

**Ann Arbor Downtown Development Authority Meeting Minutes  
Wednesday, May 6, 2020**

Place: Virtual Meeting--Zoom link: <https://us02web.zoom.us/j/89892430111> or by phone 1-877-853-5257 (Meeting ID: 898 9243 0111, Password: 004222)

Time: Chair Orr called the meeting to order at 12:02 pm

**1. ROLL CALL**

Present: Micah Bartelme, Tom Crawford, Alexandra Dieck, Bob Guenzel, Tyler Kinley, Marie Klopf, Jessica A.S. Letaw, Molly McFarland, Darren McKinnon, Rishi Narayan, Keith Orr, Phil Weiss

Absent: None.

Staff: Susan Pollay, Executive Director  
Sara McCallum, Deputy Director  
Jada Hahlbrock, Parking Services Manager  
Maura Thomson, Communications Manager  
Amber Miller, Capital Projects Manager  
Kelley Graves, Management Assistant  
Liz Rolla, Project Manager

Others: Mike McKiness/Republic Parking System  
Chris Simmons/getDowntown

Public: Members of the public were on the Zoom meeting but did not identify themselves.

**2. APPROVAL OF BOARD MEETING AGENDA**

Ms. Klopf moved and Mr. McKinnon seconded the motion to approve the Board meeting agenda.

**A consent vote on the motion showed:**

**Ayes: Bartelme, Dieck, Guenzel, Kinley, Klopf, Letaw, McFarland, McKinnon, Narayan, Orr, Weiss**

**Nays: None**

**Absent: None**

**By voice vote, the motion passed.**

**3. AUDIENCE PARTICIPATION**

Ms. Sandra Andrade, President of the MSAA expressed appreciation of the DDA covering the cost of sidewalk permits for the downtown businesses. She also thanked the DDA for the bagged meters that are allowing for vital curbside pick-up and delivery for businesses during this time. Ms. Andrade stated the Main Street Area Association does not agree with the resolution being brought forward today to provide a discount of one permit per permit holder account. This does

not benefit or impact the downtown as a whole and is not in keeping with the DDA's mission. She recommends the DDA look for more inclusive opportunities that benefit more stakeholders.

**4. REPORTS FROM CITY BOARDS AND COMMISSIONS**

Downtown Area Citizens Advisory Council: The meeting was cancelled. No report.

**5. DDA MEMBER COMMUNICATIONS**

None.

**6. EXECUTIVE DIRECTOR REPORT**

Ms. Pollay stated on June 3<sup>rd</sup> the DDA will present the first of its two informational presentations as required each calendar year by state statute. The presentation will be held at Noon, followed immediately by the regular monthly Board meeting.

**7. APPROVAL OF MINUTES**

Mr. Guenzel moved and Ms. Letaw seconded the motion to approve the April minutes.

**A roll call vote on the motion showed:**

**Ayes:** Bartelme, Dieck, Guenzel, Kinley, Klopff, Letaw, McFarland, McKinnon, Narayan, Orr, Weiss

**Nays:** None

**Absent:** None

**By voice vote, minutes were approved.**

**8A. SUBCOMMITTEE REPORTS - OPERATIONS COMMITTEE**

Presentation-COVID-19 Pandemic Revenue Impacts and Projections:

Staff gave the presentation they gave at the April 22 Ops Committee meeting on the COVID-19 pandemic revenue impacts and projections. Ms. Pollay provided an overview of the events of the last month due to the COVID-19 pandemic, emphasizing that impacts on downtown, both temporary and some permanent are still unknown. She stated that DDA staff is prioritizing parking system expenditures relative to the significantly reduced revenues considering what is essential and what can be delayed. Staff remains mindful of the DDA's responsibility for the parking system to be self-supporting, fulfilling its debt service and operations obligations and being attentive to capital expenditures related to structural integrity and safety. This information will be shared at the May Operations Committee meeting.

Ms. Hahlbrock compared FY20 budgeted revenues against FY20 actual and FY19 actual totals for the three parking system revenue streams. She spoke to the impact of the pandemic over the initial 6-week period of March 2<sup>nd</sup> to mid-April 2020. On-street meter revenues saw three significant drops due to: U of M closure, local schools' closures and Governor's Stay Home/Stay Safe order. Off-street hourly followed a similar track to last year, until March 16<sup>th</sup> when COVID

safety measures and the Governor's orders required sending RPS staff home ; no hourly revenues have been collected since that time. Off-street permits are billed monthly. As of mid-April, 18% of all permit fees for May have been collected with approximately \$930,000 remaining in outstanding accounts receivable. Ms. Hahlbrock stated the DDA and RPS are working on a phased reopening plan for the parking system.

Ms. McCallum laid out a worst-case and an optimistic scenario of the potential financial impact on the parking system through FY23 based on certain assumptions. She emphasized that staff will continue to modify them as new information becomes clear. Even with capital expenditures reduced by 50% and operating parking expenditures significantly reduced, optimistic predictions show the DDA's Parking Fund balance expended by the end of FY21 and in the red by FY22 due to very reduced revenues. Questions were asked and answered.

There was discussion about whether to hold more frequent Operations Committee meetings due to the evolving situation. Ms. Pollay does not see that more frequent committee meetings would garner more results as parking system information is received the third week of the month, plus it takes additional time to assemble the level of detailed information as shared in today's presentation, especially with staff working from home. Mr. Orr suggested and there was consent to keep to the one regularly scheduled Ops meeting at the end of the month.

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

**RESOLUTION TO DELAY PREAPPROVED JULY 2020 PARKING RATE INCREASES**

Whereas, The DDA has worked diligently to operate, maintain and repair public parking facilities to meet its mission to encourage downtown vibrancy and private investment since 1992;

Whereas, Parking revenues are the primary source of funding used by the DDA to pay parking debt service, operations, maintenance, in addition to 20% of adjusted revenues transferred to the City;

Whereas, At its February 2018 meeting, the DDA voted to approve a five-year slate of parking rate increases that would begin on April 1, 2018 and end on July 1, 2022, including rates for monthly parking permits and hourly parking spaces on street;

Whereas, The rate increases scheduled for July 1, 2020 include:

- Monthly permit increases of \$5 for standard permits and \$10 for premium permits
- Flat rate increase from \$4 to \$5 at the 415 W Washington surface lot
- Meter hourly rate increase of .10/hour

Whereas, The Operations Committee has recommended that the DDA delay implementation of its July 1, 2020 parking rate increases until January 1, 2021;

RESOLVED, The DDA supports the recommendation of its Operations Committee and approves delaying implementation of the parking rate increases scheduled to go into effect on July 1, 2020.

**A roll call vote on the resolution showed:**

**Ayes:** Bartelme, Crawford, Dieck, Guenzel, Kinley, Klopff, Letaw, McFarland, McKinnon, Narayan, Orr, Weiss

**Nays:** None

**Absent:** None

**The resolution passed.**

Ms. Klopff moved and Mr. Guenzel seconded the following resolution:

**RESOLUTION TO APPROVE A DISCOUNT TO MONTHLY PARKING PERMIT HOLDERS**

Whereas, The DDA has worked diligently to operate, maintain and repair public parking facilities to meet its mission to encourage downtown vibrancy and private investment since 1992;

Whereas, Parking revenues are the primary source of funding used by the DDA to pay parking debt service, operations, maintenance, in addition to 20% of adjusted revenues transferred to the City;

Whereas, The DDA has responded in a number of ways to help its community impacted by COVID-19, including providing downtown businesses with free on-street pickup/delivery spaces, and waiving penalties for late payment of monthly parking permits;

Whereas, As another effort to assist its community, the Operations Committee has recommended that the DDA provide a discount to every monthly parking permit account, with this discount calculated to be equal to one month's permit fee for one permit;

Whereas, The Operations Committee recommends that this discount not be provided to permit accounts required by contract or City site plans;

RESOLVED, The DDA supports the recommendation of its Operations Committee and approves providing a discount to every monthly parking permit account other than those required by contract or by City site plan; with this discount calculated to be equal to the fee for one permit for one month.

**A roll call vote on the resolution showed:**

**Ayes:** Bartelme, Dieck, Guenzel, Kinley, Klopff, Letaw, McFarland, McKinnon, Narayan, Orr, Weiss

**Nays:** Crawford

**Absent:** None

**The resolution passed.**

The next Operations Committee meeting will be scheduled for Wednesday, May 27 at 11:00 am.

**8B. SUBCOMMITTEE REPORTS – FINANCE COMMITTEE**

Mr. Guenzel stated that the April Finance Committee was cancelled due to a lack of crucial business. Approval of the expense registers will be done at the May Finance Committee meeting. Meanwhile, the draft reports will be posted on the DDA website.

Council is scheduled to approve the FY21 budget at its May 18 meeting.

The next Finance Committee meeting is scheduled for Thursday, May 28 at 9:30 am (new time).

**8C. SUBCOMMITTEE REPORTS – CAPITAL IMPROVEMENTS COMMITTEE**

Project Updates: Ms. McFarland reported that the tree planting is finishing this week on Huron Street. Final striping is due to be completed next week. Installation and final pavement markings are waiting consistent temperatures above 50 degrees and no rain. Work is underway on First Street with watermain installation on the east side beginning at Liberty and moving north. Installation of the watermain to Huron Street may be completed by the end of next week. Washington Street will be closed Wednesday through Saturday this week for watermain installation and temporary paving. Work at Jefferson Street will also begin this week. Testing of the watermain and beginning installation of conduit on the east side of First Street will begin next week.

SmithGroup Presentation Highlights: Ms. McFarland provided highlights from SmithGroup’s presentation to the Committee on insights and ideas being explored by the Street Design Team. They emphasized the vital role of infrastructure investments like those undertaken by the City and the DDA in building resilient communities. Key elements of resilience in street design projects include ensuring equity, adaptable street design, focus on managing carbon emissions, reducing impacts of urban heat island, building strong flexible infrastructure capacity and supporting human health and wellness. The Team will continue to focus on how to move forward, stay informed, work on project planning and design, plan for public engagement and data collection and, be ready to make adjustments to construction schedules in response to short and long term social distancing guidelines that may impact street design.

The next Capital Improvements Committee meeting will be on Wednesday, May 20 at 11: 00 am.

**8D. SUBCOMMITTEE REPORTS- PARTNERSHIPS COMMITTEE**

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

**RESOLUTION CHANGING THE RECIPIENT OF THE DDA’S MARCH 2020 HOUSING GRANT FROM THE CITY TO THE ANN ARBOR HOUSING COMMISSION TO SUPPORT THE CONSTRUCTION OF AFFORDABLE HOUSING ON DOWNTOWN CITY-OWNED PROPERTY**

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Whereas, The DDA is a catalyst for strengthening economic vibrancy and quality of life in the downtown area, and to meet its mission, DDA has supported a variety of downtown affordable housing projects using its Housing Fund, with total grants now surpassing \$5M;

Whereas, The lack of affordable housing in Ann Arbor has become urgent;

Whereas, The City has commissioned a feasibility analysis of the development of affordable housing on underutilized city-owned properties, including eight downtown sites;

Whereas, The DDA provided grants to the City totaling \$100,000 to sponsor public engagement and analyses of 350 S. Fifth Ave. and 415 W. Washington by SmithGroup;

Whereas, Additional analysis and plan development are needed for these sites, and similar engagement and analysis are needed for the remaining downtown city-owned sites as follows;

FY20 Grant Request to the DDA

Community engagement and analysis (SmithGroup) (353 S Main, 721 N Main, S Ashley lot, Catherine/4 <sup>th</sup> lot)	\$125,000
Downtown Parking Study	\$ 55,000
Downtown Housing Market Analysis	<u>\$ 20,000</u>
	\$200,000

Whereas, At its March 4, 2020 meeting the DDA approved a \$200,000 grant to the City for this work but subsequently it was determined that the grant recipient designation should be changed to the Ann Arbor Housing Commission, as the AAHC will direct the next phase of work;

RESOLVED, The DDA approves changing the recipient designation for its previously approved \$200,000 grant to support the creation of new affordable housing from the City to the Ann Arbor Housing Commission.

**A roll call vote on the resolution showed:**

**Ayes:** Bartelme, Crawford, Dieck, Guenzel, Kinley, Klopf, Letaw, McFarland, Narayan, Orr, Weiss

**Nays:** None

**Absent:** None

**Recused:** McKinnon

**The resolution passed.**

The next Partnerships Committee meeting is scheduled for Wednesday, May 13 at 9:00 am.

**8E. SUBCOMMITTEE REPORTS- EXECUTIVE COMMITTEE**

Mr. Orr reported the Committee did not meet today. A reminder, as Mr. Pollay reported earlier that on June 3<sup>rd</sup> the DDA will hold the first of two informational meetings it is required by state statute to hold each calendar year. This will take place at Noon, immediately followed by the regular June Board meeting.

The next Executive Committee is scheduled for Wednesday, June 3 at 11:00 am

**9. NEW BUSINES**

Mr. Weiss shared that during his absence from the meetings over the past month he has been involved at his bank, Level One, with processing 25% of the bank's 1800 loans approved for Southeast Michigan businesses under the federally funded PPP program in response to the COVID-19 pandemic.

**10. OTHER AUDIENCE PARTICIPATION**

None.

**11. ADJOURNMENT**

There being no other business, Mr. Crawford moved and Mr. McKinnon seconded the motion to adjourn. A consensus vote showed no objections. Mr. Orr declared the meeting adjourned at 1:10 pm.

**PARTNERSHIPS & ECONOMIC DEVELOPMENT COMMITTEE MEETING MINUTES**  
**Wednesday, May 13, 2020**

Place: Virtual Meeting-Zoom link: <https://us02web.zoom.us/j/86280755418> or by phone 1-877-853-5257 (Meeting ID: 862 8075 5418 Password: 982968)

Time: 9:00 a.m.

Committee Present: Micah Bartelme, Bob Guenzel, Tyler Kinley

Committee Absent: None

Others: Matt Carpenter/AAATA, Ali Ramlawi/City Council, Jane Lumm/City Council, Josie Parker/AADL, Brandon Tucker/WCC, Jennifer Hall/A2HC

Other DDA Present: Jessica A.S. Letaw, Darren McKinnon, Keith Orr

Absent: Tom Crawford, Alex Dieck, Marie Klopf, Molly McFarland, Rishi Narayan, Phil Weiss

Staff: Susan Pollay, Amber Miller, Maura Thomson, Jada Hahlbrock, Sara McCallum, Kelley Graves

Public: Members of the public were on the Zoom meeting but did not identify themselves.

Partner Updates:

AAATA: Mr. Carpenter reported that due to the COVID-19 pandemic and the Stay Home, Stay Safe executive order, service routes were reduced 75%, ridership is down 90%, and additional buses are being added to routes to alleviate social distancing issues. The AAATA laid off 15% of its employees. The D2A2 bus service was suspended. A recovery plan will be presented to the AAATA Board this week.

Library: Ms. Parker reported AADL has been providing online services to patrons since closing its buildings in March. Employees are working from home. No curbside service is offered. A successful activity has been the Library's "Bummer Games." Ms. Parker said AADL doesn't plan to reopen until the State reaches Phase 5 of the Governor's Safe Plan (extensive testing and tracing processes are in place).

City Council: CM Lumm reported that a soft reopening plan for City Hall has been developed, including PPE for employees and signage outlining social distancing requirements. She encouraged the Chamber and the DDA to continue promoting participation in Entry Point's COVID-19 business impact survey. CM Ramlawi said recent economic growth helped the City to be in a good financial position going into the COVID-19 crisis but negative impacts to the budget will be felt going into FY22. Council has heard from some patrons upset about paying permit fees. He expressed appreciation for the thoughtful discussion during the April DDA Operations Committee including the DDA's obligation to paying debt service and ensuring equity in its assistance to the community. Mr. Ramlawi stated his continued interest in seeing affordable housing built at 415 W. Washington; Council asked the AAHC to conduct more public engagement which may slow but not deter progress toward the goal.

Mr. Ramlawi was asked about downtown street closures; he said he supported this. Ms. Thomson outlined staff work developing guidelines and programs for use of the downtown right of way to support downtown businesses and access during the period social distancing requirements are in place. Mr.



Bartelme said he supported this work, saying many businesses are clamoring for this. There was a lengthy discussion regarding street closures. Ms. Thomson reported that another meeting was scheduled for later that morning with the four downtown associations to get more input, and final recommendations will be presented to Interim City Administrator Tom Crawford to take forward to Council for approval. Questions were asked and answered.

Washtenaw Community College: Mr. Tucker reported said the College was able to respond quickly to moving the balance of its courses online. Summer enrollment is down. WCC leadership is discussing options for the fall semester, which will likely include a mostly online format, with the exception of some lab classes. The Ann Arbor, Ypsilanti and Washtenaw County campuses will remain closed for the near-term. All of the trade group events have been cancelled this summer, which Mr. Tucker said would represent a \$13M hit to the local economy. The millage renewal approved in March was appreciated. WCC anticipates a \$3M shortfall going into FY21 and they are working on a recovery plan.

Planning Commission: Ms. Gibbs-Randall said the Commission has been meeting virtually to review proposed development plans and to discuss ordinance changes for electric vehicles, lighting, floodway and solar panels. The solar panel ordinance would be modified to exclude rooftop mechanicals in the building's total height calculation. Questions were asked and answered regarding floodway and flood fringe and the potential impact on the 415 W. Washington lot.

DDA: Ms. Thomson reported that the Huron Street project is anticipated to be complete by the end of May depending on weather conditions. The First Street project is underway with watermain testing being conducted on the east side and concrete work between Jefferson and First.

Affordable Housing Funding Request: Mr. Hall stated that City Council approved a resolution authorizing staff to develop a pre-entitlement plan for the former Y-Lot which would include affordable housing, market rate housing, and AAATA bus use on the first floor. Ms. Hall put forward a request to the DDA for a \$265,000 grant so she could engage SmithGroup to develop and move forward a site plan for the Y-Lot for City Council approval. A draft resolution was shown. Ms. Letaw asked that the resolution be altered to show the DDA's previous \$745,000 commitment of its Housing Funds to this site. Questions were asked and answered regarding the DDA Housing Fund. Following discussion, Mr. Kinley asked DDA Committee members if there was support to move this resolution forward to the DDA; there was consensus support among the Committee members to take this resolution to the DDA.

Public Comment: Ms. Todoro stated State Street District and South University Area Association's support of the downtown street closure planning efforts. She said that both organizations have Art Fair policies and procedures in place that can be utilized as part of a workable street closure plan to assist downtown businesses during the period the State mandates social distancing requirements.

The next Partnerships Committee meeting (DDA only) is scheduled for June 10 at 9 am.

The meeting adjourned at 10:50 am.

Respectfully submitted,  
Susan Pollay, Executive Director

**ANN ARBOR DOWNTOWN DEVELOPMENT AUTHORITY  
CAPITAL IMPROVEMENTS COMMITTEE MEETING MINUTES  
Wednesday, May 20, 2020 11:00 am**

Place: Virtual Meeting: <https://us02web.zoom.us/j/89574796798> or by Phone:  
1-877-853-5257 (US Toll-free)  
Meeting ID: 895 7479 6798 Password: 148715

Time: 11:00 a.m.

Committee Present: Tyler Kinley, Jessica A.S. Letaw, Molly McFarland

Committee Absent: Micah Bartelme, Alexandra Dieck

Other DDA Present: Darren McKinnon, Keith Orr

Absent: Tom Crawford, Bob Guenzel, Marie Klopff, Rishi Narayan, Phil Weiss

Staff: Susan Pollay, Amber Miller, Maura Thomson, Liz Rolla, Jada Hahlbrock,  
Sara McCallum, Kelley Graves

Others Present: Bob Doyle, Oliver Kiley/SmithGroup  
Megan McCarty-Graham, Addie Weber/Toole Design Group

Public: Members of the public were on the Zoom meeting but did not identify themselves.

Virtual Meeting Guidelines: Ms. Letaw read the virtual meeting guidelines outlining the authority given to municipalities to hold electronic meetings for a period of time during the COVID-19 pandemic to conduct necessary business of public bodies as outlined in Governor Whitmer’s Executive Order #2020-75.

Introduction and Check-in: Members of the committee, other board members and Ms. Pollay shared their thoughts and observations of the impact and possible outcomes of the COVID-19 health crisis on the community.

People Friendly Streets Phase 2: Mr. Kiley and Ms. Miller shared recommendations focused on enabling the DDA to support downtown during the pandemic recovery while also supporting its short and long-term goals and values. Based on research both locally and nationwide, staff has observed an increase in demand for adaptable street, sidewalk and parking space options including safe biking, walking, and recreation space. Also, continued curbside pick-up for businesses and expanded outdoor space as businesses reopen with decreased capacity, physical distancing requirements, and making customers feel more comfortable. Behavior changes are impacting public transit systems, like TheRide, that are adapting routes and capacity to accommodate distancing requirements. Vehicle travel is down by 50% in many areas including Washtenaw County. There is increased bike and pedestrian traffic encroachment into roadways. Ms. McCarty-Graham explained how communities are utilizing an enhanced “E” Plan approach for project design and implementation that incorporates the

original decades old design model of Engineering, Education and Enforcement with the more current methodology of Ethics, Equity and Empathy. Mr. Kiley added that Evaluation and Encouragement have also been added to the design and implementation to the PFS Phase 2 recommendations allowing for quicker responses and adapting streets to meet the changing environment.

Pandemic Response: Staff have been focused on a tactical urbanism approach to develop short-term, low-cost, quick-build interventions to support community and business needs. These interventions could fall into one or more of four categories-Demonstrations, Pilot, Interim Design and Full Installation. The process would include testing and evaluation, flexible response and, the opportunity to build awareness and understanding. The outcomes will help inform whether a project needs to be modified, enhanced, discontinued or warrants consideration for full implementation. Mr. Doyle stated that these intervention recommendations are informed by elements of the City's plan and the DDA's Design Manual. The advantage of a tactical urbanism approach is the opportunity to get a more immediate assessment of user experience.

Ms. Thomson and Ms. Miller reported that the DDA has been working the past few weeks with City staff and the area merchant associations to develop a street reopening plan with focus on safety to run through August 30th. The City received a Homeland Security grant last year and purchased PVB barriers, like the ones used by U of M. These barriers are more portable and offer more flexible response to business requests. These barriers replace the old jersey barriers. U of M has agreed to store the barriers for the City and place them when and where needed for a fee.

Resolutions for Review: Ms. Miller presented five (5) resolutions to the Committee related to the DDA's pandemic response. The resolutions include piloting separated bike facilities and State Street improvements, partnering with The Arts Alliance to hire artists to create artwork to delineate social distancing spaces on the sidewalks, funding PVB barrier drop-offs and pick-ups for local businesses and, funding for rental, installation and service of temporary hand washing stations. The fifth resolution amends the Heritage Lawn Care agreement for general ROW repair services, extending it into FY21 to support the landscape and maintenance in the four merchant association sectors. Questions were asked and answered about temporary vs. permanent initiatives, communicating the plan to Council ahead of time to gain support. There was consensus by the Committee to bring all five resolutions to the Board.

Projects Updates: Ms. Miller reported that Huron Street milling and paving are expected to be finished between today and tomorrow and the project will be complete. Final pavement marking on William Street will be underway once the rain clears. Ms. Miller reported that all First and Ashley watermains tests passed. Conduit work between Washington and Liberty will begin next week, followed by water and sewer work.

Public Comment: Mr. Adam Oxner said he likes the proposed bike lane ideas, especially where there are gaps in the bike network. He agrees with reaching out to Council ahead of time on the street reopening plan. He thinks it aligns well with the City's climate emergency plan.

The next Capital Improvements Committee meeting will be on Wednesday, June 17 at 11 am.

The meeting adjourned at 12:45 pm.

Respectfully submitted,  
Susan Pollay, Executive Director

**Meeting of the Ann Arbor DDA Operations Committee  
Wednesday, May 27, 2020**

Place: Virtual Meeting--Zoom Link: <https://us02web.zoom.us/j/86827141049>  
by Phone: 1-877-853-5257  
(Meeting ID: 868 2714 1049 Password: 940697)

Time: 11:00 am

Committee Present: Robert Guenzel, Tyler Kinley, Darren McKinnon, Keith Orr, Phil Weiss

Committee Absent: None

Other DDA Present: Jessica A.S. Letaw, Rishi Narayan, Tom Crawford

Other DDA Absent: Micah Bartelme, Alexandra Dieck, Marie Klopff, Molly McFarland

Staff: Susan Pollay, Sara McCallum, Jada Hahlbrock, Amber Miller, Maura Thomson, Kelley Graves

Other Attendees: Mike McKiness/RPS, Chris Simmons/GetDowntown

Public: Members of the public were on the Zoom meeting but did not identify themselves.

Virtual Meeting Guidelines: Mr. Weiss read the virtual meeting guidelines outlining the authority given to municipalities to hold electronic meetings during the COVID-19 pandemic to conduct necessary business of public bodies as outlined in Governor Whitmer's Executive Order #2020-75.

COVID-19 Parking Expenditure Reduction Response: Ms. McCallum began with a brief overview of projected parking revenue impacts due to COVID-19, and initial expense reductions, presented last month. Despite a 50% cut to capital projects and reductions in expenses tied to revenues, the impact to the fund balance indicated further expenditure cuts were needed to maintain a positive fund balance.

She said a revised Fiscal year-end 2020 revenue projection now includes actual revenues for April. Receivables as of 4/30 show a 10x increase over last year for this same time period as customers avail themselves of the late fee waiver approved by the board. Staff reviewed all parking system expense areas, and identified what could be cut, eliminated or deferred; taking this action now will put the DDA in a better FY20 year-end position than projected earlier.

Staff also reviewed all parking-related expenses for FY21. Debt service is one area where no cost reductions are possible. The City's 20% and credit card fees which are tied to parking revenues will shrink as revenues decrease. .

Ms. Hahlbrock reviewed the list of anticipated capital expenditures, indicating which will be reduced, deferred, or eliminated. Some expenditures must remain, including the new parking system equipment approved by the Board in January. Fortunately the bids had come in lower than anticipated providing a savings against budget. Once installed, this equipment will add

payment options across the system, although it is still anticipated RPS staff serve patrons in the facilities to assist customers. In light of the pandemic it is worth noting the new TIBA equipment will allow for testing frictionless and touchless payment options.

Working closely with WGI engineers, staff prioritized garage restoration projects to determine if they are urgent or can be delayed. This review netted a potential adjustment of \$1.8M. Staff recommend moving forward with the lighting study but deferring the curb management study until downtown returns to a robust level of activity. Ms. Letaw said she supported this but questioned what the trigger would be to move the curb study forward; Ms. Hahlbrock said it isn't yet clear, but staff will work towards having an RFQ ready for release when the timing is right. Spending in support of the City's 2030 carbon neutrality plan such as adding electricity to the garages for EV chargers will be temporarily deferred but the DDA will reinstitute it as soon as possible. Dollars budgeted for the RPS office have been eliminated.

Ms. Hahlbrock reviewed proposed operational expense reductions including 30% in personnel costs and 20% reduction in administrative, maintenance and subcontractor costs. She stressed that deferring capital repairs is a short-term solution and these repairs must be addressed in a future year.

Ms. McCallum said that if the identified potential adjustments were implemented in their entirety, and if an optimistic set of assumptions about parking revenues are realized, the projected FY21 year-end parking fund balance would be \$7.3M. And, while this is better than the projection provided at the April Committee meeting, Ms. McCallum stated that it is imperative the DDA remain mindful of the high level of uncertainty of these projections during an unprecedented time and that having a higher level of reserves is warranted. Mr. McKinnon suggested that perhaps more severe cuts should be made now. Ms. Hahlbrock and Ms. McCallum said staff will continue to review every expenditure and will continue to keep the Committee informed.

Elevator Repairs Resolutions: Ms. Hahlbrock presented two draft resolutions, asking for committee support to bring them to the board. The first was for elevator repairs at the 4<sup>th</sup> & Washington. She stated that this is good time to move forward with this repair because there is only one elevator in this garage, and given the current lack of downtown activity, now is a good time to take the elevator off-line. The second resolution would replace the floor, ceiling and canopies in both of the Ann Ashley elevators which are rusted and deteriorated. Both expenditures would be in the FY21 budget. Approval now would allow staff to order the parts and get in the queue for installation. Questions were asked and answered regarding cost, the maintenance agreement with the elevator vendor, disruption, accessibility, aesthetics versus safety aspects of the project. A voice vote showed approval to take the 4<sup>th</sup> & Washington resolution to the Board and a deferral of the Ann Ashley resolution to next month's Committee meeting so more information could be provided.

Annual RPS Management Fee: Ms. Hahlbrock said that by contract, Republic Parking's annual management fee consists one part that is set, and another portion which is an up-to-\$50,000 amount determined by the DDA. Ms. Hahlbrock outlined in a memo and verbally her view that RPS has done an excellent job this year managing the DDA's parking system, including work that is outside their contract such as overseeing construction and responding quickly to directives from the DDA in response to COVID-19. She strongly recommended that the full \$50,000 be provided to them. Several questions were asked and answered. There was discussion regarding the modifying the contract metrics for assessment; Ms. Hahlbrock said that staff will soon begin work to rebid the contract, and suggested changes will be incorporated into a future contract. There was Committee consensus to take the resolution to the Board.

Resuming Normal Parking System Operations: Ms. Hahlbrock reported that date was delayed again to 6/15/2020 in alignment with the Governor's extended Stay at Home order. The RPS offices and cashier booths have been modified to protect staff and public and to support physical distancing. RPS staff will go through training and daily health screenings. Mr. McKinnon asked that the Committee discuss opening the garages sooner, suggesting that structures be closed to all but permit holders because there is plenty of on-street parking. There was discussion on the pros and cons of this suggestion. Mr. Crawford stated that City and DDA staff have been working with the downtown area associations to develop a plan for closing streets to allow for physical distancing for businesses, pedestrians and bicyclists. There was consensus not to make changes, but instead to reopen when possible by the Governor's order.

Monthly Permit Receivables: Ms. Hahlbrock reported that as of last week 55% of the permit holder accounts are paid up-to-date compared to 90% at this same time last year. She said that at the next committee meeting the Committee will be asked to review a possible timeline for reinstating collection of past due accounts.

Public Comment: Mr. Honeyman expressed his disappointment that the street closure resolution won't be in front of Council until June 15<sup>th</sup>. He was hoping it would be on this coming Monday's agenda. He also stated that in his experience as a downtown resident and permit holder, the parking structures are currently significantly under-utilized. He also asked the DDA to reconsider the proposed deferment of carbon neutrality related initiatives, asking that they be prioritized and budget dollars be retained for those with high impact because carbon neutrality is critical to our future.

The next Operations Committee meeting is scheduled for Wednesday, June 24, 2020 at 11 am.

The meeting adjourned at 12:48 pm.

Respectfully submitted by Susan Pollay, Executive Director

**ANN ARBOR DOWNTOWN DEVELOPMENT AUTHORITY  
FINANCE COMMITTEE MEETING MINUTES  
Thursday, May 28, 2020**

Place: Virtual Meeting--Zoom Link:<https://us02web.zoom.us/j/87614183425>  
by Phone: 1-888-475-4499  
(Meeting ID: 876 1418 3425 Password: 686918)

Time: 9:30 am

Committee Present: Robert Guenzel, Marie Klopf, Rishi Narayan

Committee Absent: Phil Weiss

Other DDA Present: Keith Orr

Other DDA Absent: Tom Crawford, Micah Bartelme, Alexandra Dieck, Tyler Kinley, Jessica A.S. Letaw, Molly McFarland, Darren McKinnon

Staff: Susan Pollay, Sara McCallum, Jada Hahlbrock, Maura Thomson, Kelley Graves

Other Attendees: Matt Horning/City

Public: Member of the public were on the Zoom meeting but did not identify themselves.

Virtual Meeting Guidelines: Mr. Guenzel read the virtual meeting guidelines outlining the authority given to municipalities to hold electronic meetings for a period of time during the COVID-19 pandemic to conduct necessary business of public bodies as outlined in Governor Whitmer's Executive Order #2020-75.

Resolution to Adopt the FY21 Budget: The DDA's FY21 budget has been reviewed and approved by City Council. The budget was not adjusted to reflect any adjustments due to COVID-19. Ms. McCallum stated that the State Budget Manual recommends that municipalities adjust budgets when they become aware that expenditures will exceed budget levels. As the DDA is expecting reductions in revenues and expenditures, no budget amendments are required. Mr. Narayan noted and Ms. Pollay confirmed that the FY21 budget will be continually monitored and adjustments made in expenditures in response to the changing environment due to COVID-19. There was consensus to take the resolution to the Board.

Expense Registers: The February, March and April expense registers were reviewed. Ms. McCallum highlighted items of interest including debt payments and the Tally Hall bi-annual payment. She also discussed the implementation of vendor payments by ACH as approved in February by the Board, noting advantages to this method of payment that include safety, better internal controls, and consistency of process. There was discussion regarding RPS's expenditures during this time. Ms. Klopf suggested the DDA review the RPS contract to ensure what is expected of RPS for events such as the COVID-19 pandemic. Ms. Pollay stated that the DDA and RPS have been following the State Executive Orders and originally thought the return to normal operations would be a quicker timeline. With the stay home extensions, Staff presented proposed expenditure reductions to the Operations Committee yesterday. Ms.



Hahlbrock reported that the RPS contract expires in June 2022. Due to the complexity of this process, she plans to engage a consultant to assist with defining the RFP based on best practices and incorporating the DDA's requirements. Ms. Klopff requested and Mr. Guenzel agreed that the expenditure reduction presentation be shared with the rest of the Board next week.

Third Quarter Financial Reports: Ms. McCallum reviewed balance sheets by fund. She pointed out changes in these reports related to the pooling of cash and investment accounts and commented that this change has resulted in cleaner processing, clearer reporting, and less transfers between accounts. She highlighted other key items including increased Parking receivables, variances related to timing differences and, the closing of the temporary Parking Construction Fund. Also reviewed were a Cash and Investment Balances Report, and a Summary Revenues and Expenditures Report.

Mr. Horning commended Ms. Pollay and Ms. McCallum for switching to BS&A and for pooling investments under one account. He asked about the DDA's investment portfolio and returns. Ms. McCallum offered to share the presentation given by Bank of Ann Arbor to the Finance Committee in January, and said another presentation is being planned for July. She anticipates them doing twice a year going forward.

Ms. McCallum asked the Committee for feedback on the pertinent content members would like to see and frequency of meetings. The DDA's attorney has stated that expense registers may be posted as 'draft' online and received by the Finance Committee at a later date, perhaps when in-person meetings resume.

Public Comment: None.

The next Finance Committee meeting is scheduled for Thursday, June 25, 2020 at 11 am.

The meeting adjourned at 10:30 am.

Respectfully submitted by  
Susan Pollay, Executive Director