To: Steve Powers, City Administrator

From: Susan Pollay, DDA Director

Date: November 22, 2013

Re: Questions Regarding Library Lane Parking Structure Design

Questions have arisen about the design of the Library Lane parking structure, and I've assembled information including a history of the project for you to share with City Council and others who may have an interest.

In spring 2007 the Ann Arbor Discovering Downtown ("A2D2") Parking Strategies Task Force Report stated that there was an immediate need to increase public parking in the downtown. City Council adopted Resolution R-260-6-07 on June 18, 2007, which approved the Parking Policies and Actions recommendations developed by the A2D2 Steering Committee, and directed staff to provide a schedule for implementation of the recommended actions including creating additional public parking.

On November 5, 2007 City Council affirmed in R-07-517 "Resolution Requesting that the Downtown Development Authority Prepare a Written Recommendation for the Construction of an Underground Parking Garage on the City-Owned South Fifth Avenue Parking Lot" that the City's top priority for further additions to the City-owned parking system would be to increase the supply of public parking in the midtown area of downtown. In this resolution, City Council requested that the DDA, in consultation with the Director of the Ann Arbor District Library, issue a specific recommendation to the City Council for the construction of an underground parking garage on the South Fifth Avenue parking lot, including the following components:

- · A minimum of 500 underground parking spaces, at least 150 of which shall be reserved for public hourly parking and not available for monthly permits;
- The possible construction of a new east-west street, including on-street meter parking, running between Fifth Avenue and Division Street, along the south property line of the Fifth Avenue parking lot;
- The underground parking garage shall be designed to support above ground, in the shortterm, surface public parking, and in the long-term, development which could include, but is not limited to, a residential, retail, and/or office building(s) and a public plaza along either Fifth Street or the newly constructed street;

After On January 11, 2008 the DDA responded to this City Council request by providing an extensive report. Among the recommendations and details, the DDA noted that the cost would likely be double the cost to construct an above ground structure. Not only would there be the increased expense of excavation, shoring, ventilation, and additional lighting associated with constructing an underground structure. But to maximize the City's future opportunities on the site including the building(s) they anticipated, the DDA noted that there would be the

added expense to provide elements including a more robust foundation and column support. But despite this added cost, the DDA noted that there is a limited amount of developable land in the downtown, and designing an underground structure with maximimal load bearing capacity would enable the city to construct on top of the structure, thus doubling the potential benefits to the community.

On February 4, 2008 City Council voted to approve R-08-027 "Resolution Authorizing the Downtown Development Authority to Design and Construct an Underground Parking Garage on the City-Owned South Fifth Avenue Parking Lot". In its resolution City Council noted that "the land above an underground parking garage on the South Fifth Avenue lot could be used in the near future to support new residential, retail, and/or office development and open space for public use, thus increasing the number of downtown residents, employees, and visitors, increasing the tax base, creating jobs, and enhancing the experience of being downtown." The DDA was authorized to design and construct an underground parking garage with at least 500 parking spaces, subject to approval by the City Council of the project site plan, which was to include "pedestrian and vehicular circulation between Fifth Avenue and Division Street (Library Lane) along the south property line of the South Fifth Avenue lot, and the underground parking garage shall be designed to support above ground, in the short-term, surface public parking, and in the long-term, development which could include, but is not limited to, a residential, retail, and/or office building(s) and a public plaza."

The DDA spent much of 2008 developing the design of the project structured around this framework provided by City Council. Throughout the design process, information was made available on the DDA website, several public meetings were held, a survey was utilized to receive input from 6,016 survey respondents, and a Planning Commission work session was held with members of the public in attendance. Key input received by the DDA included the value participants placed on safety, environmentally friendly design, pedestrian links to the State Street, Main Street, and Liberty Street areas, and fast in and out for drivers.

City Council held a work session on October 13, 2008 and among the items was a presentation on the Library Lane parking structure design. An element in this presentation was a graphic showing where on the site added structural components would be placed to support the weight of future uses including a large building and a plaza.

On February 17, 2009 City Council approved R-09-061, the DDA's site plan for the Library Lane Parking Structure and authorized the DDA to construct the parking structure as proposed, with the exception that construction of the southern section, under S. Fifth Avenue south of the City property line to William Street, would be deferred until future direction by City Council.

A request has been made that the costs for things like footings be provided. However, City Council's direction from the beginning was to include these elements as part of the structure's purpose, thus their costs were never separated out.

What the DDA did do was as part of its planning to ask its engineers at Carl Walker Inc. to estimate the costs for elements that were and were not directly attributable to the cost of constructing an underground parking structure. The engineer's estimate was that approximately 30% of the total project cost, or approximately \$15 million, were elements unneeded by the parking structure. This included the oversized concrete foundation, the new alley running between S. Fifth Avenue and Library Lane which includes an extra large transformer plus sufficient electrical capacity for an additional future oversized transformer, new larger water mains on the 300 block of S. Division and S. Fifth, and in an easement area in the driveway of a private property to the north of the structure which terminates in a new fire hydrant to serve the fire suppression needs of a future building, and enhanced pedestrian improvements.

The project was paid for in part by a Build for America bond. To assist the bond sale, DDA and City staff needed to label project elements based on how much of the project would be defined as public and how much would be defined as having a potential private use. This has led to confusion over how much of the project was attributable to future development because the definitions were made from a finance perspective, not engineering. Under the project bond, \$5.3 million was assigned to public and non-public improvements to support future development. There was an additional \$9.2 million assigned to "pedestrian improvements", which encompassed the cost for the alley, pedestrian improvements, and the Library Lane portion of the project.

The extra elements designed into the Library Lane site can serve the area around the site as well as a future development on top of the structure. The larger water main on S. Division may be useful to future downtown developments, although this block is within the E. William Street Historic District. The new water main that runs along the driveway to the north of the property line includes a fire hydrant in the interior of the block that will assist the fire department if there were a fire in one of the structures on the block. The larger water main on S. Fifth Avenue runs from Liberty and terminates at the underground structure, thus it isn't available to the AATA site or Library. But in the future the Federal Building may be expanded, and this extra water capacity may be useful to them. Seva restaurant on Liberty Street (and the future business that will take its place) can now can get City solid waste service off the new alley, and the alley is also an improved pedestrian element as part of the walk to Liberty Plaza Park via the back of First Martin's property.

Another question arose recently regarding why an analysis would need to be done if the top of the Library Lane structure were to be covered with a park with extensive amounts of trees and greenery rather than a building for much of the site. Although buildings weigh significantly more than soil and greenery, buildings are designed so that their load is directed vertically at key points through their columns to the foundation. Installing a large park with several feet of wet soil would place a different demand on the concrete than what it was specifically designed for. Before this is done it is recommended that an analysis be done to determine if any modifications would be needed, for instance adding additional bracing between the structure's columns or adding additional waterproofing to protect the concrete.

Another question has arisen whether there have been conversations between the DDA and the adjacent property owners potential future uses that could be placed on stop of the Library Lane structure. The answer to this is yes, there have been many conversations, before and during construction, and now that the structure has been open for over a year. It is very helpful to share information with these neighbors, and to elicit their thoughts and opinions about what they envision would be positive uses installed atop the parking structure someday.