

U-M Paying Its Share to Help City's Infrastructure

By Kate Kellogg

Past issues of *Business to Business* have focused on the many benefits the University of Michigan bestows on its home town. We've looked at groundbreaking research in the life sciences, technology transfer, abundant cultural offerings, and business assistance. Most Ann Arborites hardly need to be told that the U-M enriches their quality of life and adds diversity and intellectual vitality to the community.

But not everyone knows the extent to which the university supports the city's vital infrastructure. In fact, some might even think the institution's operational needs tend to drain city services. It may be time to set the record straight on that score. The University not only pays its fair share but contributes substantial support for many aspects of that infrastructure.

"The University is both a major customer and integral partner with the community in its contribution to our shared infrastructure and resources," says James Kosteva, U-M director of community relations. "The partnership involves all the critical elements of that infrastructure including police and fire protection, water and sewer, road and parking improvements, and property tax revenue."

The numbers bear out this statement. In 2002, The University paid \$14,262,245 to the city and city affiliates, according to the U-M Office of the Vice President for Facilities and Operations. These expenditures included both direct payments for services and monetary values, such as the rent value of the North Campus fire station, which the University provides rent-free to the city.

Property

The university's property rentals and leases contribute to the city and affiliates through direct payments and property

taxes. For example, the U-M paid nearly \$149,000 in 2002 to Ann Arbor Public Schools for the use of the district's parking lots for athletic events. The university's property taxes, imputed in the rental fees of property leased from Ann Arbor, amounted to nearly \$3.5 million in 2002. "That total represents about five percent of the city's total tax revenue," notes Kosteva.

Sewer and Water

The city received more than \$6 million from the University for water and sewer services and connection fees in 2002. That accounts for about 33 percent of the city's total water and sewer revenues, according to Kosteva. Incorporated into the water rate are maintenance costs for the entire system. Thus, the University's payment provides substantial support for the water system throughout the community.

The university recently donated an additional \$600,000 to an analysis of the city's sanitary system to assess its adequacy against current and projected needs. "A sound water and sewer system is critical to all of our operations, whether that means flushing toilets at the stadium or turning on water in the new Life Sciences labs," Kosteva says.

The University also contributes to the city's stormwater control efforts. A one million-gallon stormwater detention basin was built beneath the parking structure of the Life Sciences Institute on Palmer Drive. It is designed to collect stormwater from the surrounding area and remove debris before the water empties into the Huron River. More obvious are the new retention ponds on North Campus between Bonisteel Drive and Fuller Road. "Both projects contribute to reducing the demand on the Huron River and help prevent erosion," says Kosteva. "These approaches to storm water retention serve not only university property but much privately-

held property in the same watershed."

While increases in water rates have been fairly consistent with the rate of inflation, the city's connection and tap-in fees have risen more dramatically. "The university is currently engaged in conversations with the city about appropriate levels for these fees and whether the significant increases are justified," says Kosteva.

Police

Town/gown cooperation is especially necessary in the area of police protection. The city received more than \$102,000 from the U-M in 2002 for supplemental police services during special events such as football games. The university's own 56 police officers in turn provide assistance to the city police force when called upon as part of a county-wide mutual aid agreement.

The university established its own police force in 1992. Its presence in the community "adds another large collection of police officers to respond in cases of large-scale emergencies," says Diane Brown, senior information officer for facilities and operations. Many of the U-M police are bilingual and have assisted Ann Arbor police on occasions that call for language translation. The U-M police force has two canines which are double-trained to detect explosives and track people. Outside law enforcement agencies regularly call upon the services of these valuable police dogs, says Brown.

U-M police participate in a holiday joint task force that administers a "click it or ticket" campaign to increase seatbelt use. Also during holidays, they are an integral part of the county-coordinated effort to stop drunk driving. By addressing such problems on property in or near the university, the U-M police help keep the city as well as the U-M safer.

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Through the mutual aid agreement, university police may take on challenges that affect citizens throughout the city. For example, U-M police were asked to help break up gatherings of several hundred people outside local bars this summer. "The more police you have on the scene, the more quickly these crowds will be dispersed without incident," notes Brown. After a recent shooting took place on the northeast side of town, U-M officers supervised the perimeter of the area while city police searched the neighborhood for the gunman.

Whether U-M police are directing traffic at the scene of an off-campus accident, or Ann Arbor police are helping protect protesters at a rally on the Diag, says Brown, "the two agencies work together in devising joint strategies and providing protection."

Capital Improvement

The university has a long history of cooperation with the city in capital improvement projects. The U-M has helped construct and fund projects such as the 1996 Main Street and Stadium Blvd. street-widening project, Fuller Road/Oakway storm sewer project, and the South State Street AATA commuter parking lot, to which U-M also donated the land.

In 2000, the U-M and city jointly constructed the Forest Avenue parking structure and share an ongoing commitment to its maintenance. The university contributed \$5,751,000 in funding and property to the project as a 20-year payment partner.

"This arrangement paints a substantial picture of the university's role not only as a customer but a very aggressive partner in maintenance and enhancement of a part of the infrastructure that has traditionally been supported by municipal funds," says Kosteva.

Over the years, the university has paid half the cost of numerous repaving projects on streets adjacent to university property. The U-M pays an average \$250,000 per year for its share of the

annual city street re-paving program, according to Brown.

The major overhaul of the State Street area is the product of collaborations between the Downtown Development Authority and the university. That project began about five years ago when the DDA commissioned a U-M study of the area. Five U-M schools teamed up to analyze the area's traffic patterns and activities to help the city arrive at a design that was friendly to pedestrians, bicyclists and automobiles.

"The university played an important role in the project by providing top faculty and student talent to undertake that comprehensive study," says Susan Pollay, director of the DDA. "The teams helped us understand the growing importance of the area's night life and other assets. They pointed out ways to improve lighting and opportunities for restoring two-way traffic to one-way streets."

The university also underwrote about \$30,000 of the \$130,000 project, says Pollay. Now in its final phase, the project is culminating with sidewalk and street improvements that extend east from State Street to Thayer Street.

Fire Protection

In the event of a campus fire, the university calls on city fire fighters. Those professionals may come from a city fire station located on Beal Street of the University's North Campus. The U-M provides the fire station rent-free and utility-free to the city at a cost to the university of about \$164,000 per year. Also maintained by the university, the facility services the entire northeast portion of the city. The university recently contributed \$300,000 toward one city fire engines and provides direct support for other equipment.

Key individuals in the university's Department of Public Safety work to ensure that those fire engines are needed as little as possible on campus. The U-M Fire Marshall and two fire safety inspectors work with all schools and

colleges and construction personnel to create fire prevention plans and escape routes for campus buildings. They coordinate fire prevention education programs and fire drills with university faculty and staff. The fire marshal and inspectors also serve as liaisons to the city fire department and keep them posted on construction activity that might necessitate changes in their routes, says Brown, of U-M Facilities and Operations.

"Fire prevention is especially important for our more complicated lab environments," says Brown. "Our marshal and inspectors see that anyone who works in a lab is well trained in dealing with fire alarms. That includes minimizing false alarms that may go off due to our heat-sensitive fire protection equipment. We try to prevent the city from sending out three fire trucks only to find there was no fire."

Environmental Stewardship

In addition to its commitment to reducing pollution from stormwater runoff, the university constantly monitors its overall environmental performance to the benefit of the outlying community. President Mary Sue Coleman last year formed the Environmental Task Force to create a more sustainable future. The task force recently released a report that identifies areas to monitor and will report progress in this effort on an annual basis. The report will help measure the U-M's performance in the categories of energy use in buildings and transportation, water use, land use, emissions, and material use and solid waste recycling.

The university has a long history of leadership and innovation on environmental issues within its facilities and operations. It recently received the 2004 Environmental Protection Agency and Department of Energy award for "Best Workplace for Commuters" and the 2003 EPA Energy Star Combined Heat and Power Award for resource conservation.