



## Legislation Text

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**File #:** 22-1703, **Version:** 1

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Resolution to Approve Agreement between the City of Ann Arbor and the Downtown Development Authority for Sidewalk Repairs within the Downtown Development District during FY 2023 through FY 2026

Subsection 4:58(D) of Chapter 49 of the Ann Arbor City Code allows the City and the Downtown Development Authority of the City of Ann Arbor (“DDA”) to enter into an agreement regarding responsibilities for repair of sidewalks within the Downtown Development District boundaries, as established by Section 1:154 of Chapter 7 of the Ann Arbor City Code, and for the payment for those repairs. The DDA has asked to enter into an agreement in accordance with Subsection 4:58(D)(1) of Chapter 49. Under this provision and as provided in the agreement, the City will treat sidewalks within the Downtown Development District like sidewalks outside the Downtown Development District for purposes of repair and the DDA will compensate the City for undertaking those repairs.

This agreement covers the four fiscal year periods during which the streets, bridges and sidewalks millage approved by the voters in November 2020 is collected, from FY 2023 through FY 2026. It is recommended for your approval. The City and the DDA entered into agreements under the same terms for the duration of the street, bridge and sidewalk repair millages approved in 2011 and in 2016.

The agreement provides that sidewalks that are within the Downtown Development District's boundaries and adjacent to and abutting real property against which the City levies property taxes will be exempt from the requirements of Subsection 4:58(A) of Chapter 49 of the Ann Arbor City Code that sidewalks to be kept and maintained in good repair by the owner of the land adjacent to and abutting upon the sidewalk. This exemption places those properties in the same position as properties outside the Downtown Development District boundaries that are not exempt from property taxes.

In return, the DDA will transmit to the City annually, for FY 2023 through FY 2026, the portion of 0.125 mill of the 2.125 mill streets, bridges and sidewalks millage, as adjusted by any required millage roll backs, that is captured by the DDA for each of those fiscal years. For each year, the City will calculate the amount due from the DDA and will bill the DDA for that amount sometime between April and June of each year, following the close of the tax roll and settlement for the respective fiscal years. The DDA will pay the amount due within 30 days. In the alternative, the DDA may request that the City deduct the amount from the next monthly reconciliation(s). The City may use these funds to make the sidewalk repairs within the Downtown Development District's boundaries, but neither is obligated to use the full amount nor limited to using only that amount for the sidewalk repairs.

The sidewalk repairs the City will perform under the agreement do not include the snow and ice removal required by Section 4:60 of Chapter 49 of the Ann Arbor City Code.

Approval of the agreement is expected by the DDA Board of Directors at their meeting on December

7, 2022.

Prepared by: Nicholas Hutchinson, P.E., City Engineer

Reviewed by: Brian Steglitz, Interim Public Services Area Administrator

Approved by: Milton Dohoney Jr., City Administrator

Whereas, Subsection 4:58(D) of Chapter 49 of the Ann Arbor City Code allows the City and the Downtown Development Authority of the City of Ann Arbor ("DDA") to enter into an agreement regarding or repair and payment for repair of sidewalks within the Downtown Development District boundaries, as established by Section 1:154 of Chapter 7 of the Ann Arbor City Code;

Whereas, The DDA has asked to enter into an agreement in accordance with Subsection 4:58(D)(1) of Chapter 49 for FY 2023 through FY 2026; and

Whereas, The proposed agreement complies with the City Code provisions and sets forth the responsibilities of the City for sidewalk repairs and related tasks and further sets forth the responsibilities of the DDA for payment;

RESOLVED, That City Council approves the agreement between the City of Ann Arbor and the Downtown Development Authority for Sidewalk Repairs within the Downtown Development District during FY 2023 through FY 2026, conditioned on approval of the agreement by the DDA Board of Directors;

RESOLVED, That the Mayor and City Clerk be authorized to sign the Agreement, subject to approval as to substance by the City Administrator and approval as to form by the City Attorney; and

RESOLVED, That the City Administrator be authorized to take any other necessary administrative actions to implement this resolution.