anticipated it will include meeting space, as well as a lobby area, toilets, and storage (for things like meeting tables, easels, etc.) The exact layout of the DDA office and parking operator customer service office is not yet set. But the intention is the DDA would replicate its existing square footage (currently 3,189 sf) in this new location and 1,500sf would be provided for a new parking customer service office.

The DDA's office lease will expire in July 2021. If a new DDA office is not constructed at Ann Ashley, the DDA would either renew in its current location or lease in a different location. However, its rent is very likely to increase. Its current rent is approximately \$20.42/sf, which is well under market (a year ago, Downtown asking rents averaged \$30.80/sf). A financial analysis estimated that the future cost to rent a DDA office through 2033 would be roughly equivalent to the cost of constructing a new DDA office at Ann Ashley. Moreover, constructing rather than leasing would result in a new permanent City asset on existing City land to support future public needs.

Ann Arbor DDA  
Financial Analysis of Ann Ashely Office Buildout

	Rent Costs			Build Costs				Variance
	Square Footage	Est Rate inc/yr 3%	Annual Cost	Bond		Revenue Loss		Rent vs Build Comparison
				Offices \$ 3,400,000	DDA Office 38%	Est Rate inc/yr 3%	Annual Loss 38%	
2020	3,189	\$ 20.42	\$ 65,119	\$ 245,122	\$ 93,146	\$ 260	\$ (28,027)	
2021	3,189	\$ 20.83	\$ 66,421	\$ 244,386	\$ 92,867	\$ 270	\$ (48,607)	
2022	3,189	\$ 32.80	\$ 104,599	\$ 244,432	\$ 92,884	\$ 280	\$ (11,268)	
2023	3,189	\$ 33.78	\$ 107,737	\$ 244,306	\$ 92,836	\$ 288	\$ (8,771)	
2024	3,189	\$ 34.80	\$ 110,969	\$ 244,926	\$ 93,072	\$ 297	\$ (6,485)	
2025	3,189	\$ 35.84	\$ 114,298	\$ 244,421	\$ 92,880	\$ 306	\$ (3,695)	
2026	3,189	\$ 36.92	\$ 117,727	\$ 244,662	\$ 92,972	\$ 315	\$ (1,111)	
2027	3,189	\$ 38.02	\$ 121,259	\$ 244,697	\$ 92,985	\$ 325	\$ 1,631	
2028	3,189	\$ 39.16	\$ 124,897	\$ 244,524	\$ 92,919	\$ 334	\$ 4,535	
2029	3,189	\$ 40.34	\$ 128,644	\$ 245,064	\$ 93,124	\$ 344	\$ 7,254	
2030	3,189	\$ 41.55	\$ 132,503	\$ 244,444	\$ 92,889	\$ 355	\$ 10,501	
2031	3,189	\$ 42.80	\$ 136,478	\$ 244,536	\$ 92,924	\$ 365	\$ 13,568	
2032	3,189	\$ 44.08	\$ 140,573	\$ 244,386	\$ 92,867	\$ 376	\$ 16,819	
2033	3,189	\$ 45.40	\$ 144,790	\$ 244,915	\$ 93,068	\$ 388	\$ 19,909	
<b>14 Year Totals</b>		<b>\$ 1,616,015</b>		<b>\$ 3,424,823</b>	<b>\$ 1,301,433</b>	<b>\$ 348,329</b>	<b>\$ (33,746)</b>	

- Notes:
- Rental rate per square foot - based on current contract for years 2020-2021.
  - Rental rate estimates - changes to estimated market value (\$32.80) in 2022 (end of current contract). Annual % increases applied after that.
  - Bond build cost for offices - based on 85% of \$4,000,000 total project cost (\$4,000,000 x .85 = \$3,400,000).
  - Annual payment estimates - based on a 20 year estimated amortization. Includes both principle and interest.
  - DDA portion of office space - calculation based on percentage of DDA office square footage to total square footage of build out (3,189/8,550 = 38%).
  - Revenue loss rate estimates - shown at monthly rate. Increase rate (3%) is consistent with 10 Year Plan rate projections.
  - Revenue loss, annual - shown at DDA's % of total square footage of build out (3,189/8,550), and based on an anticipated loss of 18 total spaces.
  - Variance compares Annual Rent Costs to Annual Build Costs.

**Question: Q4.** While I can understand utilizing the city’s good faith and credit (general obligation bonds) for expanding the parking capacity which provides a general community benefit, I don’t understand the rationale for using general obligation bonds for new DDA offices. Can you please elaborate on that/provide the rationale and also provide the bond counsel’s thinking in this regard? (Councilmember Lumm)

**Response:** The DDA activities are considered governmental activities and eligible to be financed by tax exempt bonds.

**Question: Q5.** The projected cost of this buildout is \$4M which is a significant amount of money to spend for offices (both on an absolute basis and on a sq. ft, basis) – can you please provide the available line item detail for the projected \$4M as well as comparisons of the typical cost per square foot to construct office space (at \$4M for 8,580 sq ft, this would be \$466 a square foot)? (Councilmember Lumm)



**Response:** This would be a complicated construction because the project in essence would construct a new building under the deck and between existing columns. The garage was designed with the goal that one day there would be some kind of commercial use in this section. However, given the constraints of the site unless an investment is made this section will likely remain as it is.

Ann Arbor Meeting Room and Office Buildout Conceptual Construction Cost Estimate August 28, 2019			
	<u>Description</u>	<u>Unit</u>	<u>Cost</u>
1	Demolition, Earthwork		\$100,000
2	Structural Steel/Concrete		\$450,000
3	Enclosure (Envelope)		\$690,000
4	Interior Finishes		\$810,000
5	Mechanical / Electrical / FP / Utilities	-	\$540,000
	Subtotal		\$2,590,000
	General Requirements	12.00%	<u>\$310,000</u>
	Construction Cost Subtotal		\$2,900,000
	Estimating Contingency	10.00%	<u>\$290,000</u>
	<b>Preliminary Construction Cost Total</b>		<b>\$3,190,000</b>
	<b>Soft Cost Budget (AE, Testing, Contingency)</b>	25%	<u>\$800,000</u>
	<b>Project Budget</b>		<b>\$3,990,000</b>

**Question: Q6.** Will this buildout impact parking capacity, and if so, how many spaces are lost? What is the space that's being utilized for the buildout used for currently? Previously, it was indicated that 375-400 new spaces will be added – with this office buildout, how many net spaces are added? (Councilmember Lumm)

**Response:** There are 18 surface parking spaces in this location, along with some amount of free motorcycle parking. The loss of revenue from these parking spaces was considered in the DDA's evaluation. Approximately 400 new parking spaces will be added from the Ann Ashley expansion.

**Question: Q7.** The DDA Board unanimously approved the resolution authorizing the additional \$4M on August 7<sup>th</sup>. Assuming there was discussion, can you please provide detail of that discussion including any concerns or Q&A? (Councilmember Lumm)

**Response:** Through much of 2019 the DDA discussed options to address a critical room shortage at its parking operator customer service/administrative office which was interfering with its ability to ensure the best possible customer service. Customers wait outside the office when others are being served, the tight proximity makes it difficult for staff to concurrently serve customers on the phone and front desk due to noise levels, and job applicants must jostle for space to fill out applications. Further, the office has a single toilet that serves 10 parking operator staff and City police who use it while on patrol. Moreover, the office doesn't have a back exit which is valuable for safety reasons.

A major space renovation to address these needs was explored over several months. The bids to renovate the space came in very high (\$500,000 project cost), and would only have added 150sf. This renovation was voted down by the DDA board. Even with a large expenditure the space would have been inadequate. The DDA also explored leasing and renovating a commercial space downtown for a customer service office. This was also deemed to be prohibitive high. Asking rents for storefront spaces were \$40+/sf, and assuming small annual rent increases this was estimated to cost more than \$1M over a decade). Upstairs commercial spaces were also explored, and the cost over time wasn't significantly less. Having exhausted these options, the DDA returned to an idea recommended by the Design Review Board, which was to build-out offices at the Ann Ashley garage as a way to help activate the area. DDA members also considered that co-locating the DDA beside its parking operator would provide better work efficiencies.

During this discussion the concept of adding a large meeting space was proposed. After consideration it was ultimately unanimously supported with the goal of encouraging more citizen participation. The City has very few large venues for public meetings. City Council Chambers is often in use at night which is the only time many residents can attend meetings. The Library's Multi-Purpose Room is likewise regularly booked and unavailable.

Other discussion topics included an awareness that this construction will produce new permanent assets for the City. Renting offices doesn't have this advantage. And it was felt that building out these offices during the Ann Ashley expansion would provide efficiency, as the contractor would already be fully mobilized.

**Question: Q8.** The office buildout includes a public meeting space. Who is expected to use that space and what data/evidence do we have that demonstrates a shortage/need for more public meeting space in the city? (Councilmember Lumm)

**Response:** There is no data documenting demand. What is underlying the decision to pursue a new public meeting space is the strong push all City departments are making to encourage more public engagement in City planning and projects. The availability of large meeting spaces for these meetings is limited. For instance, City Council Chambers is regularly used for various City Commission meetings. And most city conference rooms are off limits after 5pm. If the City determines it has needs other than providing space for public meetings, this space could be repurposed as needed. It would be designed to maximize its flexibility. In addition, the existing space being utilized by the DDA would

be opened up for private party leasing, which is in high demand as indicated by the continuing low vacancy rate for downtown office space.

**Question:** Q9. Increasing the bond amount by \$4.4M (from \$22.6M to \$27M) and revising the scope significantly to include offices are substantive changes compared with prior plan reviewed publicly and with council – why aren't these changes at least mentioned in the cover memo? (Councilmember Lumm)

**Response:** In the memo to Council, the purpose of financing include, “buildout of the space under the southern portion of the current parking structure”.

**Question:** The memo notes that: ‘Staff anticipates that the Downtown Development Authority of the City of Ann Arbor (DDA) will be responsible for repayment of the Bond proceeds, interest, and other related issuance costs.’ If the DDA were to be dissolved, would the City then be responsible for the repayment? Has the DDA or City established that the parking system revenue will be adequate to cover current costs plus this debt? (Councilmember Eaton)

**Response:** Yes, if the DDA were dissolved the City would be responsible, but the City would also have the parking system resources and its portion of the property tax TIF to address any financial commitments. Regarding the DDA planning for this project, the resources necessary to deliver this project were incorporated into the DDA 10 year plan and FY2020 budget.



# CITY OF ANN ARBOR

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July 26, 2019

*Greenbelt Advisory Commission*

Dear City Councilmembers,

Jennifer Fike, Chair

Stephanie Buttrey, Vice Chair

Rosanne Bloomer

Robert Gordon

Julie Grand (City Council Rep)

Alex Perlman

John Ramsburgh

Sheila Schueller

Stefanie Stauffer

Today, I write with important news. After the Greenbelt millage passed in 2003, the first commission wisely developed scoring criteria to evaluate potential properties and a strategic plan to guide the commission's overall priorities. In 2013, the commission reviewed and amended the strategic plan, reaffirming core priorities while addressing emerging areas of concern. Common to both plans is a commitment to building vibrant blocks of farmland within priority areas, preserving land along the Huron River, and leveraging funds from partner organizations.

As the Greenbelt celebrates 15 years, and the halfway point of the 30-year millage, our commission is undertaking another review of the strategic plan. We hope we can count on you to provide feedback during this process! You are uniquely qualified to help us evaluate our overarching priorities and make recommendations for the future.

I encourage your participation in how we might improve the process going forward.

To facilitate public participation, we have scheduled several public meetings this summer where staff will present on the first 15 years of the Greenbelt and provide an overview of the strategic plan. Individual commissioners will be present for these meetings to receive and record public input. Remy Long, Greenbelt Program Manager, will also be attending township meetings in August and September to present to township boards.

We have listed the times and locations below and hope you will consider attending one of these public meetings. If the times and locations prove inconvenient, please do not hesitate to send your feedback to [greenbelt@a2gov.org](mailto:greenbelt@a2gov.org), or speak directly to myself or Remy. We welcome your input!

As well, please share these meeting dates with your constituents.

We look forward to being in touch soon.

Regards,

Jennifer Fike, Chair

**P.S.** In the first 15 years of the Greenbelt, the City has protected:

- 50 working farms, with 10% sourcing to local markets
- 20.5% of the farmland in the Greenbelt District
- 19 miles of river, stream and waterway frontage, 60% of which are in the Huron River Watershed
- 10 public nature preserves totaling 642 acres of diverse habitats, with over 6.25 miles of hiking trails

Here is our list of public meetings:

- Monday, July 29, 5:30–7:30 p.m. — Ann Arbor District Library, Westgate Branch, 2503 Jackson Ave., Ann Arbor.
- Thursday, Aug. 15, 5:30–7:30 p.m. — Ann Arbor District Library, Traverwood Branch, 3333 Traverwood Drive, Ann Arbor.
- Thursday, Sept. 5, 4:30–7 p.m. — Larcom City Hall, second floor City Council chambers, 301 E. Huron St., Ann Arbor.
- Monday, Sept. 23, 5:30–7:30 p.m. — Ann Arbor District Library, Pittsfield Branch, 2359 Oak Valley Drive, Ann Arbor.
- Monday, Sept. 30, 5:30–7:30 p.m. — Ann Arbor District Library, Westgate Branch, 2503 Jackson Ave., Ann Arbor.
- Thursday, Oct. 3, 4:30–7 p.m. — Larcom City Hall, second floor City Council chambers, 301 E. Huron St., Ann Arbor.