



TO: Mayor and Council

FROM: Sumedh Bahl, Community Services Area Administrator
Tom Crawford, CFO
Kelly Beck, Employee Benefits Supervisor

CC: Steven D. Powers, City Administrator

SUBJECT: Council Agenda Responses

DATE: 8/18/14

CA-3 - Resolution to Approve the Closing of Maynard Street for the Barracuda Networks BBQ on Wednesday, September 10, 2014

Question: Regarding CA-3, the last paragraph in the cover memo indicates that “if necessary, the sponsor will submit an application for approval from the Michigan Liquor Control Commission for temporary sales....” Can you please clarify that and provide any updates on the status of that aspect (serving alcohol) of Barracuda’s request. (Councilmember Lumm)

Response: The applicant stated in the application that they intend to serve alcohol at the event. The City told the applicant to contact the Michigan Liquor Control Commission to confirm if they need a liquor license even if they wish to serve only. We have confirmed with the applicant and they will not be serving any alcohol at the event.

C-1 – An Ordinance to Amend Chapter 55 (Zoning), Rezoning of 0.38 Acres from PUD (Planned Unit Development District) to D2 (Downtown Interface District) with a Secondary Street Building Frontage, 121 Kingsley West Rezoning, 121 West Kingsley Street (CPC Recommendation – Technical Denial: 5 Yeas and 0 Nays)

Question: Why does the staff report reference the S. State St. plan and "surrounding RE zoning district"? (Councilmember Warpehoski)

Response: Inadvertently, a draft version of the report was attached and is being replaced with the correct version.

C – 2 – An Ordinance to Amend Sections 7:154 and 7:159 of Chapter 85 (Taxicabs) of Title VII of the Code of the City of Ann Arbor and to Add a New Section, Which New Section Shall be Designated as Section 7:159a [Revised Standards for Meter Rates]

Question: How does this ordinance change help create a competitive rate schedule for taxi passengers? What is the problem being addressed? (Councilmember Briere)

Response: The local taxicab industry has complained that the City’s existing rates are not adjusted high enough or frequently enough to reflect the changes in their operating costs. The Taxicab Board has historically recommended rate adjustments to Council based on changes in the cost of fuel and has been more responsive than most communities in this regard. The local companies would like to differentiate their respective businesses with rates in addition to the other aspects of the service they deliver.

The proposed amendment would permit each company to levy a consistent fare across their metered fleet. Since each company can determine their own meter rate if it is appropriately advertised and each company must compete with other transportation companies for customers, staff anticipates a competitive rate environment.

Question: Does the maximum rate set by City Council include fees for baggage as well as passengers, or is there a separate fee for baggage? (Councilmember Petersen)

Response: The maximum rate set by Council includes fees for baggage.

C-3 – An Ordinance to Amend the Title and Sections 7:151, 7:158, 7:163, 7:164, 7:165, 7:167, 7:170, and 7:172 of Chapter 85 (Taxicabs) of Title VII of the Code of The City of Ann Arbor and to Add New Sections, Which New Sections Shall be Designated as 7:154a, and 7:156b [Registration of Non-metered Vehicle Drivers]

Question: In terms of the cease and desist order the City issued to Uber and Lyft in May, can you please elaborate on what has transpired since in terms of the compliance and enforcement aspects of that order. Also, what would the next steps be in that regard if this ordinance is passed and if it doesn’t? (Councilmember Lumm)

Response: To comply with the cease and desist order would require compliance with the Limousine Transportation Act. City ordinance and state law require a chauffeur’s license. No dedicated enforcement action has been taken by police at this time. If the ordinance doesn’t pass, there would be no change from a legal standpoint to the status quo; if it does pass, then registration with the City would be required in addition to

compliance with the Limo Act and having a chauffeur's license. The police may dedicate enforcement in the future.

Question: I have a concern with having different sets of rules for what is essentially the same service and that seems to me what we have with a taxicab ordinance in place that doesn't apply to transportation network companies like Uber and Lyft. For the cities where Uber and Lyft operate and the individual drivers and vehicles are not regulated, what did those cities do in terms of their taxicab regulations? (Councilmember Lumm)

Response: This is still being worked out in many, if not most, cities. Some have issued cease and desist orders, Detroit entered into a temporary operating agreement after issuing cease and desist orders (Detroit had indicated its vehicle for hire ordinance applied). There is no uniform response, but we are in communication with other city attorneys in Michigan and other states as this topic evolves.

Question: Is any data available on the safety record of Uber and Lyft in the cities where they operate? (Councilmember Lumm)

Response: The City does not have the safety records of these companies. The companies have been contacted to see if they'd share this information, but Uber & Lyft are private companies and are not presently required to share this information.

Question: It is my understanding that the vehicle inspection with Uber and Lyft vehicles can be done by a "third party" which is essentially not defined/anyone could do it. Can you please confirm if that is/is not the case? (Councilmember Lumm)

Response: Lyft requires a 19 point vehicle inspection and has indicated they are performed by a driver mentor. It does not appear these are required to be licensed mechanics. Staff was unable to confirm if Uber requires licensed mechanics.

Question: Why is the 6 pt requirement stated twice (7:154a(d) and (j)) (Councilmember Warpehoski)

Response: Paragraph (d) refers to the specific requirement at time of application to be a taxicab driver. Paragraph (j) establishes requirements during the time a person is a licensed driver.

DC-1 – Resolution to Appropriate \$20,000 to Develop a Community-Endorsed Deer Management Plan (8 Votes Required)

Question: Some of the commentary received regarding deer overpopulation has addressed impacts of deer on native flora, but I don't see that reflected in the staff report. Was this element reviewed? If so, what are the results? (Councilmember Warpehoski)

Response: City staff has observed impact on selective species in natural areas but they have not noticed any significant increase in damage from deer over the past 15-20 years. Additionally they have not seen a browse line (eat everything green from the ground up to 6 feet or so off the ground) that one may see with high deer population densities.

DS-1 – Resolution to Approve the Extended Policy with EyeMed Vision Care to Provide Vision Coverage to City Employees and their Eligible Dependents (\$305,828.00)

Question: It is not clear if we conducted an RFP for this fully-insured program this time around and, if not, what makes us comfortable that these premium levels are competitive? (Councilmember Lumm)

Response: Under PA 106, we are required to conduct an RFP for all of the City’s health and welfare plans every 3 years. The most recent RFP was conducted by our Benefits Broker, McGraw Wentworth, in September 2013, in which medical, dental, and vision providers could respond. The responses we received confirmed that EyeMed had the best rates for the vision plan and since they agreed to give us another 4 year rate guarantee after our contract ended June 30, 2014, this was the best choice to move forward with through December 2018.

DS-2 – Resolution to Approve Fuller Park Parking lot Land Lease with the University of Michigan (8 Votes Required)

Question: How many parking spaces are in these three lots? (Councilmember Briere)

Response: Approximately 485 parking spaces.

Question: What is the cost to the University per space/per day or month? I'm interested in comparing the amount of the lease compared to annual leased spaces in the downtown parking structures. (Councilmember Briere)

Response: The cost per space per year is \$161.00, or roughly \$13.50 per month. The parking lots are uncovered and one portion is not paved. The lot is a “yellow permit” lot for University employees. The University charges a \$153.00 or roughly \$12.50 per month for yellow permits. However the University does not have access to the parking on weekends or after 5pm, so effectively the parking lots are leased less than 50% of the year. (Councilmember Briere)

Question: What would the impact to the Parks system be were one or more of these lots not leased to the University? (Councilmember Briere)

Response: The revenue from the lease is recognized in the Parks & Recreation Services General Fund. If the lot(s) were not leased, the corresponding amount of lost

revenue would either have to be generated elsewhere or expenditures decreased to offset the net cost to the General Fund.

Question: Given the rationale behind leasing parking at Fuller (which was to save the bur oak grove, what is the current condition of that grove? Did the City's agreement to let UM park at Fuller result in preservation of this stand of oaks, or not? (Councilmember Briere)

Response: The original rationale for the parking was established in 1993. The Park Advisory Commission requested the Fuller parking lot proposal be tied together with the Fuller/Oak Way right-of-way negotiations to preserve the trees. The agreement resulted in the preservation of the stand of Burr Oaks. They are located on University property so City staff do not have information on the current conditions of the trees, but can contact the University arborist to inquire.

Per the original 1993 agreement, the University continues to use the lot at times so as not to conflict with City park uses. During the part of year when the pool is closed and soccer games are not played there are far more parking spots than needed to accommodate the occasional park user. This leasing presents an opportunity to generate revenue for the City when otherwise the parking lot would go unused or people would park there anyway at no cost.

Question: The language in the agreement related to UM's 2 year renewal option seems confusing to me. It says UM has the option to renew "upon the same terms and conditions", but the next sentence says a "renegotiated rental amount shall be agreed upon." Can you please clarify? (Councilmember Lumm)

Response: The option to renew "*is on the condition*" that a renegotiated lease rental amount be agreed upon for the 2 year renewal period. This allows for the other elements of the agreement to be unchanged while allowing for a fee increase if appropriate at the time of the renewal.

Question: Are there any changes contemplated with respect to responsibilities for maintenance or other operational aspects? (Councilmember Lumm)

Response: Maintenance and operational responsibilities remain the same.