

**Ann Arbor Downtown Development Authority Meeting
Wednesday, February 3, 2021 at 12:00 pm**

Place: Virtual Meeting: Zoom link: <https://us02web.zoom.us/j/87258624253>
Phone: 877-853-5257 Meeting ID: 872 5862 4253 Passcode: 070247

Time: 12:00 Noon

1. ROLL CALL

Present: Micah Bartelme, Tom Crawford, Alex Dieck, Bob Guenzel, Ji Hye Kim, Tyler Kinley, Marie Klopf, Jessica A.S. Letaw, Jonathan Massey, Molly McFarland, Darren McKinnon, Rishi Narayan

Absent: None

Staff: Maura Thomson, Interim Executive Director/Communications Manager
Sara McCallum, Deputy Director
Jada Hahlbrock, Parking Services Manager
Amber Miller, Capital Projects Manager
Kelley Graves, Management Assistant

Others: Mike McKiness/RPS; Chris Simmons/TheRide

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

Prior to the vote on approving the agenda, Ms. Letaw welcomed Mr. Jonathan Massey as a new DDA Board member. Mr. Massey is a Professor and Dean for UM/Taubman College of Architecture and Urban Planning and a downtown resident.

In response to questions raised at the last board meeting about board members abstaining from discussion/vote, Ms. Letaw read the section of the DDA Bylaws pertaining to conflict of interest. She said that DDA staff is drafting clarifying language to the DDA Bylaws for review by the DDA attorney that will then be presented to Executive Committee and the Board for consideration.

2. APPROVAL OF BOARD MEETING AGENDA

Mr. McKinnon moved and Mr. Crawford seconded the motion to approve the meeting agenda. Prior to the vote, Ms. Klopf requested an amendment to the agenda, to move Finance Committee ahead of Operations on the agenda as we have a member(s) who needs to leave the meeting early.

A consent vote on the motion to amend the agenda showed:

Ayes: Bartelme, Crawford, Dieck, Guenzel, Kim, Kinley, Klopf, Letaw, Massey, McFarland, McKinnon, Narayan

Nays: None

Absent: None

The motion to amend the agenda was approved.

A consent vote on the motion to approve the amended agenda showed:

Ayes: Bartelme, Crawford, Dieck, Guenzel, Kim, Kinley, Klopf, Letaw, Massey, McFarland, McKinnon, Narayan

Nays: None

Absent: None

The motion was approved.

3. AUDIENCE PARTICIPATION

Mr. Haber said City Council approved the appointment of the Council of the Community for the Ann Arbor Community Commons. The group has a website (www.annarborcommunitycommons.org/). An in-person and/or virtual Earth Day celebration is planned on the Library Lot on 4/22.

4. REPORTS FROM CITY BOARDS AND COMMISSIONS

None.

5. DDA MEMBER COMMUNICATIONS

None.

6. EXECUTIVE DIRECTOR REPORT

Ms. Thomson gave a presentation to the UM/Ford School on the collaborative efforts between the DDA, City and area merchant associations over the last year in support of downtown businesses. She stated the need for individuals to continue to support local businesses as we move towards economic recovery.

7. APPROVAL OF MINUTES

Mr. Bartelme moved and Mr. Guenzel seconded a motion to approve the January minutes.

A consent vote on the motion showed:

Ayes: Bartelme, Crawford, Dieck, Guenzel, Kim, Kinley, Klopf, Letaw, Massey, McFarland, McKinnon, Narayan

Nays: None

Absent: None

The motion was approved.

8A. SUBCOMMITTEE REPORTS – FINANCE

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

RESOLUTION TO DIRECT THE DISBURSEMENT OF ACCRUED INTEREST HELD IN ESCROW AGAINST THE 2001 MORTGAGE 100 S. FOURTH AVENUE BUILDING (COURTHOUSE SQUARE APARTMENTS)

Whereas, In 2000 the DDA received a request from First Centrum LLC for financial assistance to help them rehabilitate their 100 S. Fourth Ave building, including making roof repairs and replacing two elevators;

Whereas, The building had been a former hotel, and once renovated and renamed Courthouse Square Apartments, the building contained 116 affordable housing units for people over the age of 55, including some units at 50% and 60% AMI;

Whereas, In response to the request from First Centrum, in October 2000 the DDA provided \$100,000 to this project in the form of a 6% interest loan and in August 2001 a mortgage was filed (liber 4059) against the property as repayment assurance;

Whereas, in December 2013 Courthouse Square Acquisitions, LLC purchased the property and was assigned the mortgage and note by consent of the DDA;

Ann Arbor DDA Monthly Meeting

February 3, 2021

3

Whereas, In December 2020 Courthouse Square Acquisitions requested that the DDA discharge this mortgage to allow a property closing to go through, and also asked the DDA to consider the waiver of the \$116,000 of interest that has accrued on the loan, either in whole or in part;

Whereas, As consideration for the DDA's agreement to discharge the Mortgage and enable Courthouse Acquisitions to proceed to closing, Courthouse Acquisitions did deposit \$216,000 into an escrow account held by Liberty Title Agency, Inc., prior to the date of closing, which represents the sum of the principal amount of \$100,000 and the interest accrued thru December 31, 2020 of \$116,000;

Whereas, \$100,000 of the escrowed funds, being the principal portion, was distributed to the DDA upon closing and the mortgage was thereupon discharged;

Whereas, The terms of the escrow agreement call for the disbursement of the remaining \$116,000, being the accrued interest portion, to be directed by the DDA Board;

Whereas, The Executive Committee recommends that the DDA Board direct Liberty Title Agency to disburse \$0 of the accrued interest held in escrow to Courthouse Square Acquisitions, and to disburse any remaining funds to the Ann Arbor Downtown Development Authority.

Resolved, The DDA Board directs Liberty Title Agency to disburse \$0 to Courthouse Square Acquisitions, and to disburse any remaining funds to the Ann Arbor Downtown Development Authority; and authorizes the DDA Executive Director to execute any necessary documentation.

Prior to the vote, Mr. Bartelme recused himself from the discussion and vote, stating that while he does not have a direct financial connection, he does have other business dealings with the principals involved. Ms. Dieck recused herself from the discussion and vote, stating that while she does not have a direct financial or business dealing with the principals involved, her firm does.

Ms. Klopf said that the Board voted in January to postpone this resolution and directed staff to bring the resolution to the Finance Committee for further review. Upon further review of the mortgage document after the January Board meeting, staff discovered the mortgage called for compound interest, resulting in additional interest of \$92,725 due to the DDA from Wickfield Properties. The Finance Committee recommends directing the disbursement of the accrued interest to the DDA. Collection of the additional \$92,725 will be discussed by the Finance Committee in February.

A consent vote on the resolution showed:

Ayes: Crawford, Guenzel, Kim, Kinley, Klopf, Letaw, Massey, McFarland, McKinnon, Narayan

Nays: None

Absent: None

Recused: Bartelme, Dieck

The resolution passed.

Expense Registers: The Committee approved the November and December 2020 expense registers.

Financial Statements-2Q: Second quarter financial statements were reviewed.

FY22 and FY23 Draft Budgets: The first draft of the FY22 and FY23 budgets and the Parking System financial report for December 2020 were reviewed. State guidelines for budgeting were shared. Ms. Klopf stated that Operations Committee had expressed concern regarding budgeting revenues at regular/pre-pandemic levels based on the ongoing uncertainties regarding the pandemic. A special Finance Committee meeting is scheduled for Thursday, February 4, 2021 at 9:15 am to discuss the draft budgets in more detail.

The next regular Finance Committee meeting is scheduled for Wednesday, February 25 at 9 am.

8B. SUBCOMMITTEE REPORTS – OPERATIONS
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Mr. McKinnon moved and Ms. Klopf seconded the following resolution:

RESOLUTION TO APPROVE A CONTRACT FOR DETERRENT FENCING AT THE FOREST PARKING STRUCTURE

Whereas, The DDA has managed the public parking system since 1992 in support of its mission;

Whereas, In 2017 the DDA installed deterrent fencing at the roof levels of all its above ground parking structures;

Whereas, Since 2017 the DDA has been adding additional deterrent fencing below the rooftop levels at many structures;

Whereas, An invitation to bid for deterrent fencing at the Forest Structure was distributed to qualified companies and published publicly, and two companies submitted bids;

Whereas, WGI Inc. recommends moving forward with the bid submitted by Future Fence Company in the amount of \$86,985.00;

Whereas, The Operations Committee recommends the DDA approval of this project;

RESOLVED, The DDA Board authorizes the Executive Director to sign a contract with Future Fence Company for deterrent fencing at the Forest structure in the amount of \$86,985.00 with funds coming from the DDA FY21 Parking CIP fund.

A consent vote on the resolution showed:

Ayes: Bartelme, Crawford, Dieck, Guenzel, Kim, Kinley, Klopf, Letaw, Massey, McFarland, McKinnon, Narayan

Nays: None

Absent: None

The resolution was approved.

Mr. McKinnon moved and Mr. Kinley seconded the following resolution:

RESOLUTION AUTHORIZING A CONTRACT WITH WGI FOR ENGINEERING SERVICES AND PROJECT ADMINISTRATION FOR FY22 STRUCTURES REPAIRS

Whereas, The DDA has managed public parking in pursuit of its mission since 1992;

Whereas, Annually the DDA undertakes necessary repairs to keep the facilities in good condition;

Whereas, Development and administration of annual maintenance and restoration work requires the work of engineers with expertise in parking structures;

Whereas, WGI holds the construction plans and documents necessary to complete this work;

Whereas, WGI's proposal to develop and oversee the FY22 maintenance and restoration work is \$105,200.00;

Whereas, The Operations Committee recommends the DDA approval of this proposal;

RESOLVED, The DDA authorizes a contract with WGI for \$105,200.00 to develop and administer FY22 maintenance and restoration work as outlined in their proposal, with funds coming from the FY21 and FY22 Parking CIP fund.

RESOLVED, Upon review by the DDA Attorney, the DDA directs the DDA Executive Director to sign a contract with WGI for this work.

A consent vote on the resolution showed:

Ayes: Bartelme, Crawford, Dieck, Guenzel, Kim, Kinley, Klopf, Letaw, Massey, McFarland, McKinnon, Narayan

Nays: None

Absent: None

The resolution was approved.

Revenues and Expenditures: Current revenue levels for on-street parking are on track with projections. There was a slight drop in hourly in December, which is typical during the winter months. Permit fee revenue was reduced, due to permits being turned in.

Parking and Transportation: The TIBA equipment installations continue. Currently working at Maynard. The 4th & Washington stairwell renovation is near completion. Planned critical maintenance work at Forest will begin in April. Ann Ashley elevator repairs are underway and will take one month to complete. Conquer the Cold-Pandemic Edition challenge ran through the end of January. GetDowntown partnered with the Show Your Love A2 campaign this year in support of downtown businesses.

The next Operations Committee meeting will be on Wednesday, February 24 at 11 am.

8C. SUBCOMMITTEE REPORTS - CAPITAL IMPROVEMENTS

Ashley Street Project: Ms. Dieck said the Committee finalized the Ashley Street construction scope. At the end of the last construction season, staff anticipated remaining bond dollars and the need to plan for spending those dollars within the three-year bond construction period. The Board authorized design dollars for potential additions to the Ashley Street construction project in March 2020, including extending streetlights and watermain upsizing. In addition to reviewing the March 2020 decision, staff noted more recent discussions about bond and contractual obligations as well as a desire to minimize construction impacts due to pandemic hardships. To finalize the Ashley Street construction scope, the project team reviewed the decision by some Ashley Street property owners not to fill their vaults, the critical scope to improve safety and restore two-way traffic and, potential additions included in the original design contract extension and, recommendations about which should advance to construction. The Committee supported staff's recommendation to focus construction on safety and restoring two-way traffic. The decision was made not to include the watermain upsizing between Huron and Washington because it would add to the timeline and cause significant disruption, with limited neighborhood benefit. Also, streetlighting and tree planting on the west side between Huron and Washington because it would add disruption and is not a long-term solution.

To reduce neighborhood construction impacts during the pandemic, staff is coordinating with adjacent property owners to inform winter construction, a February start date to reduce conflict with outdoor dining and retail and, increasing construction support staff & DDA capacity to respond. The anticipated construction timeline is from late February – end of May.

Ms. McFarland stated the total project bond for First/Ashley/William/Huron is \$18M to be used by February 6, 2022; three years from date of issuance. There is approximately \$2-2.5M remaining that the bond agreement allows for/anticipates may be spent on like projects (bikeway/pedestrian/streetscape). Staff shared potential project opportunities, including William Street adjustments, People-Friendly Streets 2 engineering and construction, notably Division and Miller/Catherine which are further along due to the pilot projects and, streetlight replacements on streets like Liberty and Washington. Staff will bring updates and related contract recommendations to the February CIC to continue advancing these options.

People-Friendly Streets Phase II: Public outreach will continue in March with a multi-format approach including virtual and paper, to share the DDA's project values and the analyses completed during the pandemic. The outreach will help inform design for Division and Catherine/Miller and help to identify other streets in need of improvement. The team is working with local organizations to engage individuals who wish to participate but do not have access to technology.

The next Capital Improvements Committee meeting is scheduled for Wednesday, February 17 at 11 am.

8D. SUBCOMMITTEE REPORTS – AFFORDABLE HOUSING/ECONOMIC DEVELOPMENT

UM Discussion: Mr. Bartelme said Mr. Rein, Director of Community Relations for UM, attended to share the University's pandemic response and overview of UM activities overall. Following MDHHS guidelines, UM shifted all but the Graduate and Health Services' classes to online for Winter term. The Union and League buildings will be accessible for up to 12-hours at a time to students who register through the University's ResponsiBlue app. UM plans to resume in-person classes Fall 2021. Plans for the former Fingerle lot are on

hold at this time. There was discussion about UM's plans to create greater density by replacing Northwood with a multi-level structure(s).

Partner Updates: Mr. Carpenter said TheRide plans to restore full service in August. AAATA will release its business plans in late February/early March for public feedback. RTA has not set a date yet to restart the Detroit-to-Ann Arbor service. AirRide remains suspended due to the ongoing reduction in air travel. Ms. Parker said that vestibule service has kept the Library at 64% of last year's full-services level. The Library plans to have most regular services restored by the end of June. Mr. Kinley said the DDA's First Street Bikeway was named one of the top 10 street projects for 2020. Ms. Hall reported the AAHC received HUD approval for the Lurie Terrace purchase. The closing is expected to take place in February. Work continues on the 350 S. Fifth pre-entitlement. The report on the other four City-owned sites including a housing market analysis and parking study will be presented to Council in March. The Affordable Housing millage was passed in November. CM's Ramlawi and Song said Council approved the updated flood plain ordinance and sign ordinance. CM Ramlawi expressed appreciation for the DDA's generous support of the downtown this past year. The City is engaging with UM and the Ann Arbor Racially Restrictive Covenant Mapping Project to change the restrictive conveyance of deed ordinance. The City has hired a new HR Director. Ms. Gibb-Randall reported on a number of developments recently approved by the Planning Commission.

The next Affordable Housing/Economic Development Committee meeting is scheduled for Wednesday, February 10 at 9:00 am (DDA only).

8E. SUBCOMMITTEE REPORTS- EXECUTIVE COMMITTEE
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Ms. Letaw requested a motion and second to which Ms. Klopf moved and Mr. McKinnon seconded the following resolution:

RESOLUTION TO APPROVE OFFICE LEASE WITH 150 S. FIFTH, LLC

Whereas, The DDA leases 3189 square feet of office space at 150 S. Fifth Avenue, Suite 301, from 150 S. Fifth, LLC;

Whereas, The original five-year lease began July 1, 2011, and included an option of one five-year extension period, which the DDA did exercise and which term ends June 30, 2021;

Whereas, The terms of the lease to not include a provision for a second extension period;

Whereas, 150 S. Fifth, LLC has prepared a new one-year lease agreement for the DDA Board's consideration at an annual cost of \$86,103, and which includes the option for one five-year extension at an increase of 3% per annum;

Whereas, The lease agreement also includes an additional flat charge of \$400 per month for utilities;

Whereas, The Executive Committee has considered the office space needs of the DDA, the current commercial office space rental market, and the terms set forth in the proposed lease agreement and finds the agreement acceptable;

RESOLVED, The DDA Board approves the terms of the proposed lease agreement with 150 S. Fifth, LLC for a term of one-year beginning July 1, 2021 and ending June 30, 2022 at a rate of \$86,103 per year, and an

additional flat utility charge of \$400 per month; and authorizes its executive director to execute the required documents on behalf of the DDA.

A consent vote on the resolution showed:

Ayes: Bartelme, Crawford, Dieck, Guenzel, Kim, Kinley, Klopf, Letaw, Massey, McFarland, McKinnon, Narayan

Nays: None

Absent: None

The resolution was approved.

Executive Director Search Update: GovHR is conducting interviews with Board members, Council members and staff as part of its work on the Executive Director search. Staff has submitted all information requested by the GovHR team to-date.

Ms. Letaw said the Committee also reviewed the agenda for today's meeting.

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

9. NEW BUSINES

None.

10. OTHER AUDIENCE PARTICIPATION

Mr. Honeyman said it is important to acknowledge that the Wickfield Properties/Courthouse Square Apartments loan was not handled well from the beginning and that collection of the additional accrued interest will be difficult. He expressed concern about the parking budget and the impact on the DDA's fund balance.

11. ADJOURNMENT

Mr. moved and Mr. seconded the motion to adjourn.

A consent vote on the motion showed:

Ayes: Bartelme, Crawford, Dieck, Guenzel, Kim, Kinley, Klopf, Letaw, Massey, McFarland, McKinnon, Narayan

Nays: None

Absent: None

The motion was approved.

The meeting adjourned at 12:50 pm.

Respectfully submitted,
Maura Thomson, Interim Executive Director

ANN ARBOR DOWNTOWN DEVELOPMENT AUTHORITY
Executive Committee Meeting
Wednesday, February 3, 2021

Place: Virtual Meeting: Zoom link: <https://us02web.zoom.us/j/88940313540>
Phone: 877-853-5257 Meeting ID: 889 4031 3540 Passcode: 862665

Time: 11:00 am

Present: Tyler Kinley, Marie Klopf, Jessica A.S. Letaw, Darren McKinnon, Maura Thomson (ex officio)

Absent: None

Staff: Sara McCallum, Kelley Graves

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

Virtual Guidelines: Ms. Letaw read the guidelines for holding electronic meetings.

DDA Office Lease Resolution: As directed by the Committee in January, Ms. Thomson reached back out to the building manager to negotiate a reduced per square foot rate on the one-year DDA office lease with 150 S. Fifth, LLC. She was able to negotiate a rate of \$27/sf with one, 5-year renewal option at 3% per annum. The Committee agreed to bring the resolution to the board.

Agenda Review: The Committee reviewed the February board meeting agenda. Ms. Thomson requested Finance Committee be the first committee report on the agenda. She stated that the Wickfield Properties/Courthouse Square Apartments resolution is up for vote. Two board members will be recusing themselves and Mr. Crawford informed Ms. Thomson that he needs to leave the meeting early due to another commitment. The Committee agreed to the change in order of committee reports on the agenda. Ms. Letaw will request Board approval to amend the agenda prior to the vote to approve it.

Public Comment: Mr. Diephuis said he is glad the DDA is reviewing its recusal policy. He hopes the DDA is offering available permits to those on the parking permit wait list. He suggested the DDA research all available options and potential outcomes regarding the Wickfield Properties/Courthouse Square Apartments accrued interest due to the DDA.

Adjournment: There being no other business, the meeting adjourned at 11:15 am.

Respectfully submitted,
Maura Thomson, Interim Executive Director

**ANN ARBOR DOWNTOWN DEVELOPMENT AUTHORITY
CAPITAL IMPROVEMENTS COMMITTEE MEETING MINUTES
Wednesday, February 17, 2021**

Place: Virtual Meeting: <https://us02web.zoom.us/j/87695441593> or by Phone: 1-877-853-5257 Meeting ID: 876 9544 1593 Passcode: 196854

Time: 11:00 am

Committee Present: Alex Dieck, Tyler Kinley, Jessica A.S. Letaw, Molly McFarland, Darren McKinnon

Committee Absent: Micah Bartelme

Other DDA Present: Jonathan Massey

Staff: Maura Thomson, Amber Miller, Liz Rolla, Sara McCallum, Kelley Graves

Others Present: Oliver Kiley, Bob Doyle/SmithGroup

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

Virtual Meeting Guidelines: Ms. Dieck outlined the guidelines for electronic meetings.

First & Ashley Street Construction: Ashley Street construction is scheduled to begin the first week of March. Two resolutions related to the project were brought forward for consideration. Staff recommends and the Committee supports the resolution to increase the contract with Wade Trim for re-engineering of portions of the project required due to the pandemic altering the original construction approach, resulting in the necessary re-engineering of portions of the project and to further emphasize coordination and responsiveness to the businesses. Staff recommends and the Committee supports the resolution to increase Smithgroup's design & engineering contract to ensure dollars for construction administration due to the pandemic altering the original construction approach, resulting in the necessary re-engineering of portions of the project. Mr. McKinnon abstained from the discussion as his spouse works at Smithgroup.

Pandemic Support: The 2020 programs for street closure barricades and sidewalk occupancy permits funding were reviewed. Questions were asked and answered. Staff recommends and the Committee supports the resolution to approve barricade funding to support street closures and the resolution to approve sidewalk occupancy permit funding in 2021. City Council approved the Transportation Commission to implement Healthy Streets pilots for this year. The DDA Staff does not have the capacity to participate in the pilot program this year but is able to support exploring which parts of the pilot can be made permanent through the People-Friendly Streets 2 projects.

ROW Repairs: The DDA's annual TIF budget includes \$550,000 for general capital improvements and maintenance. The City is in the process of selecting a contractor for its City Sidewalk Repair Program. Staff recommends the DDA use the same City-selected contractor to undertake as-needed ROW repairs for FY 21 and 22. Questions were asked and answered. The Committee supports the resolution to authorize a ROW repair contract for FY 21 & 22 with the City-selected contractor.

Grant Program to Encourage Vault Filling: Ms. Miller stated the key takeaways from the 2019 pilot vault program were the average vault cost is \$10,000 and that poor vault condition is the main motivator for a business to consider filling it in. Staff recommends creating a vault-filling program for FY 21 and 22. The Committee supports the resolution to create a grant program to encourage vault filling with the

Capital Improvements Committee Meeting

February 17, 2021

2

understanding staff will clarify the language on grant requests and amounts to bring to the Board for consideration.

Bond Update/People-Friendly Streets 2 Update: Once Huron, First, Ashley and William Street projects are complete, remaining bond funds may be spent on similar improvements by February 2022. There is approximately \$2.5M remaining. Division Street has been identified as a high priority corridor based on traffic data collected in 2020 and compared to data from 2015-2019. Staff recommends advancing the project to final design and construction documentation to create capacity to spend bond dollars in 2021. Public engagement to inform the final design is scheduled for March 9-11. The project would begin in early August and is projected to be completed by mid-November. Other projects include improvements to William Street (e.g., delivery/loading areas, bus stop changes, intersection adjustments and possible curb delineators) and the addition of streetlights on W. Liberty from First to Main. Questions were asked and answered. Staff recommends and the Committee supports the resolution to increase the People-Friendly Streets 2 design contract with Smithgroup. Mr. McKinnon abstained from the discussion as his spouse works at Smithgroup.

Public Comment: None.

The next Capital Improvements Committee meeting is scheduled for Wednesday, March 24 at 11 am.

The meeting adjourned at 12:03 pm.

Respectfully submitted,

Maura Thomson, Interim Executive Director

**ANN ARBOR DOWNTOWN DEVELOPMENT AUTHORITY
FINANCE COMMITTEE MEETING MINUTES
Thursday, February 25, 2021**

Place: Virtual Meeting--Zoom Link: <https://us02web.zoom.us/j/83047138675>
by Phone: 1-877-853-5257 (Meeting ID: 830 4713 8675 Passcode: 616170)

Time: 9:00 am

Committee Present: Bob Guenzel, Marie Klopf, Rishi Narayan

Other Board Present: Jessica A.S. Letaw

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

Other Attendees: None

Public: None

Virtual Meeting Guidelines: Ms. Klopf outlined meeting details for everyone attending.

Courthouse Square: At their last meeting, the Finance Committee directed staff to seek the advice of the DDA's attorney about the potential for collection of the additional \$92,725 of accrued interest. The DDA attorney reviewed the matter and has issued a confidential client memo recommending that the DDA not pursue collections. No action on the matter is required.

FY22 and FY23 Budgets: Ms. McCallum presented the DDA's FY22 and FY23 Proposed Budget. She highlighted changes that had been made since the presentation of the Draft Budget, noting that the parking system budgets were now based on projected revenues. She explained that should revenues come in higher than projected, the DDA would need to seek budget amendments from the City. Parking projections and the 10-year Plan were also reviewed. Questions were asked and answered. The Committee agreed to bring to the Board the resolution to put forward the DDA budgets for FY22 and FY23 to the City.

Public Comment: None.

Next Meeting: There is no meeting in March. The next regular Finance Committee meeting is scheduled for Thursday, April 29 at 9:00 am.

The meeting adjourned at 9:57 am.

Respectfully submitted by,

Maura Thomson, Interim Executive Director

**ANN ARBOR DOWNTOWN DEVELOPMENT AUTHORITY
SPECIAL FINANCE COMMITTEE MEETING MINUTES
Thursday, February 4, 2021**

Place: Virtual Meeting--Zoom Link: <https://us02web.zoom.us/j/84295971938>
by Phone: 1-877-853-5257 (Meeting ID: 842 9597 1938 Passcode: 599901)

Time: 9:00 am

Committee Present: Marie Klopf, Rishi Narayan

Committee Absent: Bob Guenzel

Other Board Present: Tyler Kinley, Jessica A.S. Letaw

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

Other Attendees: Matt Horning/City

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

Virtual Meeting Guidelines: Ms. Klopf outlined meeting details for everyone attending.

FY22 and FY23 Draft Budgets: According to a graph Ms. McCallum shared charting the month-by-month impact of the pandemic, the DDA's 50% revenue loss aligns with other parking systems nationally. She said this budget process is complicated by the unprecedented nature of the pandemic, the uncertainty of the long-term economic impact, this being a two-year budget cycle and, CIP mechanics. It was noted that approximately \$5M of the \$8.6M in the CIP budget for parking repairs and maintenance will be rolled over at year-end. The Committee reviewed State budget guidelines outlining how to budget for uncertain revenues: they should be included if deemed practical; the uncertainty should be disclosed; and a plan to reduce expenditures should be developed. The DDA's Fund Balance Policy was also reviewed.

Ms. McCallum presented three budget scenarios-10% fund balance budget, \$1M fund balance budget and, zero fund balance budget. The Committee asked questions and discussed the pros and cons of each option. The Committee and other board members in attendance expressed their appreciation for staff's work in explaining the process, preparing scenarios for consideration and, trust staff to determine which scenario is the most practical for the DDA. Ms. McCallum indicated staff would work with City staff to determine the most feasible approach. All agreed that it will be a challenging City Council budget process.

Public Comment: Mr. Honeyman said he has a better understanding of the complexities of preparing this two-year budget. He agreed that it will be a challenging budget process.

Next Meeting: The next regular Finance Committee meeting is scheduled for Thursday, February 25 at 9:00 am.

The meeting adjourned at 10:05 am.

Respectfully submitted by,
Maura Thomson, Interim Executive Director

**ANN ARBOR DOWNTOWN DEVELOPMENT AUTHORITY
OPERATIONS COMMITTEE MEETING MINUTES
Wednesday, February 24, 2021**

Place: Virtual meeting—Zoom link: <https://us02web.zoom.us/j/87641586220>
Phone: 1-877-853-5257 (Meeting ID: 876 4158 6220 Passcode: 935520)

Time: 11 am

Committee Present: Robert Guenzel, Tyler Kinley, Darren McKinnon

Other DDA Present: Jessica A.S. Letaw

Staff: Jada Hahlbrock, Sara McCallum, 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.

Parking System Financials: Ms. McCallum presented the Parking System financials for January 2021.

FY22 Budget Process: Ms. McCallum shared the FY22 and FY23 budgets. She stated the Committee's concerns expressed at last month's meeting regarding revenue projections and fund balance were shared with the Finance Committee. A special Finance Committee meeting was held to further discuss the budget. After that meeting, Ms. Thomson and Ms. McCallum met with City Administrator Tom Crawford and interim CFO Matt Horning and they support the DDA aligning the DDA's budget with revenue projections, and reducing expenditures accordingly, with the understanding that the DDA would need to request a budget amendment should revenues exceed projections. Questions were asked and answered. The Committee appreciated Staff's work and supports the proposed budget. The budget will be presented to the Finance Committee tomorrow. It will be brought to the March Board for approval. From there, the budget will be submitted to the City. It will go through the City's budget process and once approved, will be brought back to the DDA Board in June for final adoption.

Parking Services Consultant: The RFP for a Parking Consultant to assist Staff in updating the parking system contract and preparing the bid document for a parking system operator yielded five bid submittals. Staff recommends Walker Consultants as they bring years of previous experience as both parking operators and consultants, as well as a demonstrated success working with municipalities on similar bid documents. Ms. Hahlbrock noted that Walker Consultants assisted Minneapolis, MN with their parking system RFP in a virtual environment in 2020. The Committee agreed to bring the resolution to hire Walker Consultants to the board.

Parking System Related Engineering Services Resolution: Ms. Hahlbrock presented a resolution for a contract with WGI to prepare the update to the DDA's 20-year parking system repairs and maintenance plan. She shared some sample pages from the current plan, highlighting the importance and the level of detail of the plan. The Committee agreed to bring the resolution to the board.

Replacement of 4th & William Generator: Ms. Hahlbrock presented a resolution for the replacement of the 40-year old generator at the 4th & William parking structure. RPS received four bids. Staff recommends Huron Valley Electric. The Committee agreed to bring the resolution to the board.

Operations Committee Meeting Minutes

February 24, 2021

2

Parking Equipment Installation: The TIBA equipment installations continue with Maynard next, followed by Ann Ashley and Library Lane.

Restoration Work: The 4th & Washington stairwell renovation is complete. Ms. Hahlbrock shared before and after photos of the project.

Forest Fencing Installation: Installation of additional deterrent fencing at Forest will begin mid- to late-March and is expected to take three weeks. It is anticipated there will be minimal impact on parkers.

RPS Contract Auto-Renewal: Ms. Hahlbrock stated that per the terms of the agreement, the contract with RPS is scheduled to auto-renew on July 1, 2021. Staff recommends and the Committee agrees with proceeding with the auto-renewal, understanding that the parking operator RFP will be released this fall.

Other Business: Ms. Hahlbrock said a concern had been raised related to the processes RPS follows to address improperly parked vehicles in the structures. Mr. McKinnon said he understands RPS wanting to ensure efficient parking but said that it must be balanced with user experience. It is important to avoid creating a negative experience for visitors. Ms. Hahlbrock said that she and Mr. McKiness have discussed the concern and continue to consider alternative ways to handle these types of situations.

Transportation: The Conquer the Cold-Pandemic Edition challenge summary is included in the Parking and Transportation Report. Mr. Simmons gave a presentation on the get!Downtown program for 2020 and the recovery plans for moving forward. The FY22 go!Pass funding request from the DDA is \$489,500, a 36% reduction from last year's request.

Public Comment: None.

Next Meeting: The next Operations Committee meeting is scheduled for Wednesday, March 31, 2021 at 11 am.

The meeting adjourned at 12:02 pm.

Respectfully submitted by,

Maura Thomson, Interim Executive Director

Parking & Transportation Report February 2021

Parking

Annual Restoration & Maintenance

The stair replacement and elevator project at 4th & Washington is complete. Contractor will return in spring to do some paint touchup. Planned work at the Forest structure will begin in spring as well.

Parking Equipment

Installation of the new TIBA parking equipment continues. Installation at Maynard will get underway in March. Remaining locations include Library Lane and Ann Ashley. TIBA equipment work has also included an upgrade of the credit card software at 4th & William. This work brings all the off-street parking equipment onto the same processing platform. Following the completion of the stair work at 4th & Washington the pay-station was moved back to its normal location.

Fencing

The fence installation at Forest will begin mid-March. Project is expected to take three weeks to complete.

Meters

In February RPS meter staff worked to clear snow as needed and continued with preventative maintenance tasks. RPS meter staff worked to update on-street parking data in GIS as part of a larger DDA parking study update.

Most special events were cancelled in 2020 so we didn't see the normal request for special event meter bag fee waivers. Typically, those waivers total about \$130,000 a year. We did however waive meter bag fees associated with COVID response measures. Waivers for pick-up/delivery spaces, patio extensions and street closures in 2020 were \$1.1M.

Parking System Maintenance & Operations

Responding to impacts from snow and cold temperatures was a priority for RPS staff in February. This included monitoring fire suppression pipes, clearing ice from storm drains, and paying close attention to pedestrian walkways. The RPS Safety Coordinator is working to complete an Emergency Flip Chart for employees. The document will provide easily accessible information for staff on how to respond to emergencies (fire, inclement weather, spills, etc.).



Go!pass Summary – January

Total # of companies in program = 198 (+2)

Total # of active passes (# distributed less deactivations) = 2,231 (N/C)

Quarterly go!pass Ridership- Next report in April 2021

Conquer the Cold – Pandemic Edition Report

The campaign served two purposes this year, the standard commuter challenge for non-drive alone commutes as well as a campaign connected to downtown restaurants and retailers for special weekend promotions. Campaign participants could register not only their commute trips but also their trips to patronize downtown businesses. Special badges were available for participants who completed the weekend challenges, as well as those meeting commute reporting milestones.

Media in support of the campaign generated 1.7M impressions and ~4,900 ad clicks. As one of the major points of this year's campaign was to generate interest in downtown businesses, the ad analytics support that we met this goal. Pot pies are apparently very popular with our audience.

The campaign resulted in 200 registered users in the app, with 115 users reporting trips for the campaign. Given the current restrictions for in-person activities, we were not measuring the success of this campaign in terms of app usage and trips, but in how users were interacting with the app and website. On that point, the user usage and feedback indicated that improvements are preferred in how people interact with the campaign, especially in interacting with the website. We will be working with our vendor on those improvements.

Other Activities

- TheRide will be announcing public input opportunities shortly on an August 2021 service update and a long-range plan. Please sign up for more information at theride.org.
- Staff is exploring the possibility of and interest in additional surveys of this summer of downtown businesses in partnership with other organizations. The program's interest is in exploring the plans of businesses for recovery, the number of employees to be assigned downtown, and what is being planned for in-person activity. Staff would prefer to partner with other organizations with an interest in surveying downtown businesses in order to reduce the number of requests to them.
- getDowntown is available to assist and consult with those downtown businesses looking for assistance in navigating transportation options for their employees. Contact info@getdowntown.org to request assistance, as staff is remaining on a work-from-home status until at least May 2021.