

MEMORANDUM

TO: Library Lot Advisory Committee

FROM: Jayne Miller, Community Services Area Administrator

DATE: December 18, 2009

RE: Library Lot Proposals – RFP Site Development Objectives

The Technical Review Committee has provided an overview and summary of each of the submitted proposals for the Library Lot. This memo provides a summary of the site development objectives that were laid out in the RFP, and how responsive the proposals were to these objectives.

The three Site Development Objectives, as articulated in the RFP for the Library Lot, that the proposals were required to meet are:

1. **Beneficial Use of the Site.** Any proposal for this site must demonstrate a clear benefit to the community and be consistent with the recommendations of the Downtown Plan, and A2D2 initiative. Preference will be given to proposals that incorporate a use (or uses) that provide a publicly available service to the community, for instance, building or open space that may be used for public meetings, recreation, or civic/cultural events.
2. **Environmental Benefits.** The development proposal should incorporate to the greatest extent possible environmentally sensitive design and energy efficiency features that follow Leadership in Energy and Environmental Design (LEED) standards. In addition, the project should propose innovative and environmentally friendly runoff water management and seek to improve water quality.
3. **Financial Return.** The proposal must provide a positive financial return to the City. In the absence of other considerations, the City has a fiduciary responsibility to obtain fair market value upon the sale of City assets. Long-term lease or other property arrangements will be considered, but must meet this financial return criterion.

All six proposals meet the objective of being a beneficial use of the site, however, further analysis of and details for each proposal are needed to fully assess the proposals against the recommendations of the Downtown Plan and the A2D2 initiative as well as to understand how the public space identified in each proposal functions. All six proposals incorporate environmental features, however, further analysis and details are needed to better understand the environmental features of each proposal. Finally, all but two of the proposals meet the financial return objective as stipulated in the RFP. The Ann Arbor Town Square and Ann Arbor Community Commons proposals do not

meet the financial return objective. The Ann Arbor Town Square proposal has agreed to donate \$2.5 million or more, in cash, to the City of Ann Arbor for the development of Ann Arbor Town Square, however, no funds are being provided for the ongoing operational or maintenance costs of the Town Square. In addition, it is unclear if the donated funds are adequate to cover the full costs of development. While a number of possible options for funding are laid out, including the use of public funds, the Ann Arbor Community Commons proposal does not identify how the development of and ongoing operational and maintenance costs of this community common open space will be funded.