

**ANN ARBOR DOWNTOWN DEVELOPMENT AUTHORITY MEETING AGENDA**  
**Wednesday, February 3, 2010 12:00 noon**  
**DDA Offices, 150 S. Fifth Avenue, Ann Arbor, MI 48104**

**1. Roll Call**

Gary Boren, Newcombe Clark, Russ Collins, Leah Gunn, Jennifer Hall, Roger Hewitt, John Hieftje, Joan Lowenstein, John Mouat, Keith Orr, Sandi Smith, John Splitt

**2. Audience Participation (4 people maximum, 4 minutes each)**

- Deanne Relyea, Kerrytown District Association

**3. Reports from City Boards and Commissions**

- Ray Detter, Downtown Area Citizens Advisory Council

**4. Status of Taskforce Efforts with DDA Membership**

- A2D2 Steering Committee
- Committee to Discuss a Mutually Beneficial Financial Agreement with City Council
- Library Lot RFP Advisory Committee

**5. Approval of Minutes**

- January 6, 2010

**6. Subcommittee Reports**

**b. Transportation Committee – John Mouat, Chair**

- Encouraging walkability: trees & downtown plantings
- Opportunities on S. Fourth Avenue to encourage more walkability and transit use
- Next Committee meeting: Wednesday, February 24 at 9am

**c. Operations Committee – Roger Hewitt, Chair**

- TDM partnership with Transportation Committee - public parking plan
- December 2009 financial statements
- Resolution to Authorize a 2009 Year-End Management Incentive for Republic Parking
- Next Committee meeting: Wednesday, February 24 at 10:30am

**a. Partnerships Committee – Sandi Smith and Russ Collins, Co-Chairs**

- Status of Energy Saving Grant Program
- DDA retreat
- Exploring opportunities to provide more wireless service in downtown
- Next Committee meeting: Wednesday, February 10 at 9am

**d. Capital Improvements Committee – John Splitt, Chair**

- Status report on S. Fifth Avenue project and Fifth & Division Improvement Project
- Next Committee meeting: Wednesday, February 10 at 11am

**e. Executive Committee - John Splitt, DDA Chair**

- Resolution Approving Amendments to DDA bylaws

**7. Other DDA business matters**

**8. Other Audience Participation (4 minutes each)**

**9. Adjournment**

**ANN ARBOR DOWNTOWN DEVELOPMENT AUTHORITY MEETING MINUTES**  
**January 6, 2010**

Place: DDA Office, 150 S. Fifth Avenue, Suite 301, Ann Arbor, 48104  
Time: DDA Chair John Splitt called the meeting to order at 12:05 PM

**1. ROLL CALL**

Present: Gary Boren, Russ Collins, Leah Gunn, John Hieftje, Joan Lowenstein, John Mouat, Keith Orr, Sandi Smith, John Splitt

Absent: Newcombe Clark, Jennifer Hall, Roger Hewitt,

Staff Susan Pollay, Executive Director

Present: Joe Morehouse, Deputy Director  
Joan Lyke, Management Assistant  
Amber Miller, Planning & Research Specialist

Audience: Peter Allen, Peter Allen & Associates  
Dave Askins, A2 Chronicle  
Ray Detter, Downtown Area Citizens Advisory Council  
Alan Haber, Ann Arbor Committee for the Commons/A2C2  
Adrian Iraola, Park Avenue Consultants, Inc.  
Mark Lyons, Republic Parking System  
Kyle Mazurek, Ann Arbor Area Chamber of Commerce  
Brad Mikus, Citizen  
Oscar Notz, Turner Construction  
Dave Pezda, Luckenbach/Ziegelman Architects  
Nancy Shore, getDowntown  
Teresa Welsh, Near North

**2. AUDIENCE PARTICIPATION**

Mr. Allen said that the City would soon issue an RFP to hire a consultant to provide advice for the Library Lot project. He recommended that this consultant be made aware of what makes a great city, as whatever will be constructed will be a 100 year decision. For instance, it must have great architecture, and must address the AADL and former Y site as part of an area master plan. Many people should be consulted to give input into this vision.

Mr. Haber said he agreed with Mr. Allen that many people must be consulted. He added that he would like the library lot to become a community center. He stated he would like to see a public process to develop a public green space. He indicated that just about everyone if asked about the site would say, "Give us the green." He encouraged the DDA to support the Commons and added that the, "Green will bring Green." He mentioned that the November summary of his comments should read as follows: *... "the group is calling for the whole lot to become a large community center." ...*

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

Downtown Area Citizens Advisory Council: Mr. Detter reported that the CAC supports efforts to develop a coherent and comprehensive parking and transportation demand management

program run by the DDA in cooperation with the City. CAC are supportive of a more extensive "Area Planning" if no desirable selection can be made from the 6 Library Lot proposals. CAC continues to be concerned with conditions at Courthouse Square and asks the city to appoint a taskforce to find a way to provide better management and supportive services for residents.

#### **4. STATUS OF TASKFORCE EFFORTS WITH DDA MEMBERSHIP**

A2D2 Steering Committee: No report.

Mutually Beneficial Committee: Ms. Smith said that questions have been provided to staff and DDA/City committee members will meet when this information is compiled.

Library Lot Advisory Committee: Mr. Splitt said that the City's Library Lot RFP requirement set forward that: "The proposal must provide a positive financial return to the City" and the committee determined that two of the proposals did not meet this minimum threshold to be considered. Interviews have been scheduled with project teams at the Library on Jan. 20<sup>th</sup>.

#### **5. MINUTES**

Mr. Orr moved and Ms. Gunn seconded approval of the December 2, 2009 DDA meeting minutes.

A vote on the motion to approve the minutes showed:

AYES: Boren, Collins, Gunn, Hieftje, Lowenstein, Mouat, Orr, Smith, Splitt

NAYS: None

Absent: Clark, Hall, Hewitt

The motion carried.

#### **6. PARTNERSHIPS COMMITTEE**

Energy Saving Grant Program: Ms. Smith said that 43 grants were approved in FY 2008/9, and 36 energy audits were completed and 8 have already completed Phase II. Thus far DDA costs for FY 2008/09 \$103,000 for energy audits and \$32,800 for Phase II improvements. Ms. Smith said that 50 applications were approved in FY 2009/10 and nearly all have selected their energy auditor and are underway with their audits.

Near North: Ms. Smith moved and Ms. Gunn seconded the following resolution:

#### **RESOLUTION PROVIDING AVALON NONPROFIT HOUSING CORPORATION'S NEAR NORTH PROJECT WITH A GRANT FOR THE CONSTRUCTION OF NEW AFFORDABLE HOUSING**

Whereas, The Ann Arbor DDA 2003 Renewal Plan makes a strong commitment to participating in projects which stimulate new, converted, or renovated housing, with the goal of a diverse and vibrant downtown residential base;

Whereas, Avalon Nonprofit Housing Corporation is developing Near North with its for-profit partner Three Oaks as a mixed-used 100% affordable housing development providing 25 apartments affordable to households with incomes  $\leq$  50% of AMI and 14 supportive housing apartments with project-based Section 8 rent subsidies. Phase I will develop the residential units and 1,800 sq. ft. of offices, and Phase II, contingent on greenway and related funding, will

involve the acquisition and demolition of Summit Market and 3 houses in the floodway on E. Summit, and relocation of the retail into new space built at Near North.

Whereas, These 39 new housing units are within the ¼ mile radius of the DDA District approved by the DDA as the area within which they might provide DDA Housing Fund support, and it has been determined that many tenants that will reside in these apartments will work, shop, or use the downtown for recreational and other purposes;

Whereas, The cost of this project including property acquisition is \$11 Million and the DDA has been asked by Avalon for a \$500,000 grant, with other funds to come from tax credits, MSHDA, and other sources;

Whereas, The DDA Partnerships Committee reviewed this request and has set forward the following recommendations regarding a grant from the DDA's Housing Fund:

- The DDA would provide \$400,000 from its Housing Fund for this project
- The DDA would provide an additional \$50,000 if the project receives a Silver LEED certification or an additional \$100,000 if the project receives a Gold LEED certification
- The DDA would provide its grant at the time the project receives its Certificate of Occupancy from the City, after all lien wavers have been satisfied, and after a minimal LEED certification is met and affordability established as promised
- As with all DDA grants, this grant would expire at the end of the second fiscal year after approval by the DDA
- The grant would be given provided that the Office of Community Development has agreed to manage ongoing income verification for all residential units

RESOLVED, The DDA will provide Avalon Housing, Inc. with a \$400,000 grant as recommended by its Partnerships Committee as stated above, which may also include \$50,000 or \$100,000 incentive funds upon Silver or Gold LEED certification, with DDA grant payment upon receipt of a certificate of occupancy, waiver of all liens, and an agreement in place with the Office of Community Development to manage ongoing income verification for all residential units.

Ms. Smith asked Ms. Walsh and Mr. Appel to provide a project overview, which they did, outlining that the DDA funds would be used exclusively to support construction of the housing portion of the project. Mr. Appel said that if approved, the DDA funds would be the first grant dollars committed, but the last grant dollars received because they require a certificate of occupancy. Mr. Hieftje said that DDA support would help the project get tax credits and other funds. The connection between this project and downtown was noted, as many of the future residents will work downtown, and all of these residents would use the downtown. Mr. Mouat expressed concern that the DDA would be fully obligating its Housing Fund with this grant, and that it would cost much less to spend funds on existing units rather than on new construction. Ms. Smith said that this project enabled the DDA to encourage new development. Ms. Walsh said that the DDA funds are local dollars which are needed for state funds. Mr. Hieftje agreed, encouraging that the grant be approved so DDA dollars could leverage state funds.

A vote on the motion to approve the resolution showed:

AYES: Boren, Collins, Gunn, Hieftje, Lowenstein, Mouat, Orr, Smith, Splitt

NAYS: None

Absent: Clark, Hall, Hewitt  
The motion carried.

DDA annual retreat: Mr. Collins said that Board members should provide information to staff on their availability so this session could be scheduled.

Municipal Center tour: Approximately a half dozen DDA representatives took a hard-hat tour of the new building.

Library Lot RFP: Committee discussed the proposals received by the City. There was strong committee consensus that an expert real estate consultant be hired by the City to advise it through the process of selection and negotiating. Critical issues to be assessed include determining if the projects are financially feasible, assessing if the developers have the capacity to complete their projects as proposed, and selecting the project which will provide the most benefit to the downtown as well as highest financial return to the city. Mr. Splitt and Council member Teall brought this question to the RFP Advisory Committee and there was strong support to pursue hiring a consultant.

## **7. TRANSPORTATION COMMITTEE**

Pedestrian counts/satisfaction: Mr. Mouat said the Committee continued work on its list of possible projects and surveyed itself to determine areas of greatest interest. They are: minimizing sidewalk obstructions, trees/urban greenery, and minimizing trip hazards. The committee will develop specific tactics to meet these strategies at the next meeting.

Transportation/Parking Demand Management: The Transportation and Operations Committee met together to formulate goals: encourage even greater use of sustainable transportation choices and even greater efficiencies in our parking system by spreading demand. It was agreed that the Transportation Committee will work to support the creation and use of more sustainable transportation options, the Operations Committee will develop strategies to use parking prices to provide more parking choices, and both committees will share the task of developing ways for patrons to get more information about their parking use.

## **8. OPERATIONS COMMITTEE**

Parking Study. Ms. Gunn said that City Council asked the DDA to provide it with a comprehensive public parking plan by late April, and work has begun on this project.

350 S. Fifth Avenue lot. Ms. Gunn moved and Ms. Smith seconded the following resolution:

### **RESOLUTION TO APPROVE NET REVENUE USES AT 350 S. FIFTH AVENUE (OLD Y PARKING LOT)**

Whereas, On November 13, 2007 City Council voted to request that the DDA demolish the former YMCA building at 350 S. Fifth Avenue, and upon demolition, authorized the DDA to establish a temporary public parking lot;

Whereas, On February 6, 2008 The DDA voted to approve the demolition of the former YMCA building as requested by City Council, and by late summer 2008 a new parking lot had been established for use by the public;

Whereas, The City and DDA have not spelled out a financial arrangement for this parking lot, nor is this lot included as part of the 2005 City/DDA Parking Agreement;

Whereas, On December 21, 2009 City Council voted to approve "Resolution Regarding New Parking Meters", which set forward that the net revenues less parking lot installation costs (excludes demolition costs) for the 350 S. Fifth Avenue (old YMCA ) parking lot, and less parking lot operational costs for this lot be directed to the City's General Fund;

Whereas, The DDA Operations Committee reviewed the December 21, 2009 City Council action and researched to determine that the cost to install the parking lot was approximately \$400,000 which included the cost to install the permeable pavement and other elements that enable 100% of storm water to be captured on site;

Whereas, It will be many years before the lot installation is paid for from parking lot revenues, so the DDA Operations Committee recommends that the DDA provide the City with either a minimum \$100,000/year from parking lot revenues generated at this site, or the net revenues from this site after installation costs and operations costs, whichever is greater, on a quarterly basis beginning with FY 2009/10 fourth quarter;

RESOLVED, The DDA approves a financial arrangement for the 350 S. Fifth Avenue (old YMCA) parking lot with either a minimum \$100,000/year from parking lot revenues generated at this site or the net revenues from this site after installation costs and operations costs, whichever is greater, on a quarterly basis beginning with FY 2009/10 fourth quarter, with funds to be directed to the City's General Fund.

Ms. Smith said that she appreciated the financial arrangement in this resolution, as it honored the goals set forward by City Council in its resolution. Mr. Splitt said that the DDA would eventually get repaid for its installation costs, though it would take a little longer.

A vote on the motion to approve the resolution showed:

AYES: Boren, Collins, Gunn, Hieftje, Lowenstein, Mouat, Orr, Smith, Splitt

NAYS: None

Absent: Clark, Hall, Hewitt

The motion carried.

Parking Pay Stations. Ms. Gunn moved and Ms. Smith seconded the following resolution:

### **RESOLUTION TO PURCHASE AND INSTALL 150 ADDITIONAL PARKING PAY STATIONS**

Whereas, In their 2007 study Nelson/Nygaard recommended that the on-street parking meters be replaced with new multi-space pay stations to improve patron convenience as this equipment allows payment with credit cards, cash and cell phones, and they will support demand management efforts by providing flexible time and location parking rate pricing strategies;

Whereas, The DDA Operations Committee shaped a multi-year plan that would eventually replace core area on-street and parking lot parking meters with 175 interconnected multi-space parking machines;

Whereas, In spring 2008 the DDA distributed an RFP for this equipment, and Digital Payment Technologies was selected as the equipment that would best meet the needs of the Ann Arbor community;

Whereas, The DDA voted to purchase 25 machines in November 2008, and this equipment was installed in summer 2009;

Whereas, In December 2009 the DDA Operations Committee reviewed the operations of the initial installation, including patron survey feedback, and set forward the following recommended installation plan for the remaining 150 parking pay stations and space number markers:

<u>Fiscal year</u>	<u>Percent</u>	<u>Pay Stations</u>	<u>Cost</u>
FY 2010	25%	37	\$ 562,400
FY 2011	50%	75	\$1,140,000
FY 2012	<u>25%</u>	<u>38</u>	<u>\$ 577,600</u>
Total Cost	100%	150	\$2,280,000

RESOLVED, The DDA approves the multi-year purchase and installation of 150 parking pay stations and space number markers with a project budget of \$2,280,000, with these funds to be taken from the DDA 065 Parking Maintenance Fund.

Ms. Smith said that she knows that the pay stations are finding good use, but she heard a complaint from a disabled citizen, and she asked what accommodations exist to assist disabled individuals; Mr. Morehouse said that payment can be made by cell phone, which may make payment easier for some individuals. Mr. Mouat asked if the area around these pay stations could be cleared of snow; Mr. Splitt said that Republic Parking is doing this. Ms. Gunn said that the pay stations are well received; Mr. Splitt said that there are tradeoffs with this equipment, but generally they are very well received.

A vote on the motion to approve the resolution showed:

AYES: Boren, Collins, Gunn, Hieftje, Lowenstein, Orr, Smith, Splitt

NAYS: None

Absent: Clark, Hall, Hewitt

The motion carried.

Pre Pay Parking Rate: Ms. Gunn said that the DDA would be instituting a new \$5 pre-pay entry rate at various parking structures and lots. The primary purpose behind this is to give Republic Parking a tool to use when it anticipates a large concert or other big event is likely to create a problem when hundreds of patrons want to exit at the same time. Even with every cashier booth staffed, after a big event it can take many minutes to move all vehicles through the line, which can be frustrating for parking patrons impatiently sitting in a long line to pay. This pre-pay process is already in place during Art Fair and will be expanded for use more broadly during the year. A secondary benefit to this new pre-paid rate would be to provide a solution at parking facilities with automated equipment where patrons are recurrently breaking exit gates rather than paying to park.

S. Fifth Avenue Project: Mr. Splitt said that steel fabrication for the earth retention system will resume next week. Drilling equipment has been brought to the site. Overhead utility lines are scheduled to be relocated by the end of the month.

Water Mains: Ms. Gunn moved and Mr. Collins seconded the following resolution:

**RESOLUTION TO AUTHORIZE AN ADDITIONAL \$600,000 FOR NEW WATER MAINS UNDER DIVISION STREET, S. FIFTH AVENUE, AND LIBRARY LANE**

Whereas, In August 2009 the DDA approved \$226,000 for three new water mains under Division Street, S. Fifth Avenue, and behind the Library from William Street as part of its S. Fifth Avenue Underground Parking Structure project, but upon bidding, actual costs for the Division Street and S. Fifth Avenue water mains exceeded initial estimates, and a new plan was developed to place the third water main under Library Lane rather than off William Street;

Whereas, The funds approved by the DDA in August 2009 were used to install the water main under Division Street, and additional funds are now needed to complete repairs to Division Street and install the two other water mains under S. Fifth Avenue and Library Lane;

Whereas, These water mains will greatly enhance water flows in the center city area, both improving existing conditions for current residents and commercial enterprises, and providing needed capacity for future downtown development;

Whereas, Plans for this work have been submitted for approval to City staff and a permit will be submitted to the Michigan Department of Water Quality for the water main along Library Lane, with the expectation that work will be constructed in coming months, under the inspection of the City of Ann Arbor's Project Management Unit;

Whereas, It is anticipated that the total cost for the remaining water main work will not exceed \$600,000;

Whereas, These water mains are included in the DDA project budget for the S. Fifth Avenue underground parking structure project, but are not included in the GMP provided by Christman;

Whereas, The DDA Capital Improvements Committee reviewed the costs and installation plans for these water mains and recommends approval;

RESOLVED, The DDA authorizes its Capital Improvements Committee to spend up to \$600,000 to complete road repairs on S. Division, install a new water main under S. Fifth Avenue, and a new water main under Library Lane.

RESOLVED, The DDA Chair, Capital Improvements Committee Chair and Executive Director are authorized to sign the necessary construction contracts, and to take the necessary administrative actions to implement this resolution.

A vote on the motion to approve the resolution showed:

AYES: Boren, Collins, Gunn, Hieftje, Lowenstein, Mouat, Orr, Smith, Splitt

NAYS: None



Absent: Clark, Hall, Hewitt  
The motion carried.

<b>10. EXECUTIVE COMMITTEE</b>
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Updating DDA Bylaws. Mr. Splitt said that as has been reported over the past couple months that the Executive Committee has been reviewing DDA's bylaws. Changes were approved in 2007 but not acted on by City Council and these and other ideas were considered. No action is needed at this time, but the Committee wanted to bring the revised document to the board for discussion, with the plan that the bylaws will come to the DDA for action in February. There was a general discussion of the proposed changes.

Grant to the City For a Library Lot Consultant: Mr. Splitt said that the South 5<sup>th</sup> Ave project includes a large investment in infrastructure to support/encourage redevelopment on this site, including structural support, new water mains, electric infrastructure, and mid-block street. Ms. Smith moved and Ms. Lowenstein seconded the following resolution:

**RESOLUTION PROVIDING A GRANT TO THE CITY OF ANN ARBOR TO HIRE A  
CONSULTANT TO PROVIDE REAL ESTATE ADVICE TO ASSIST WITH THE SELECTION  
OF A DEVELOPER FOR THE S. FIFTH AVENUE (LIBRARY LOT) PROPERTY**

Whereas, A large portion of the DDA's S. Fifth Avenue Underground Parking Structure project are elements that will encourage redevelopment on this site, including structural support, new water mains, electric infrastructure, and midblock street;

Whereas, The City of Ann Arbor distributed an RFP in August 2009 seeking proposals from developers interested in constructing projects on top of the underground parking structure and six proposals were subsequently received;

Whereas, The DDA Partnerships Committee recommended that the Advisory Committee helping City Council with its selection of a preferred developer be asked if there would be benefit to the City hiring a consultant to provide expert real estate advise to assist in the proposal selection process, and DDA heard back that there was support to pursue this assistance;

Whereas, The DDA Executive Committee has reviewed this concept and recommends that the DDA provide the City with a \$50,000 grant for this consultant, because encouraging quality downtown private redevelopment is the mission of the DDA;

RESOLVED, The DDA approves a grant to the City of Ann Arbor for \$50,000 to enable the City to hire a consultant with real estate development expertise to advise it throughout the project selection process for the S. Fifth Avenue (Library Lot) property.

Mr. Splitt said that both the DDA Partnerships Committee and the City RFP Advisory Committee members agreed that it would be advantageous for the City, the downtown, and the community if an expert real estate consultant could be found to assist through the selection and negotiating process for the Library Lot. Ms. Lowenstein said that other similar efforts have gone awry and hopefully this consultant will help the city know which project(s) are financially feasible and will

most benefit the community. Mr. Collins said the DDA is not making the selection about what is being built on top of the library lot, and this grant would enable the City to hire a consultant to help it review the proposals it has received. Mr. Mouat said he was not enamored with the process the City follows to sell/redevelop city property, and that the roles of the DDA and City need to be clarified. Mr. Hieftje said that the City process for its 415 W. Washington property was a success, as the City determined that it didn't want to pursue any of the projects proposed for the site; if it is determined that none of the proposals for the Library Lot are acceptable the City should wait for a more viable and attractive project at some point in the future.

A vote on the motion to approve the resolution showed:

AYES: Boren, Collins, Gunn, Hieftje, Lowenstein, Orr, Smith, Splitt

NAYS: Mouat

Absent: Clark, Hall, Hewitt

The motion carried.

#### **11. OTHER DDA BUSINESS MATTERS**

Offpeak/Overnight Monthly Parking Permit: Mr. Hieftje asked about the possibility of improving the publicity for the DDA's \$30 overnight permit. Ms. Shore explained the getDowntown was promoting the permit and explained that without evening enforcement patrons were not inclined to move from free parking meters to a structure, even if the cost of the permit was so low. It was noted that publicizing the \$30 limited overnight permit will continue and will be included in a larger strategy regarding evening parking needs as part of the Public Parking Plan being developed for City Council.

Mr. Splitt congratulated Mr. Morehouse on his excellent article, "Demand Management Contributes to Vibrancy in Downtown Ann Arbor," published in the December issue of *The Parking Professional*.

#### **12. OTHER AUDIENCE PARTICIPATION**

Mr. Mikus mentioned the on-line DDA board packet was different than the one distributed at the meeting. He also noted the draft of the by-laws did not address the question about the Mayor sending representatives to participate at DDA meetings when he was absent. Mr. Splitt said this latter issue is being reviewed by the Executive committee. Ms. Pollay said that the packet distributed at the board meeting was identical to the online board packet with the exception of the parking revenue report which was inadvertently omitted, and the Old Y lot resolution as the Operations Committee had met just the day before.

#### **13. ADJOURNMENT**

Mr. Hewitt moved and Ms. Gunn seconded adjournment of the meeting at 1:40 PM.

Respectfully submitted,  
Susan Pollay, Executive Director

**PARKING PLAN GOAL:** A STRONG, ATTRACTIVE, VITAL, AND DIVERSE DOWNTOWN AND CORE AREA

**PARKING PLAN OBJECTIVE:** TO MOST EFFECTIVELY USE PUBLIC PARKING AND TRANSPORTATION ALTERNATIVES TO ACCOMPLISH THIS GOAL.

**DDA PUBLIC PARKING PRINCIPLES:**

- Parking is the means to an end, not the end in itself.
- Parking is not a silver bullet - no one ever came downtown to park. But the right balance of parking availability, location and price is essential to downtown's vitality and growth.
- Automobiles are often tagged as the reason for problems in the downtown; but the negative impact of automobiles is usually less a cause than a symptom of faulty planning. Cars make it possible for many people to use and enjoy the downtown.
- Parking is part of a transportation system, and should be understood in that context.
- All parking has value. Thus impulses to provide parking free of charge should be examined in this context, and the end result should far surpass the value of the parking provided.
- It's the people we want downtown, not necessarily their cars. A "menu" should be created and constantly improved upon so people can make choices for themselves about the best way to come to and move through downtown, using such considerations as convenience, price, location, and transportation purpose.
- You can't force people to ride a bus based on economics or restricting availability of parking, because there are too many competing commercial buildings and districts located just a mile or two outside downtown offering plentiful surface parking lots with free parking.
- One of downtown's strengths and appeal is its compact, walkable form, with short blocks, clearly defined street grid, and a dense number of services, businesses, and uses in its core. Well-managed parking enables people to take advantage of these assets.
- The public parking system can and should be operated to be financially self-sustaining, with no need for tax subsidy. The users of the system should pay for the system, including operation, maintenance, repair and eventual additions to the system.
- Public parking policies should be based on data and analysis.
- Parking is very different in an urban environment than in the suburbs, and it is important to understand the differences between these two settings.
- Parking rates should be set to encourage different behaviors.

**DDA-Managed Parking**

**On-street and off-street parking meters**

- Locations – infill where needed and none exist in DDA District, etc.
- Hours of operation – tied into enforcement, including Sundays and holidays
- Pay stations vs. meters - determine which locations need which equipment
- Payment options, including prepaid cards, use of credit/debit cards
- Parking rates - high demand vs. low demand areas and peak vs. off-peak
- Occupancy timing/turnover needs – change by time of day, and by location

- Accessible parking meters– evaluate locations and update as demand and need changes
- Special Event Parking - encourage use of metered lots for special events that attract strong audiences to downtown
- Meter bags – for construction, special events, and street closures
- Council-approved Parking Meter Removal Fee – Assign a value to the permanent removal of meters. Funds to be escrowed for future parking system expansions.
- Moped and motorcycle parking - seasonal and permanent – other new vehicles?
- Bicycle parking and on-street bicycle racks
- Taxi cab zones

#### **Off-street cashiered lots**

- Hours of operation - including Sundays and holidays
- Parking rates – peak and off peak hours
- Merchant validation program – evaluate and explore eliminating and instead offering 1 or 2 hours of free parking in all attended lots & structures
- Flat rate event parking - allow pay on entry for high demand events

#### **Off-street parking structures**

- Hours of operation - including Sundays and holidays
- Parking rates – hourly and peak vs. off-peak
- Merchant validation program – evaluate and explore eliminating and instead offering 1 or 2 hours of free parking in all attended lots & structures
- Early bird specials - roof parking on selected structures
- Multi-tiered cashless payment system – e.g.
  - AVI card – available to all
  - Monthly parking permit with no guaranteed parking in a structure
  - Monthly parking permit with guaranteed parking in a structure
  - Monthly parking permit with guaranteed parking in all structures
- “Shopping zone” hours - alter in campus area to 10:30am

#### **Other DDA parking**

- Communications to the public - DDA website, presentations to Council & public
- Communications to patrons - enable patrons to manage their parking on-line, etc
- Plan for future reductions to the public parking system –eg surface lots redeveloped
- Plan for future additions to the public parking system
- Parking as a tool to support downtown development - contracts, payment-in-lieu
- Coordinate parking with transportation efforts - park & ride lots, go!pass, car pools
- Coordinate parking with UM parking and transportation efforts
- Patron surveys – elicit input on equipment, policies, operations, demand
- Update inventory of downtown private and UM parking lots as needed
- Work with the City to establish its payment-in-lieu policies for developers per its A2D2 zoning changes

### **City-Managed Parking Enforcement**

- Mission Statement - establish the mission statement behind enforcement and determine how to measure success
- Hours of operation & service levels
  - At meters in DDA District in high demand locations
  - At meters in DDA District in lower demand locations
  - At loading zones in DDA District
  - At meters outside the DDA District
  - In Residential Permit Areas outside downtown
  - In other locations not included in Permit Areas (by complaint)
  - Utilizing regular feedback from DDA & others for changes
- Communications to parking patrons– including signage, info on tickets, customer/service training for enforcement personnel
- Communications to the public – e.g. quarterly reporting (GPS?) on enforcement to document whether ticketing in certain areas was overly aggressive
  - E.g, document # staff walked/drove an area on X day doing enforcement
- Parking referees, including policies, staffing, responsiveness standards
- Paint curb “zones” to better delineate hydrants, handicapped spaces, etc.
- Ticket fine amounts - explore escalation in fine amount for recurrent tickets, adjust fine amounts for nuisance vs. more important problems (e.g. blocking a hydrant)
- Ticket processes – referees, payment processes, reporting, feedback loops to evaluate concerns & aid in communications to the public
- City enforcement & UM arrangement – how does this work

#### **Parking in the Near Downtown Areas – develop a plan**

- Residential Permits – increasing or decreasing areas, permit operations, matching costs with revenues
- Meters – determine where needed
- Explore odd/even parking fall-winter to allow for leaf & snow maintenance
- Enforcement and responding to concerns, issues, etc.
- Communication - include residents and other nearby stakeholders, as well as determining if there needs to be a point person or department to “own” the program’s success

#### **Loading Zones**

- Permits
- Enforcement
- Hours of operation in each location
- Loading zone type (eg passenger drop off, loading/unloading, semi vs. UPS trucks) – what is needed, where
- Process for installing/removing new loading zones where needed

#### **Parking in other City neighborhoods**

- Accessible/handicapped parking, including signage
- Enforcement and responding to concerns, issues, etc.

## Special projects –Partnerships with Other Agencies and/or DDA Granted Programs

- DDA & getDowntown: develop a comprehensive nighttime employee parking/transportation plan, and communicate with downtown employers
  - Explore existing and new parking & transportation options, assemble all together in one place
  - develop a communications plan to consistently reach out to workers who work downtown after 5pm
  - To be implemented in tandem with evening enforcement
- DDA & Getdowntown: Curb Your Car Month - build awareness to expand knowledge and use of alternative transportation options\
- DDA & getDowntown: develop a parking strategy for downtown residents, including evening permits, storage parking solutions, and loading zones for loft residents
- AATA, getDowntown, UM, DDA: Develop a coordinated Ypsi/Ann Arbor transportation strategy
  - include new express bus service, evening & weekend transit service
  - package information so all in one place
  - Develop a plan for future east/west commuter train service
- AATA, getDowntown, UM, DDA: Park & Ride Lots - Increase use by downtown workers
  - Enhanced bus service especially at night and on weekends
  - Enhanced communication strategies, including website, signage on site, etc.
- DDA, getDowntown & UM: Zipcars – increase fleet of downtown vehicles in scattered locations
- DDA: Encouraging electric cars and other new fuel vehicles – charging stations, special parking rates or waiver of electric costs.  
DDA, getDowntown: encouraging employers not to hide the cost of parking from employees, including different monthly permit programs
- DDA, getDowntown & AATA: Street level transit information - enhance signage and information at downtown bus stops/hubs and at park & ride lots.
  - E.g electronic info on when the next bus will arrive, map of the bus route, service information
- City & DDA: Home football game parking in parks – could this be done and meet neighborhood needs
  - E.g. these parking revenues are reinvested back into those parks so neighbors benefit and the Parks System can put resources elsewhere.
- City, UM, AATA: Fuller Station Parking – public or UM only, shuttles to downtown & the community
- City, UM, DDA - Interface with UM on parking supply and operations
  - Maintain awareness that UM parking management influences public parking demand and vice versa
- AATA, DDA – transit & pedestrian plan for 300 block of S. 4<sup>th</sup>
  - Rebuild Blake Transit Center building
  - Build out first level of 4<sup>th</sup>/William structure with office for getDowntown, AATA?
  - Electronic messaging on 4<sup>th</sup>/William for Blake users, including next bus, etc.
  - Pedestrian improvements, incl colorful banners, more seating, etc.

**Process Elements to Develop this Comprehensive Parking Plan will Include:**

Electronic surveys asking for opinions on various elements

- Community input
- Targeted requests for feedback (e.g. residents in a neighborhood, merchants, venues with entertainment, etc.)

Focus group meetings to elicit feedback

- General community
- Targeted requests for feedback

Research

- Policies and programs in other Michigan cities (e.g. hours of enforcement, parking rates)
- Policies and programs in similar cities across the U.S.

Nelson/Nygaard hired to help with this project?

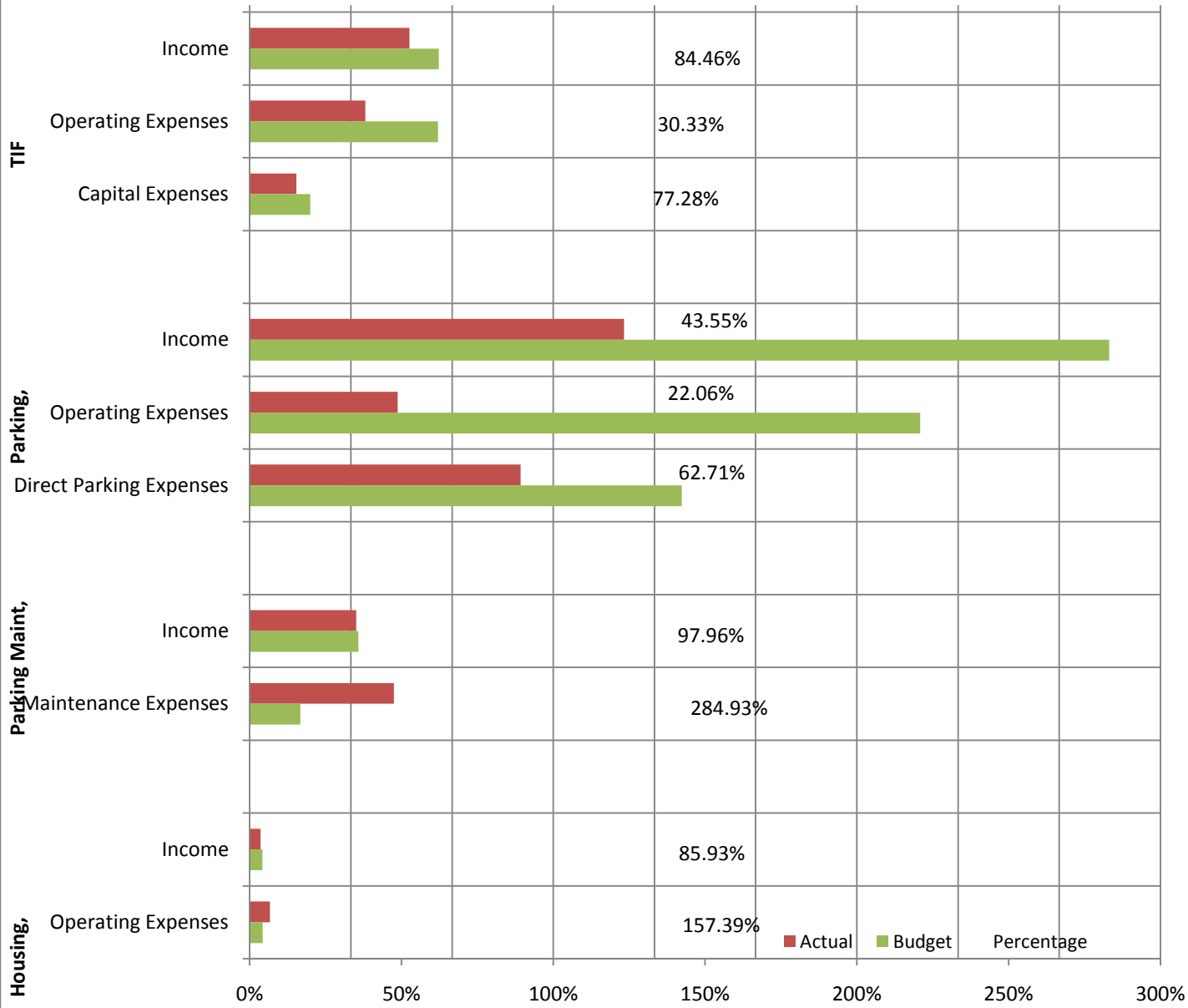
<b>TIF</b>	<u>Y-T-D</u>	<u>Budget Y-T-D</u>	<u>Anticipated at Year End</u>	<u>Budget Year End</u>	<u>Over budget (Under budget)</u>	<u>Amount</u>	<u>% Difference</u>	<u>Reasons</u>
Income	\$3,157,116	\$3,544,929	\$3,544,929	\$3,737,785	Under budget	(\$192,856)	(5.44%)	
Operating Expenses	\$1,289,108	\$2,390,764	\$3,959,746	\$3,722,307	Over budget	\$237,439	6.00%	5th & Division Expenses to be Reimb.
Capital Expenses	\$924,106	\$597,897	\$1,201,338	\$1,195,795	Over budget	\$5,543	0.46%	
Net Expenses	\$2,213,214	\$2,988,661	\$5,161,084	\$4,918,102	Over budget	\$242,982	4.71%	
Net Excess of Revenue Over Expenditures	\$943,902	\$556,268	(\$1,616,155)	(\$1,180,317)	Over budget	(\$435,838)		
<b>Parking</b>	<u>Y-T-D</u>	<u>Budget Y-T-D</u>	<u>Anticipated at Year End</u>	<u>Budgeted Year End</u>	<u>Over budget (Under budget)</u>	<u>Difference</u>	<u>% Difference</u>	<u>Reasons</u>
Income	\$7,399,298	\$8,494,286	\$14,798,596	\$16,988,573	Under budget	(\$2,189,977)	(14.80%)	Rate Increase Approved After Budget 10-Yr. Plan Amount \$15,021,839
Operating Expenses	\$2,923,317	\$8,328,320	\$13,536,279	\$13,254,182	Over budget	\$282,097	2.08%	
Direct Parking Expenses	\$5,356,392	\$5,310,684	\$8,983,340	\$8,541,368	Over budget	\$441,972	4.92%	
Net Expenses	\$8,279,709	\$13,639,004	\$22,519,619	\$21,795,550	Over budget	\$724,069	3.22%	
Net Excess of Revenue Over Expenditures	(\$880,411)	(\$5,144,718)	(\$1,189,622)	(\$4,806,977)	Over budget	(\$2,914,046)		
<b>Parking Maint. Fund</b>	<u>Y-T-D</u>	<u>Budget Y-T-D</u>	<u>Anticipated at Year End</u>	<u>Budgeted Year End</u>	<u>Over budget (Under budget)</u>	<u>Difference</u>	<u>% Difference</u>	<u>Reasons</u>
Income	\$2,104,941	\$2,121,147	\$2,116,277	\$2,148,690	Under budget	(\$32,413)	(1.53%)	
Maintenance Expenses	\$2,852,801	\$500,613	\$1,000,000	\$1,001,227	Under budget	(\$1,227)	(0.12%)	
Net Excess of Revenue Over Expenditures	(\$747,860)	\$1,620,534	\$242,235	(\$871,291)	Under budget	(\$31,186)		
<b>Housing</b>	<u>Y-T-D</u>	<u>Budget Y-T-D</u>	<u>Anticipated at Year End</u>	<u>Budgeted Year End</u>	<u>Over budget (Under budget)</u>	<u>Difference</u>	<u>% Difference</u>	<u>Reasons</u>
Income	\$214,350	\$216,485	\$228,699	\$249,456	Under budget	(\$20,757)	(9.08%)	
Operating Expenses	\$401,335	\$85,000	\$455,000	\$255,000	Over budget	\$200,000	43.96%	2x pmt to Avalon Hse for Grant
Net Excess of Revenue Over Expenditures	(\$186,986)	\$131,485	(\$226,301)	(\$5,544)	Under budget	(\$220,757)		



# Ann Arbor DDA 2nd Qtr FY 2010

Millions

\$0 \$2 \$4 \$6 \$8 \$10 \$12 \$14 \$16 \$18



Comments

Taxes From Aug. 1st Collection

Bond Pmt Not Done Yet

Wayfinding Work Done

Bond Pmts Not Done Yet, Spring Construction Work Not Done

\$2M to City for Parking Maint Was Made

Bond Expenses Not Reimbursed Yet

2 Years of Avalon Grant Made

# Ann Arbor Downtown Development Authority

## TIF Fund Balance Sheet

2nd Qtr FY 2010

	<u>Actual</u>
Assets	
Cash	\$284,418
Investments	\$3,054,552
Accounts Receivable	\$1,619,727
Interfund Receivables	\$2,962,853
Total Assets	<u>\$7,921,550</u>
Total	<u><u>\$7,921,550</u></u>
Liabilities and Equity	
Liabilities	
Accounts Payable	\$308,954
Total	<u>\$308,954</u>
Equity	
Current Years Fund Balance	\$2,251,717
Prior Years Fund Balance	\$5,360,880
Total	<u>\$7,612,597</u>
Total Liabilities and Equity	<u><u>\$7,921,550</u></u>

# Ann Arbor Downtown Development Authority

## TIF Fund Income Statement

For the Period Ending December 31, 2009

Actual	Budget	Difference	%		Y-T-D Act.	Y-T-D Bud.	Diff.	%	Total Budget
<b>REVENUES</b>									
\$46,559	\$0	\$46,559	0.00%	Tax Revenue	\$3,157,116	\$3,544,929	(\$387,813)	(10.94%)	\$3,544,929
\$18,943	\$40,714	(\$21,771)	(53.47%)	Interest Income	\$12,007	\$81,428	(\$69,421)	(85.25%)	\$162,856
\$17,887	\$7,500	\$10,387	138.49%	Miscellaneous Income	\$39,227	\$15,000	\$24,227	161.51%	\$30,000
<u>\$83,389</u>	<u>\$48,214</u>	<u>\$35,175</u>	<u>72.96%</u>	Total Revenues	<u>\$3,208,350</u>	<u>\$3,641,357</u>	<u>(\$433,007)</u>	<u>(11.89%)</u>	<u>\$3,737,785</u>
<b>EXPENSES</b>									
\$23,572	\$23,948	\$375	(1.57%)	Permanent Salaries	\$47,144	\$47,895	\$751	(1.57%)	\$95,790
\$3,956	\$5,000	\$1,044	(20.88%)	Temporary Salaries	\$6,806	\$10,000	\$3,194	(31.94%)	\$20,000
\$11,827	\$13,059	\$1,232	(9.43%)	Employee Fringe Benefits	\$23,655	\$26,118	\$2,464	(9.43%)	\$52,237
\$51,116	\$37,625	(\$13,491)	35.86%	Administrative Expenses	\$87,406	\$95,250	\$7,844	(8.24%)	\$181,750
\$150,611	\$31,250	(\$119,361)	381.96%	Professional Services	\$211,279	\$62,500	(\$148,779)	238.05%	\$125,000
\$44,335	\$37,500	(\$6,835)	18.23%	Insurance	\$44,335	\$37,500	(\$6,835)	18.23%	\$50,000
\$30,068	\$57,500	\$27,432	(47.71%)	General Maintenance Expenses	\$85,068	\$115,000	\$29,932	(26.03%)	\$230,000
\$525,683	\$348,250	(\$177,433)	50.95%	Grants	\$773,416	\$496,500	(\$276,916)	55.77%	\$793,000
\$391,650	\$298,949	(\$92,701)	31.01%	Capital Costs	\$934,106	\$597,897	(\$336,208)	56.23%	\$1,195,795
\$0	\$0	\$0	0.00%	Bond Payments	\$0	\$1,500,000	\$1,500,000	(100.00%)	\$2,174,530
<u>\$1,232,819</u>	<u>\$853,080</u>	<u>(\$379,738)</u>	<u>44.51%</u>	Total	<u>\$2,213,214</u>	<u>\$2,988,661</u>	<u>\$775,447</u>	<u>(25.95%)</u>	<u>\$4,918,102</u>
<u><b>(\$1,149,430)</b></u>	<u><b>(\$804,866)</b></u>	<u><b>(\$344,564)</b></u>	<u><b>42.81%</b></u>	<b>NET SURPLUS/(DEFICIT)</b>	<u><b>\$995,136</b></u>	<u><b>\$652,696</b></u>	<u><b>\$342,440</b></u>	<u><b>52.47%</b></u>	<u><b>(\$1,180,317)</b></u>

# Ann Arbor Downtown Development Authority

## Housing Fund Balance Sheet

2nd Quarter FY 2010

		<u>Actual</u>
Assets		
	Investments	\$1,387,531
	Total Assets	<u>\$1,387,531</u>
	Total	<u><u>\$1,387,531</u></u>
Liabilities and Equity		
Liabilities		
	Interfund Payables	\$1,009
	Total	<u>\$1,009</u>
Equity		
	Current Years Fund Balance	(\$40,640)
	Prior Years Fund Balance	\$1,427,162
	Total	<u>\$1,386,522</u>
	Total Liabilities and Equity	<u><u>\$1,387,531</u></u>

# Ann Arbor Downtown Development Authority

## Housing Fund Income Statement

For the Quarter Ending December 31, 2009

<u>Actual</u>	<u>Budget</u>	<u>Difference</u>	<u>%</u>		<u>Y-T-D Act.</u>	<u>Y-T-D Bud.</u>	<u>Diff.</u>	<u>%</u>	<u>Total Budget</u>
<b>REVENUES</b>									
\$9,937.38	\$12,363.99	(\$2,426.61)	(19.63%)	Interest Income	\$14,349.62	\$16,485.32	(\$2,135.70)	(12.96%)	\$49,456.00
\$200,000.00	\$200,000.00	\$0.00	0.00%	Transfers from Other Funds	\$200,000.00	\$200,000.00	\$0.00	0.00%	\$200,000.00
<u>\$209,937.38</u>	<u>\$212,363.99</u>	<u>(\$2,426.61)</u>	<u>(1.14%)</u>	Total Revenues	<u>\$214,349.62</u>	<u>\$216,485.32</u>	<u>(\$2,135.70)</u>	<u>(0.99%)</u>	<u>\$249,456.00</u>
<b>EXPENSES</b>									
\$1,009.05	\$624.99	(\$384.06)	61.45%	Administrative Expenses	\$1,355.34	\$833.32	(\$522.02)	62.64%	\$2,500.00
\$0.00	\$624.99	\$624.99	(100.00%)	Professional Services	\$0.00	\$833.32	\$833.32	(100.00%)	\$2,500.00
\$0.00	\$62,499.99	\$62,499.99	(100.00%)	Grants	\$200,000.00	\$83,333.32	(\$116,666.68)	140.00%	\$250,000.00
<u>\$1,009.05</u>	<u>\$63,749.97</u>	<u>\$62,740.92</u>	<u>(98.42%)</u>	Total	<u>\$201,355.34</u>	<u>\$84,999.96</u>	<u>(\$116,355.38)</u>	<u>136.89%</u>	<u>\$255,000.00</u>
<u><b>\$208,928.33</b></u>	<u><b>\$148,614.02</b></u>	<u><b>\$60,314.31</b></u>	<u><b>40.58%</b></u>	<b>NET SURPLUS/(DEFICIT)</b>	<u><b>\$12,994.28</b></u>	<u><b>\$131,485.36</b></u>	<u><b>(\$118,491.08)</b></u>	<u><b>(90.12%)</b></u>	<u><b>(\$5,544.00)</b></u>

# Ann Arbor Downtown Development Authority

## Parking Fund Balance Sheet

2nd Quarter FY 2010

	<u>Actual</u>
Assets	
Cash	\$92,447
Investments	\$3,046,139
Accounts Receivable	\$1,858,994
Total Assets	<u>\$4,997,581</u>
Total	<u><u>\$4,997,581</u></u>
Liabilities and Equity	
Liabilities	
Accounts Payable	\$1,066,092
Interfund Payables	\$506,677
Total	<u>\$1,572,769</u>
Equity	
Current Years Fund Balance	(\$2,070,032)
Prior Years Fund Balance	\$5,494,844
Total	<u>\$3,424,812</u>
Total	<u><u>\$4,997,581</u></u>

# Ann Arbor Downtown Development Authority

## Parking Fund Income Statement

For the Quarter Ending December 31, 2009

Actual	Budget	Difference	%		Y-T-D Act.	Y-T-D Bud.	Diff.	%	Total Budget
<b>REVENUES</b>									
\$32,067	\$0	\$32,067	0.00%	1st & Washington Parking Revenue	\$63,470	\$0	\$63,470	0.00%	\$0
\$587,156	\$606,243	(\$19,087)	(3.15%)	Maynard Parking Revenue	\$1,132,042	\$1,212,486	(\$80,444)	(6.63%)	\$2,424,972
\$181,630	\$203,771	(\$22,141)	(10.87%)	4th & Washington Parking Revenue	\$356,849	\$407,541	(\$50,692)	(12.44%)	\$815,082
\$330,513	\$466,584	(\$136,071)	(29.16%)	Forest Avenue Parking Revenue	\$638,767	\$933,168	(\$294,401)	(31.55%)	\$1,866,336
\$531,743	\$688,990	(\$157,247)	(22.82%)	4th & William Parking Revenue	\$1,082,275	\$1,377,980	(\$295,706)	(21.46%)	\$2,755,961
\$289,319	\$358,803	(\$69,484)	(19.37%)	Liberty Square Parking Revenue	\$617,054	\$717,606	(\$100,552)	(14.01%)	\$1,435,213
\$369,624	\$450,618	(\$80,994)	(17.97%)	Ann Ashley Parking Revenue	\$794,048	\$901,236	(\$107,188)	(11.89%)	\$1,802,472
\$687	\$0	\$687	0.00%	Library Lot Parking Revenue	\$128,750	\$0	\$128,750	0.00%	\$0
\$127,819	\$143,135	(\$15,315)	(10.70%)	Kline Lot Parking Revenue	\$250,570	\$286,269	(\$35,699)	(12.47%)	\$572,538
\$166,675	\$208,280	(\$41,605)	(19.98%)	1st & Huron Parking Revenue	\$339,432	\$416,561	(\$77,129)	(18.52%)	\$833,122
\$28,700	\$36,998	(\$8,298)	(22.43%)	5th & Huron Parking Revenue	\$57,680	\$73,996	(\$16,316)	(22.05%)	\$147,992
\$10,270	\$37,289	(\$27,019)	(72.46%)	1st & William Parking Revenue	\$60,895	\$74,579	(\$13,684)	(18.35%)	\$149,158
\$6,038	\$11,229	(\$5,191)	(46.23%)	Fingerle Lot	\$21,153	\$22,457	(\$1,305)	(5.81%)	\$44,915
\$41,582	\$20,792	\$20,790	99.99%	415 W. Washington	\$75,835	\$41,583	\$34,252	82.37%	\$83,166
\$75,948	\$0	\$75,948	0.00%	Fifth & William	\$112,446	\$0	\$112,446	0.00%	\$0
\$0	(\$3,125)	\$3,125	(100.00%)	Valet Service	\$0	(\$6,250)	\$6,250	(100.00%)	(\$12,500)
\$729,457	\$858,098	(\$128,641)	(14.99%)	Parking Meter Revenue	\$1,436,784	\$1,716,195	(\$279,412)	(16.28%)	\$3,432,391
\$112,360	\$135,654	(\$23,294)	(17.17%)	Meter Bag Revenue	\$221,952	\$271,307	(\$49,356)	(18.19%)	\$542,615
\$27,851	\$23,785	\$4,066	17.10%	Interest Earned	\$9,298	\$47,570	(\$38,272)	(80.45%)	\$95,140
<b>\$3,649,438</b>	<b>\$4,247,143</b>	<b>(\$597,705)</b>	<b>(14.07%)</b>	<b>Total Revenues</b>	<b>\$7,399,298</b>	<b>\$8,494,286</b>	<b>(\$1,094,988)</b>	<b>(12.89%)</b>	<b>\$16,988,573</b>
<b>EXPENSES</b>									
\$34,308	\$34,505	\$197	(0.57%)	Permanent Salaries	\$68,616	\$69,010	\$394	(0.57%)	\$138,020
\$3,956	\$2,125	(\$1,831)	86.18%	Temporary Salaries	\$6,806	\$4,250	(\$2,556)	60.14%	\$8,500
\$14,790	\$15,370	\$580	(3.77%)	Employee Fringe Benefits	\$29,580	\$30,740	\$1,159	(3.77%)	\$61,480
\$58,550	\$43,875	(\$14,675)	33.45%	Administrative Expenses	\$101,077	\$87,750	(\$13,327)	15.19%	\$177,000
\$93,402	\$21,250	(\$72,152)	339.54%	Professional Services	\$157,331	\$42,500	(\$114,831)	270.19%	\$85,000
\$12,767	\$15,000	\$2,233	(14.89%)	Insurance	\$23,253	\$30,000	\$6,747	(22.49%)	\$60,000
\$1,610,557	\$1,635,342	\$24,785	(1.52%)	Direct Parking Expenses	\$5,356,392	\$5,310,684	(\$45,708)	0.86%	\$8,541,368
\$97,919	\$83,668	(\$14,251)	17.03%	Utilities	\$156,501	\$167,337	\$10,836	(6.48%)	\$334,674
\$1,291	\$0	(\$1,291)	0.00%	Facility Maintenance Expenses	\$43,248	\$0	(\$43,248)	0.00%	\$0
\$2,096,766	\$2,243,605	\$146,839	(6.54%)	Grants	\$2,163,471	\$2,393,605	\$230,134	(9.61%)	\$2,693,605
\$167,214	\$1,001,564	\$834,350	(83.30%)	Capital Costs	\$173,434	\$2,003,129	\$1,829,695	(91.34%)	\$4,006,258
\$0	\$0	\$0	0.00%	Bond Payments	\$0	\$3,500,000	\$3,500,000	(100.00%)	\$5,689,645
<b>\$4,191,520</b>	<b>\$5,096,305</b>	<b>\$904,785</b>	<b>(17.75%)</b>	<b>Total Expenses</b>	<b>\$8,279,709</b>	<b>\$13,639,004</b>	<b>\$5,359,295</b>	<b>(39.29%)</b>	<b>\$21,795,550</b>
<b>(\$542,082)</b>	<b>(\$849,162)</b>	<b>\$307,080</b>	<b>(36.16%)</b>	<b>NET SURPLUS/(DEFICIT)</b>	<b>(\$880,411)</b>	<b>(\$5,144,718)</b>	<b>\$4,264,307</b>	<b>(82.89%)</b>	<b>(\$4,806,977)</b>

# Ann Arbor Downtown Development Authority

## Parking Maintenance Fund Income Statement

For the Quarter Ending December 31, 2009

Actual	Budget	Difference	%		Y-T-D Act.	Y-T-D Bud.	Diff.	%	Total Budget
<b>REVENUES</b>									
\$14,255	\$13,771	\$484	3.51%	Interest Income	\$11,336	\$27,542	(\$16,207)	(58.84%)	\$55,085
\$2,093,605	\$2,093,605	\$0	0.00%	Transfers from Other Funds	\$2,093,605	\$2,093,605	\$0	0.00%	\$2,093,605
<u>\$2,107,860</u>	<u>\$2,107,376</u>	<u>\$484</u>	<u>0.02%</u>	<b>Total Revenues</b>	<u>\$2,104,941</u>	<u>\$2,121,147</u>	<u>(\$16,207)</u>	<u>(0.76%)</u>	<u>\$2,148,690</u>
<b>EXPENSES</b>									
\$46	\$0	(\$46)	0.00%	Administrative Expenses	\$46	\$0	(\$46)	0.00%	\$0
\$904,305	\$25,000	(\$879,305)	3517.22%	Professional Services	\$1,026,558	\$50,000	(\$976,558)	1953.12%	\$100,000
\$0	\$0	\$0	0.00%	Direct Parking Expenses	\$3,299	\$0	(\$3,299)	0.00%	\$0
\$33,216	\$27,500	(\$5,716)	20.79%	General Maintenance Expenses	\$54,403	\$55,000	\$597	(1.09%)	\$110,000
\$1,517,600	\$197,807	(\$1,319,794)	667.21%	Capital Costs	\$1,768,496	\$395,613	(\$1,372,882)	347.03%	\$791,227
<u>\$2,455,167</u>	<u>\$250,307</u>	<u>(\$2,204,860)</u>	<u>880.86%</u>	<b>Total</b>	<u>\$2,852,801</u>	<u>\$500,613</u>	<u>(\$2,352,188)</u>	<u>469.86%</u>	<u>\$1,001,227</u>
<u><b>(\$347,307)</b></u>	<u><b>\$1,857,070</b></u>	<u><b>(\$2,204,377)</b></u>	<u><b>(118.70%)</b></u>	<b>NET SURPLUS/(DEFICIT)</b>	<u><b>(\$747,860)</b></u>	<u><b>\$1,620,534</b></u>	<u><b>(\$2,368,394)</b></u>	<u><b>(146.15%)</b></u>	<u><b>\$1,147,463</b></u>









**RESOLUTION TO AUTHORIZE A 2009 YEAR-END MANAGEMENT INCENTIVE FOR REPUBLIC PARKING FOR MANAGEMENT OF DDA PARKING FACILITIES**

Whereas, The DDA entered into a contract with Republic Parking Systems beginning February 1, 2007 for management of the DDA's parking system;

Whereas, According to this contract, Republic's \$200,000 management fees are to be paid in two parts, the first \$150,000 was paid on a monthly basis with the remaining amount to be paid at the year-end as a management incentive based on quantifiable criteria;

Whereas, In calendar year 2009 Republic Parking improved its scores in patron satisfaction, operating surplus, facility cleanliness and greatly improved its dead ticket management;

Whereas, After reviewing Republic's performance, the Operations Committee recommended that the DDA provide Republic with a \$45,000 year-end management incentive out of a possible \$50,000 which is identical to what was approved by the DDA Board in 2008;

RESOLVED, The DDA authorizes a 2009 year-end management incentive of \$45,000 for Republic Parking Systems.

## MEMORANDUM

DATE: January 28, 2010  
TO: DDA Operations Committee  
FROM: Joe Morehouse, Deputy Director  
RE: Management Incentive Recommendation for Republic Parking Systems, Inc.

According to the February 1, 2007 contract between the DDA and Republic Parking Systems, Inc. the parking contractor's fee was calculated to be up to \$200,000 which is less than 1.9% of the total revenue collected by the parking operations (DDA's 2009 Revenues were \$13,826,337). This incentive is paid in two parts. The first part, \$150,000 is paid on a monthly basis. The second amount up to \$50,000 is paid on the anniversary date of the contract based upon how well they performed using the following criteria:

- The level of customer satisfaction as measured by a sampling of users on a bi-monthly basis.
- Increases in the operating surplus as compared to a target level set jointly by the Manager and DDA.
- Cleanliness of the parking facilities as measured by the DDA.
- The reduction and control of "Dead Tickets" by the Manager as measured by the DDA from parking control software.
- General satisfaction of the Manager's performance.

### Results

A. Calendar year 2009 customer surveys with permit and hourly customers. The results are:

<u>2009</u>		<u>2008</u>	
5-Excellent	35.5%	5-Excellent	31.8%
4	30.1%	4	34.9%
3	16.0%	3	19.1%
2	4.8%	2	7.9%
1-Poor	1.5%	1-Poor	3.0%
Non-Responsive	12.1%	Non-Responsive	3.3%

- B. The operating surplus reported by Republic for June 30, 2009 was \$206,517 more than budgeted.
- C. This year the DDA's independent Parking Inspector completed 50 written reports that assessed the cleanliness of the facilities. These ratings averaged 93.4% for the entire system through the December ratings which is an increase over last year's score of 92.1%.
- E. The December 31, 2009 accounts receivable balance for parking permit accounts stood at \$204,037.87. This amount is 55% of our average monthly billing and is well above our target of 5%. This vast majority of this amount came from two accounts which were at least 60 days late.

- F. The Republic dead ticket average was .65% for the year which is a decrease from last year's 1.58%. This is well within the target of 1.75% and a very important indication of good management oversight.

### Overall Assessment

Republic Parking began the past year transitioning from one general manager to another. Tony Bisesi was transferred to Lincoln Nebraska and Mark Lyons was hired to replace him. Mark has brought a lot of parking experience and has been a great help with planning the operational design of the new underground structure. During this year Republic was able to successfully install 37 E-park machines and we plan to install another 37 stations by June 30<sup>th</sup> of this year. Another achievement is the installation of new accounts receivable software and having a smooth transition from the old software while running both systems for three months. While there have been occasional glitches, Republic has worked hard to respond and solve problems in a quick timeframe. Republic also bid out their major service contracts for landscaping and snow removal. This allowed for the continuation of high quality services for less cost to the DDA's bottom line.

Overall Republic has managed the parking system very professionally this year. As in the past they continue to respond to DDA requests in a very timely manner. Some of the areas where this has been seen are in the closing of the Library lot and the handling of afterhours bar patrons at Fourth and William and Fifth and William. All the financial reporting continues to be accurate and complete.

### Recommendation

In recognition of Republic's work this year I would like to recommend that the DDA give Republic a \$45,000 incentive out of the \$50,000 contract fee for 2009. This would be the same amount as last year.

## **RESOLUTION APPROVING AMENDMENTS TO THE DDA BYLAWS**

Whereas, The DDA operates by a set of bylaws that were first approved in 1984 and last amended in 2003;

Whereas, These bylaws name the DDA's officers and their duties, provides details on the DDA annual and regular meetings, rules for quorum, voting, funding requests, committees and conflict of interest;

Whereas, These bylaws may be amended at any regular meeting of the Board by a majority vote, provided that the amendment has been submitted in writing at a previous regular meeting;

Whereas, The DDA Executive Committee has reviewed the document, and recommends changes to clarify the roles of DDA board officers and staff;

Whereas, These recommended amendments were provided to the board for their review and comment at the January 2010 meeting;

**RESOLVED**, The DDA approves DDA bylaw amendments as recommended, and shall forward them onto City Council for approval.

Approved by DDA: 01/10/84  
Approved by City Council: 02/06/84 (R-56-2-84)  
Revised by DDA: 12/01/86  
Approved by City Council: 12/15/86 (R-673-12-86)  
Revised by DDA: 07/14/88  
Approved by City Council: 08/01/88 (R-448-8-88)  
Revised by DDA: 04/13/89; 04/09/92; 10/14/93  
Approved by City Council: 01/21/93 (D-2-87-93)  
Revised by DDA: 06/04/03  
Approved by City Council: 07/07/03 (CA20-07-03)  
Revised by DDA: 12/05/07  
DDA Executive Committee Version: 12/02/09

**BY-LAWS**  
**OF THE DOWNTOWN DEVELOPMENT AUTHORITY**  
**OF THE CITY OF ANN ARBOR**

**Article I - Name**

The name of this authority is the Downtown Development Authority (DDA) of the City of Ann Arbor.

**Article II - Purpose**

The purpose of the Downtown Development Authority is to act in accordance with the provisions of Act 197 of the Public Acts of 1975 as amended. The Authority shall have all the powers which now or hereafter may be conferred by law on authorities organized under this Act. The overall goal of the Authority is to undertake public improvements and other activities that have greatest impact in strengthening the downtown area and attracting new private investments to the DDA area.

**Article III - Officers**

**Section 1.** The officers of the Board shall be a Chair, a vice Chair, a treasurer, and a recording secretary. All officers shall be members of the Board, with the exception of the recording secretary who need not be a member of the Board.

**Section 2 - Removal of Officers.** An officer may be removed by the Board whenever in its judgment the best interest of the Board will be served.

**Section 3 - Chair.** The Chair shall preside at all meetings of the Board and shall discharge the duties as a presiding officer.

**Section 4 - Vice Chair.** In the absence of the Chair or in the event of inability to serve as Chair, the vice Chair shall perform the duties of the Chair and when so acting, shall be



subject to all the restrictions of the Chair.

Section 5 - Treasurer. The treasurer or a designee shall prepare, with the assistance of appropriate City officials, an annual financial report covering the fiscal year of the Authority. The fiscal year of the Authority shall be the same as that of the City, July 1 to June 30. An annual audit will be made each year as part of the regular City audit.

Section 6 - Recording Secretary. The recording secretary or a designee shall attend all meetings of the Board and record all votes and the minutes of all proceedings in a book to be kept for that purpose. The recording secretary shall give, or cause to be given, notice of all meetings of the Board of Directors and shall perform such other duties as may be prescribed by the Board. The recording secretary shall, when authorized by the Board, attest by signature to actions of the Board.

~~Section 7 – Officer Authority. The statements of officer authority in this section represent the full authority of the officers. Except as set forth in this section, officers have no additional authority to act on behalf of the Authority. No officer has the authority to act unilaterally or direct the staff on behalf of the Authority.~~

Section 8 - Delegation of Duties of Officers. In the absence of any officer of the corporation, the Authority may delegate the powers and duties of any officer to any director provided a majority of the Authority then in office concurs therein.

Section 9 - Election of Officers. Nominations shall be made from the floor at the annual meeting in July. The term of office shall be for one year and begin at the close of the annual meeting at which they are elected. No member shall hold more than one office at a time.

Section 10 – DDA Executive Director. The Executive Director shall be responsible for the day-to-day operations of the Authority, including the hiring and conditions of employment of staff; the creation and oversight of financial systems; relations with other governmental entities and the public; and the overall substantive work of the Authority. The Executive Director shall report regularly to the Board on these issues. The Board of Directors shall provide policy direction to the Executive Director and shall review and approve major expenditures. The Executive Director shall serve through a contract approved by the Board. The Executive Director acts on the authority of the Board of Directors as set forward in this document.

#### Article IV - Meetings

Section 1 - Annual Meeting. An annual meeting shall be held the first regular meeting in July at a time and place to be set by the Board. Election of officers shall occur at the annual meeting. If the election of officers does not occur at the annual meeting, the Board shall cause the election to be held at a regular or special meeting of the Board within 90 days of the Annual Meeting.

Section 2 - Regular Meetings. Regular meetings of the Board shall be held at a time and place to be set by the Board. At least six regular meetings per year shall be held. The Board records shall be open to the public. It is expected that each Board member

will attend a minimum of 70% of regular meetings per year as a condition of serving on the DDA Board.

Section 3 - Special Meetings. Special meetings of the Board may be called by the Chair, the vice Chair in the absence of the Chair, or by any three Authority members by giving 24 hours notice of the meeting, stating the purpose of the meeting and by posting a notice 18 hours prior to the meeting in the lobby of City Hall.

Section 4 - Notice of Meetings. All meetings shall be preceded by public notice posted 18 hours prior to the meeting in accordance with Act 267 of the Public Acts of 1976 as amended.

Section 5 - Agenda. The recording secretary shall prepare the agendas for all meetings and send them to the Board members at least 24 hours prior to the meeting. Any member of the Board may request any item to be placed on the agenda.

Section 6 - Quorum and Voting. A majority of the members of the Board in office shall constitute a quorum for the transaction of business. A vote of seven members shall constitute the action of the Board unless the vote of a larger number is required by stature, or elsewhere in these rules. In the event that effective membership is reduced because of a conflict of interest, a majority of the remaining members eligible to vote shall constitute the action of the Board. In no event shall less than five affirmative votes constitute action of the Board.

Section 7 - Rules of Order. Robert's Rules of Order will govern the conduct of all meetings.

Section 8 - Open and Closed Meetings. All regular and special meetings of the Board shall be open to the public. Closed meetings of the Board may be called for purposes listed in the Open Meetings Act 267 of the Public Acts of 1976 as amended if approved by the Authority.

Section 9 - Conflict of Interest. A director who has a conflict of interest in any manner before the Board shall disclose that interest prior to the corporation taking any action with respect to the matter. This disclosure shall become part of the record of the Board's official proceedings. Any member making such disclosure shall then refrain from participating in the Board's decision-making process relative to such matters.

Section 10 - Requests for Funding. The Board may not act upon a request for funding unless the request has been referred to a committee of the Board for review and recommendation. In the event that a committee has not made a recommendation to the Board within 60 days from the time that the request was first presented to the Board, the Board may, by majority vote, bring the proposal to the Board for consideration without benefit of the committee recommendation.

#### Article V - Executive Committee

The officers of the Board, including Chair, Vice Chair, Treasurer and Recording Secretary shall constitute the executive committee. The last former Chair shall be a

non-voting member **and the Executive Director shall be a non-voting ex officio member of this committee.** The executive committee shall have general supervision of the affairs of the Board of Directors of the Authority between its business meetings, fix the hours and place of meetings, make recommendations to the Board, and shall perform such other duties as specified in these By-Laws or as may be specified by the Board.

## Article VI - Board Committees and Advisory Committees

Section 1 - Board Committees. The Board, by resolution, may designate and appoint one or more committees to advise the Board. Committee members shall be members of the Board. **Any board member may serve on any standing committee of the Board.** The Chair of the Board shall appoint the members and select the chair of the Board committees **and will solicit volunteers to chair the standing committees.** ~~In the event that more than one board member asks to be appointed chair of a committee, the committee chair shall be elected by the Board. The chair of each committee will prepare the agenda for that committee's meetings.~~ **Any committee member may add an agenda item to a committee meeting agenda.** The committees may be terminated by vote of the Board. At the annual meeting, the committees will be evaluated and reappointed or dissolved. A majority of the committee will constitute a quorum. A majority of the members present at the meeting at which a quorum is present shall be the action of the committee. As the work of the DDA is done primarily through Committee, it is expected that each Board member will actively serve on at least one committee, and will attend a minimum of 70% of the committee's meetings per year as a condition of remaining on the DDA Board.

Section 2 - Advisory Committees. The Board may, by resolution, authorize the establishment of advisory committees to the Board. The Chair shall select, with the advice and consent of the Board members, the members of each advisory committee. The advisory committees shall elect their own officers and establish rules governing their actions.

## Article VII - Indemnification

Section 1 - Indemnification. Whenever any claim is made or any civil action is commenced against any member, officer or employee of the Authority, or injuries to persons or property caused by the negligence of the officer or employee while in the course of their employment, and while acting within the scope of their authority, the Board may, but is not required, to pay for legal services and also for any judgment or compromised settlement of the claim, pursuant to Act 170 of the Public Acts of 1964 as amended.

Section 2 - Reimbursement. Any indemnification under Section 1 shall be made by the Board only as authorized in the specific case upon a determination that indemnification of the member, employee or officer is proper in circumstances because they have met the applicable standard of conduct set forth in Section 1. Such determination shall be made in either of the following ways:

1. By a majority vote of the members of the Board who were not parties to such action, suit or proceeding, or

2. If such quorum is not obtainable, or even if obtainable, a quorum of disinterested members so directs, supported by the recommendation of legal counsel in a written opinion.

Section 3 - Insurance. The Board may purchase and maintain insurance on behalf of any person who is or was a director, member or officer of the corporation against any liability asserted against the officer or employee and incurred by them in any such capacity or arising out of their status as such, whether or not the Board would have power to indemnify that person against such liability under Sections 1 and 2 of this article.

#### Article VIII - Amendment of By-Laws

These By-Laws may be amended at any regular meeting of the Board by a majority vote, provided that the amendment has been submitted in writing at the previous regular meeting.