

Title

Resolution Authorizing that the Ann Arbor DDA Develop an Implementation Plan to Redevelop Downtown City-Owned Parcels

Memorandum

Ann Arbor City Council authorized the establishment of the Ann Arbor Downtown Development Authority in 1982 with the mission to undertake public improvements that have the greatest impact in strengthening the downtown area and attracting new private investments. The DDA accomplished a great deal, and in 2003 Ann Arbor City Council authorized an amendment to the DDA Development Plan that extended the DDA's TIF capture until 2033 and set forward new strategies to accomplish the DDA's mission. One of these key strategies is the pursuit of development partnerships in which the DDA set forward that it would strive to encourage downtown development that realizes community goals and objectives.

The DDA is uniquely structured to develop an overarching strategy to develop City-owned downtown properties, to facilitate the process of writing/distributing effective RFPs and RFQs to solicit developer proposals, and to facilitate bringing to City Council proposed development projects on City-owned properties.

SPONSORS: Taylor, Teall, Hohnke

Body

Whereas, The Ann Arbor City Council authorized the establishment of the Ann Arbor DDA in 1982, and reauthorized it in 2003 with the mission to undertake public improvements that have the greatest impact in strengthening the downtown area and attracting new private investments;

Whereas, The DDA is effectively structured to develop an overarching strategy to develop City-owned downtown properties, to facilitate the process of writing and distributing effective requests for proposals ("RFPs") and requests for qualifications ("RFQs") to solicit developer proposals, and to facilitate bringing to City Council proposed development projects on City-owned properties within the DDA ("Parcels");

Whereas, the Downtown Plan recommends that the City "[i]dentify those downtown areas with the highest potential for growth and develop Area Urban Design Plans as advisory, site-specific development guidelines."

Whereas, The Ann Arbor City Council has an interest in the DDA developing a plan to maximize community value of Parcels that includes the following:

- ⑨ Building a parcel-by-parcel downtown development strategy based upon existing planning documents, the Calthorpe and A2D2 processes, future work sessions with City Council, and community meetings and input;
- ⑨ Writing and distributing RFPs and RFQs based on City Council-approved plans, and providing a recommendation to City Council for developer selections and facilitating negotiations for purchase and development agreements;
- ⑨ Ongoing information-sharing with community members and prospective downtown developers about downtown development opportunities,

RESOLVED, City Council authorizes the Ann Arbor DDA to take responsibility for facilitating the process of redeveloping Parcels as follows:

Phase I -- DDA assembles information and brings in development expertise

⑨ Assess potential downtown development sites:

City information

- Planning Department: Consult the Downtown Plan, Central Area Plan, A2D2, and other pertinent City-approved Plans
- Planning Department: Gather zoning, character area, historic district, and other Parcel-specific data
- Public Services: Obtain detailed public infrastructure information for Parcels, including data on adjacent storm, water, and sanitary main capacity, hydrant coverage and other capacity-related information
- City Environmental: Solicit potential Brownfield opportunities and review known environmental issues for each Parcel
- DDA and Planning Department: Map Parcel land use information, including proximity to retail corridors, anchor institutional locations, vehicular and foot traffic estimates, green space, walking distances to landmark destinations

⑨ SPARK USA information

- DDA requests that SPARK provide information on potential state and federal development incentives
- DDA requests that SPARK share information regarding current and potential business interest in downtown Ann Arbor and SPARK's advice on attracting business and development to the downtown

⑨ Professional expertise

- Hire real estate consultant(s) to provide detailed Parcel-specific information, as well as data regarding broader market conditions, including development demand, financing, residential and commercial leasing rates, and current valuations for downtown properties
- Invite Councilmembers, developers, DDA members, planning commissioners, and other interested parties from other jurisdictions to Ann Arbor to explain how their communities successfully redeveloped parcels in their downtowns

Phase II – Visioning Downtown Development

- ⑨ Build upon Calthorpe and A2D2 to develop a Parcel-by-Parcel Plan. Each individual Parcel is not expected to reflect every community goal, but in the aggregate the Parcel-by-Parcel Plan will project a downtown consistent with the community's downtown vision
 - Hold work session(s) with City Council and the City Planning Commission to prioritize Parcel development goals, such as purchase price maximization;

catalyze growth and improvement in adjacent parcels; maximize pedestrian activity; or strong/iconic design characteristics

- Collate relevant data from Calthorpe/A2D2 public meetings and surveys to determine broad community vision
- Conduct public meetings to determine residents' Parcel-level downtown vision
- Solicit UM, EMU, and other higher education faculty to authorize class participation in the visioning process
- Meeting(s) with UM Planning staff to maximize coordination
- Meetings with business and community leaders to obtain their analysis of downtown's strengths and weaknesses, its opportunities and inherent obstacles
- Research development plans and processes in comparable communities

Phase III - Taking these ideas and shaping a strategic plan for City Council approval

- ⑨ Finalize a Parcel-by-Parcel Plan to articulate Parcel-specific desired land uses and design components
 - Draft the Parcel-by-Parcel Plan
 - Confirm the extent of community consensus for the Parcel-by-Parcel Plan through meetings and surveys
 - Hold meetings with business and community stakeholders to determine professional assessment of the Parcel-by-Parcel Plan
 - Revise the Parcel-by-Parcel Plan as needed
 - Meet with Planning Commission and City Council
 - Obtain Planning Commission and City Council approval of the Parcel-by-Parcel Plan, as an amendment to the Downtown Plan

Phase IV – Implement the Parcel-by-Parcel Plan

- ⑨ Pursue Parcel 1
 - Consider/approve DDA incentives, such as parking, affordable housing, pedestrian improvements, and use of DDA TIF
 - Draft RFP with DDA real estate consultant and City Staff
 - Distribute RFP utilizing DDA real estate consultant to ensure wide distribution in, and coordination with, development community
 - Conduct pre-proposal meetings and tours of the Parcel

- Assemble an Advisory Committee consisting of DDA members, City Planning Commission members, community members, development professionals, City Staff, and City Council members
- Advisory Committee conducts Proposal review and developer interviews
- Advisory Committee provides DDA with its recommendation
- DDA reviews and considers Advisory Committee recommendation
- Forward approved recommendation to City Council
- City Council reviews/decides upon DDA proposal recommendation
- DDA consultant assists DDA as DDA and City Staff negotiate purchase and other project details
- City Council reviews and approves agreements to purchase and redevelop Parcel
- City Council reviews and approves the Parcel site plan and site plan development agreement, after receiving a recommendation from the City Planning Commission
- Project constructed

⑨ Repeat with other Parcels

RESOLVED, that for items above requiring City Council approval, the City Administrator shall place such items on the agenda of City Council no later than thirty (30) days after the City Administrator's receipt thereof and determination that such items comply with City requirements. In the event that such item is not voted upon within thirty (30) days of being placed upon the agenda, then at each subsequent meeting of the City Council where the item does not appear on the agenda, the City Administrator during Communications from the City Administrator shall provide a status report as to reasons for the item's failure to appear on the agenda.

RESOLVED, that in light of the DDA's expenditures of Phase IV monies in reliance upon City Council's approval of the Parcel-by-Parcel Plan, any resulting RFP, and the DDA-proposal recommendation, if City Council declines to approve a Parcel site plan for any reason other than the site plan not complying with applicable zoning regulations, then the City of Ann Arbor shall reimburse the DDA for all direct DDA Phase IV costs related to such Parcel.

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