

MINUTES
Downtown Development Authority Special Meeting
Wednesday, October 6, 1999

Place: Hoover Mansion
2015 Washtenaw

Time: The Chair, Lorri Sipes, called the meeting to order at 11:30 AM

Roll Call

Present: Rob Aldrich, Fred Beal, Neal Berlin, Ron Dankert, Dave DeVarti , David Fritz, Bob Gillett, Leah Gunn, Karl Pohrt, Lorri Sipes, Skip Ungrodt

Absent: Maria Harshe

Staff Susan Pollay, Executive Director

Present: Joseph Morehouse, Fiscal and Administrative Manager

Audience: Ray Detter, Citizens Advisory Council
Cathy O'Donnell, Ann Arbor News

2. New Business

Parking Partnerships-Main/Packard Subcommittee

Mr. Gillette moved, and Ms. Gunn supported, the following resolution:

RESOLUTION OF SUPPORT FOR AGREEMENT BETWEEN SYNDECO REALTY CORPORATION AND THE ANN ARBOR DOWNTOWN DEVELOPMENT AUTHORITY FOR A DEVELOPMENT AT MAIN/PACKARD

Whereas, The City outlined five goals in its RFP for the development of the City-owned land at Main and Packard Streets, including residential use, below-grade parking for the needs of the buildings, taller building elements at the crest of the slope along Main Street with a lower profile along Ashley Street, pedestrian-friendly design on both street frontages, and a sale price consistent with current land values;

Whereas, Syndeco Realty Corporation (Syndeco) has come to agreement with the City of Ann Arbor to purchase the City-owned land at Main and Packard Streets for \$400,000;

Whereas, As part of this agreement, Syndeco will provide the City with 8 units of affordable housing to be purchased by the City for an agreed-upon price of \$96,000 per unit;

Whereas, Syndeco will build 120 units of underground parking without any financial contribution from the City or the DDA;

Whereas, Syndeco will combine the City land with adjacent parcels to construct 51 residential brownstone units, in addition to a nine-story mixed-use commercial/residential/office building, which will bring at least 100 new downtown residents and 200 office workers to downtown Ann Arbor;

Whereas, The project will also create an attractive public walkway and plaza between S. Ashley and S. Main Street;

Whereas, The DDA has been asked to provide assistance to enable this project to go forward; and

Whereas, The DDA Development Plan states that one of the goals of the DDA is to help facilitate the sale of the City's Main & Packard parcel;

RESOLVED, The DDA will make available up to 100 spaces of monthly permit parking to Syndeco at the Fourth and William parking structure at market rate and will encourage the City to contract with Syndeco for these parking permits;

RESOLVED, The DDA will provide Syndeco with a contribution from its Housing Fund to support the housing aspects of this development in the amount of \$75,000;

RESOLVED, The DDA will provide Syndeco with \$589,800 for the construction of the pedestrian improvements associated with this project, including streetscape improvements along S. Ashley and S. Main Streets, as well as on the Mews and on the Pedestrian Plaza, with the understanding that Syndeco/Ashley Mews will be responsible to maintain the Mews improvements on an on-going basis;

RESOLVED, The DDA will provide this support contingent upon the DDA reaching an agreement with Detroit Edison clarifying Detroit Edison's commitment to share on a pro rata basis in all future repairs and capital improvements for the Fourth & William parking structure;

RESOLVED, The DDA's support of this project is contingent upon final approval of the project as recommended by the Planning Commission on August 18, 1999; and

RESOLVED, The DDA Chair, Main/Packard Committee Chair, Executive Director, and legal counsel are authorized to pursue discussions with Syndeco to bring an Agreement between Syndeco and the DDA to conclusion.

Mr. Beal stressed that the Board must come up with a set of criteria that projects must meet in order to receive support from the DDA.

A vote on the motion showed:

AYES:	Berlin, Dankert, DeVarti, Fritz, Gillett, Gunn, Pohrt, Sipes
NAYS:	Aldrich
Abstentions:	Beal, Ungrodt
Absent:	Harshe

The motion carried

Housing Committee

Ms. Gunn moved, and Mr. Fritz supported, the following resolution:

**RESOLUTION PROVIDING FUNDS TO ASSIST WITH THE RESTORATION OF THE
MICHIGAN THEATER FACADE**

Whereas, The Ann Arbor Downtown Development Authority Plan includes the Michigan Theater as an important existing public land use in the DDA District owned by the City of Ann Arbor;

Whereas, The DDA Plan also sets forward the objective that the DDA shall work to “retain historic and/or architecturally significant buildings having potential for activities consistent with development objectives”;

Whereas, The Michigan Theater Foundation has undertaken a \$4.4 million capital campaign to restore and renovate the Theater, including the construction of a new film screen room, replacement of its air conditioning/heating system, and restoration of the marquee and façade back to its original 1928 appearance;

Whereas, The Michigan Theater has nearly met its fund raising goal, having successfully raised all but \$400,000 from a number of private, foundation, corporate, and other sources;

Whereas, The Michigan Theater has requested \$150,000 from the DDA to assist with its efforts to restore the façade;

Whereas, This project would meet the historic preservation objectives of the DDA, and is not intended to be included in the DDA’s anticipated pedestrian improvement project in the State Street Area; and

Whereas, This project might encourage property owners adjacent to the Theater to restore their building facades, greatly enhancing the appearance of the 600 E. Liberty Street block;

RESOLVED, The DDA shall provide the Michigan Theater with \$150,000 from its TIF funds to assist with the restoration of the theater façade.

RESOLVED, The DDA shall also set aside up to \$50,000 (“Grant”) to match financial commitments from Michigan Theater Building Assoc. Ltd. (“Owner”) who own the buildings immediately adjacent to the Michigan Theater should they elect to restore their own building facades to match the improvements commissioned by the Michigan Theater. This Grant is subject, however, to the following terms and conditions:

1. Owner shall, within 180 days of the date of this Resolution, provide DDA written notice (“Notice”) of its intent to apply for this Grant, and which Notice shall include a detailed description of work intended to be performed by Owner (“Work”). DDA, in consultation with the Michigan Theater, shall have reasonable right of approval as to the proposed work.

2. Within 60 days of approval by DDA, Owner shall make appropriate application to the City of Ann Arbor authorities, to the extent required by applicable City codes and ordinances, if any shall be required.
3. That Owner's Work shall be completed within ten months from the date of DDA approval.
4. Payment of Grant shall be made by DDA to Owner upon submission to DDA of reasonable invoices for Work (which may include architectural or design service fees.)

After a short discussion, a vote was called for.

A vote on the motion showed:

AYES:	Aldrich, Beal, Berlin, Dankert, DeVarti, Fritz, Gillett, Gunn, Pohrt, Ungrodt
NAYS:	None
ABSTENTION:	Sipes
ABSENT:	Harshe

The motion carried.

Ms. Gunn moved, and Mr. Aldrich supported, the following resolution:

**RESOLUTION TO PROVIDE FUNDING SUPPORT TO THE
INFORMATION TECHNOLOGY ZONE AND VENTURE RESOURCE CENTER**

Whereas, The overall goal of the Ann Arbor DDA Development Plan is to undertake public improvements that have the greatest impact in strengthening the downtown area and attracting new private investments;

Whereas, The Information Technology Zone (IT Zone) "Launch Pad" Venture Resource Center, located in the Michigan Square Building, will function as a place where new and established high tech business owners can obtain services, utilize conference room and display facilities, make client presentations, meet information technology service providers and potential investors, and meet with others in related businesses;

Whereas, The Launch Pad is intended as the first step toward establishing Washtenaw County as a nationally-recognized center for IT development and commercial application, and is an important component toward securing a state grant which would enable the development of a fiber optic network which will provide faster connectivity to the Internet;

Whereas, The IT Zone is a collaborative effort between the University of Michigan, the Washtenaw Development Council, the Ann Arbor Chamber of Commerce, and several local business leaders;

Whereas, The DDA has been asked to provide \$50,000 in 1999 and \$50,000 in 2000 for project support funding; and

Whereas, IT Zone Launch Pad would be available to the public, and DDA support is intended to leverage additional private contributions;

RESOLVED, The DDA shall provide \$50,000 in 1999 and \$50,000 in 2000 for project support funding for the IT Zone.

Mr. DeVarti stated his concern that this project does not have any type of business plan that will be followed. Mr. Beal asked the Board why they should support such a "Booming" business.

Ms. Gunn moved and Mr. Gillett seconded a motion to table the resolution.

A vote on the motion to table showed:

AYES: Aldrich, Beal, Berlin, Dankert, DeVarti, Fritz, Gillett, Gunn, Pohrt, Sipes, Ungrodt

NAYS: None

ABSENT: Harshe

The motion to table carried.

Mr. DeVarti moved and Mr. Gillett seconded a motion to grant Gallery 212 \$15,000 towards the moving of one of the Willard properties, if a site could be found by October 31, 1999.

3. Adjournment

There being no other business the meeting was adjourned at 12:45 p.m.

Respectfully submitted,

Susan Pollay, Executive Director
Secretary