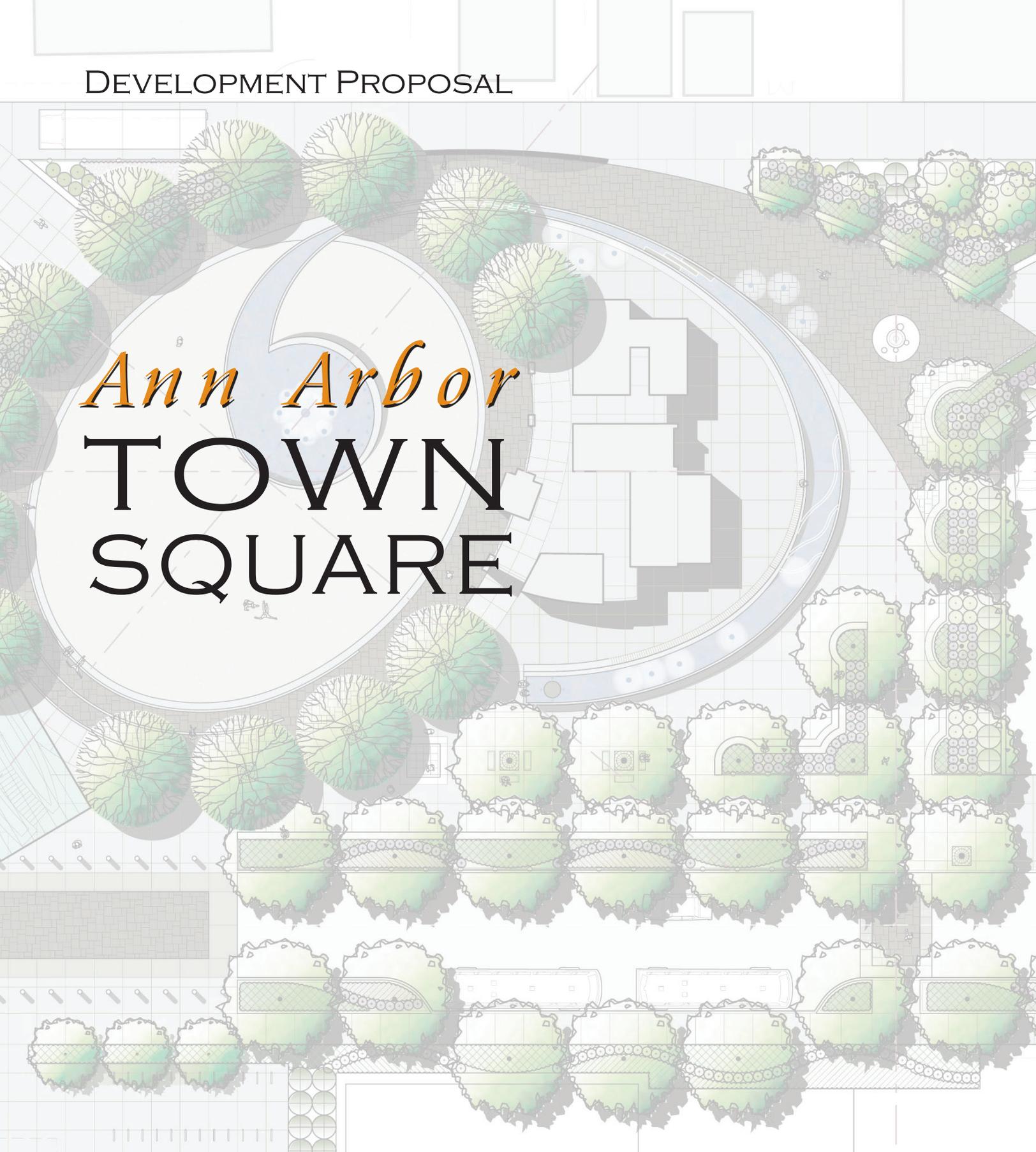


DEVELOPMENT PROPOSAL



Ann Arbor
**TOWN
SQUARE**

City of Ann Arbor, Michigan
Development of City-Owned Property
319 S. Fifth Avenue
RFP – No.743

Submitted By
Dahlmann Apartments Ltd.
300 S. Thayer St. Ann Arbor, MI, 48104

November 13, 2009

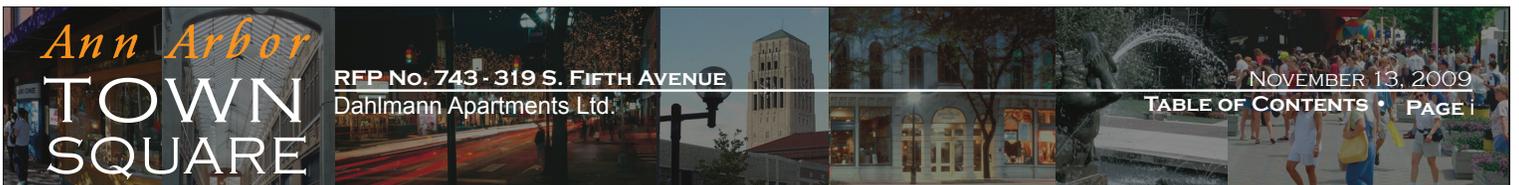
Table of Contents

Section 1	Proposal Statement	1
Section 2	Project Description	2
Section 3	Target Population	7
Section 4	Impact Analysis	8
Section 5	Plans	9
Section 6	Project Schedule	18
Section 7	Development Team	18
Section 8	Overview of Organization	19
Section 9	Professional Qualifications	19
Section 10	Prior Experience with Downtown Infill Projects	19
Section 11	Financial Capacity	25
Section 12	Acquisition Cost Proposal	25
Section 13	Project Financing	25

Appendices

A	Precedent Outdoor and Urban Ice Rinks	26
B	Libraries with Adjacent Parks in Midsize Cities (100,000+ Population)	27

Note: Sections 11 and 12 will be provided under separate cover.



Section 1 Proposal Statement

City of Ann Arbor
Guy C. Larcom Municipal Building
Ann Arbor, Michigan 48107

Ladies and Gentlemen:

The undersigned declares that this Proposal is made in good faith, without fraud or collusion with any person or persons submitting a proposal on the same Contract; that the undersigned has carefully read and examined the "Request for Proposal" documents, including Information and Instructions, Scope of Project, Information Required, all Addenda (if any), and understands them. The undersigned declares that it is fully informed as to the nature of and the conditions relating to the terms of sale of the property. Further, the undersigned declares that it has extensive experience in successfully providing the development services required under the specifications of this Request for Proposal.

The undersigned acknowledges that it has not received or relied upon any representations or warrants of any nature whatsoever from the City of Ann Arbor, its agents or employees, and that this Proposal is based solely upon the undersigned's own independent business judgment.

If the City accepts this Proposal and the undersigned fails to contract and furnish the required earnest money deposit and insurance documentation at the time of execution of the sales contract, then the undersigned shall be considered to have abandoned the Contract. In submitting this Proposal, it is understood that the right is reserved by the City to accept any Proposal, to reject any or all Proposals, to waive irregularities and/or informalities in any Proposal, and to make the award in any manner the City believes to be in its best interest.

COMPANY NAME*: Dahlmann Apartments Ltd.

STREET/P. O. BOX: 300 South Thayer Street

CITY, STATE, AND ZIP CODE: Ann Arbor, Michigan 48104-1608

DATE: November 13, 2009 TELEPHONE: 734.761.7600

FAX: 734.761.9178

AUTHORIZED SIGNATURE: *Dennis A. Dahlmann*

PRINTED NAME OF SIGNER: Dennis A. Dahlmann

TITLE OF SIGNER: President

* NOTE: If the PROPOSER is a corporation, the legal name of the corporation shall be set forth above together with the signature of authorized officer or agents. If PROPOSER is a partnership, the true name of the firm shall be set forth with the signature of the partners authorized to sign contracts on behalf of the partnership. If PROPOSER is an individual, his signature shall be placed above.

*NOTE: Interested Organizations may establish a partnership of more than one Conservation Organization to provide the services identified in the Scope of Services.

As Amended by Ann Arbor City Council on January 23, 2006

Section 2 Project Description

PROJECT VISION

Imagine an active, vibrant downtown gathering place where residents and visitors enjoy themselves throughout the year. Envisioned to become the City's iconic, signature urban open space, the Ann Arbor Town Square (Town Square) will add another cultural layer to Ann Arbor's richly textured urban fabric.

Set within the heart of the downtown, the 1.2-acre Town Square will be located on the top of the new underground parking structure directly north of Ann Arbor District Library (AADL). Designed as a multi-purpose urban park, it will provide a variety of spaces of different scales and textures that will be fully accessible and approachable from all sides of the park. Its unique recreational and social setting will:

- Provide a unique setting for civic functions: Multi-jurisdictional events and activities will be programmed for the park – art venues, small concerts, civic celebrations, festivals, etc.
- Encourage year-round and evening use.
- Demonstrate the community's environmental commitment through sustainable design elements including artistic sculptural wind turbines, storm water recycling, recycled materials and native plant materials.
- Consider functionality, durability and maintenance.
- Encourage active/positive relationships between the park and adjacent civic, residential and commercial land uses.
- Complement AADL's mission and programs by providing both outdoor reading rooms for library patrons and special programs.
- Provide a balance between active and passive uses.
- Accommodate security concerns with ambient lighting and extremely well lit spaces, and clear, open sight lines for visibility into and throughout the park.

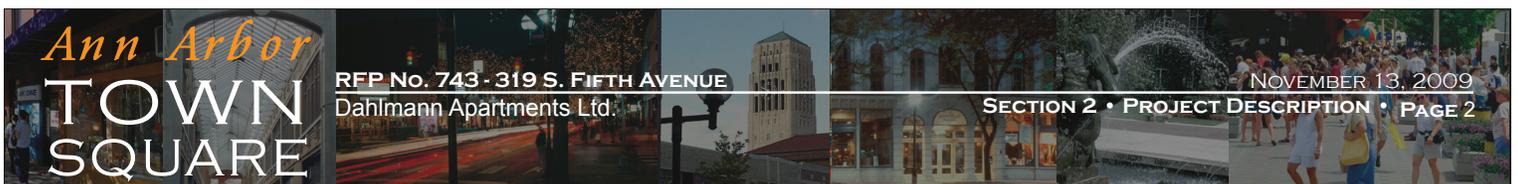
PROJECT PROGRAM

Multi-purpose, flexible spaces are strategically designed to optimize the activity and functionality of the park¹. The vision for the Town Square includes the following program elements:

- The Great Lawn: A large, flexible multi-purpose lawn area will be used for concert venues, informal activities, picnics, celebrations, etc.
- The Spiral Water Feature: Springing from a sculptural glass orb, the water feature will include art, interactive jets, cascading water, wading areas and an elegant granite water wall that will wind through the square and culminate in a spectacular display of dancing water jets in the central fountain set in the Great Lawn.
- Outdoor Ice Rink: Offering a fun winter activity in the heart of downtown, city dwellers and visitors can see and be seen on this new ice rink. Proposed as a rink similar to the one in Detroit's Campus Martius park, the rink will sit on top of the Great Lawn and at approximately 7,000 SF, providing an informal, intimate skating opportunity. This rink, with its unique downtown location, will draw users in the afternoons and evenings from Thanksgiving to late March. As experienced in many other urban outdoor ice rinks throughout the country², visits to the rink will become part of an afternoon or evening in town.

¹ See Section 5 Plans for plans and illustrations reflecting the proposed program.

² Refer to a select list of city parks with ice rinks in Appendix A



- The Creativity Promenade: Surrounding the Great Lawn, the promenade spins its way north from the southwest corner of the Town Square and terminates at the northeast corner where a climbable, playful, life-size bronze Alice in Wonderland sculpture, similar to the one in New York’s Central Park, draws your attention. Lining the north side of the promenade – the innovative outdoor “chalkboard” wall provides a unique opportunity for artists of varying ages and skills to display their creativity. It will be easy to clean with tethered oversize erasers.
- The City Pavilion: At the center of the Town Square, a multi-purpose glass and stone public pavilion will provide many amenities. Indoor space with glass panel doors that can be opened to the outside in the warm months will provide café dining, restrooms, skate rental, seating areas and an indoor/outdoor fireplace. The second floor could be fully accessible by continuing the parking structure stairs and elevators up one more level, providing open dining and seating that look down on the Great Lawn, water feature and ice rink in the winter. The pavilion has been designed for visitors to the Town Square, as well as to offer an active retail opportunity set within the Town Square³. Both the first and second floor, as well as the ice rink and other outdoor areas, would be available for public use for events, meetings and other activities.
- Library Lane Allée: The Town Square has been designed to encourage a variety of passive uses. The double row of trees along the walkway provides shade for the benches and seating areas along the south side of the Town Square, creating a setting for quiet lunches, reading, meeting and conversation among friends.
- The Reading Garden: Libraries and parks are inexorably connected in cities throughout the United States⁴. The proximity of the Town Square to AADL provides an exciting venue to integrate outdoor programs and events with activities related to AADL’s goals. The AADL’s vision statement speaks to “access to cultural, intellectual, recreational, and information resources”⁵ and attracts a wonderful diversity of users who have come to view the AADL as a significant civic gathering place. A new outdoor central gathering place adjacent to the library will complement AADL’s mission and strengthen the library’s community interaction. The proposed reading corner is one of the ways the integration will occur. Designed to be a flexible space, the Reading Garden, can be used by individual visitors and for small group (5- 20) programs run by the AADL or other entities (e.g., the Hands-On- Museum).

PROJECT GOALS

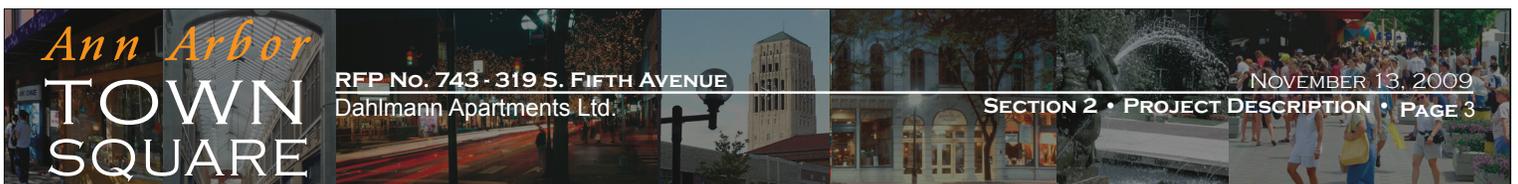
The Town Square will be a public park that will improve the residents’ quality of life and enable them to benefit from property they already own. The benefits of this urban open space include:

- Access to open space for downtown city residents who don’t have their own private yards.
- A setting for public gatherings and cultural events (concerts, art shows, etc).
- An outdoor setting for downtown workers for breaks and lunches.
- Provides opportunity for complementary library programming.
- Provides winter weather activities.
- Encourages healthy lifestyles.
- Public and group availability of the pavilion and ice rink.
- A recognizable meeting place.

³ Example: The Au Bon Pain restaurant in Campus Martius, Detroit

⁴ Refer to a select list in Appendix B

⁵ <http://www.aadl.org/aboutus>



- Direct on-site parking for individuals and events.
- Creates an unique, iconic Ann Arbor sense of identity (the Ann Arbor “postcard”).

The Town Square will meet the site development objectives identified in the RFP and will provide clear benefit to the public specifically as follows:

Objective One: Beneficial Use of the Site

The City of Ann Arbor has long acknowledged that it needs a centralized outdoor civic gathering place. For example, in 1988 the Downtown Plan identified the need for the kind of urban open space that other cities enjoy. In addition to examples throughout the United States, many Michigan cities of similar size and character of Ann Arbor have successful downtown parks (e.g., Birmingham, Kalamazoo, Grand Rapids, Warren, and Plymouth).

Consistency with City’s Strategic Planning Goals

The current Downtown Plan, the Ann Arbor Discovering Downtown (A2D2) initiative and the Open Space Plan 2006-2011 all define the need for additional urban spaces within the core of downtown. The following excerpts from these documents demonstrate this proposal’s consistency with the strategic planning goals for the City of Ann Arbor and support the development of the Town Square:

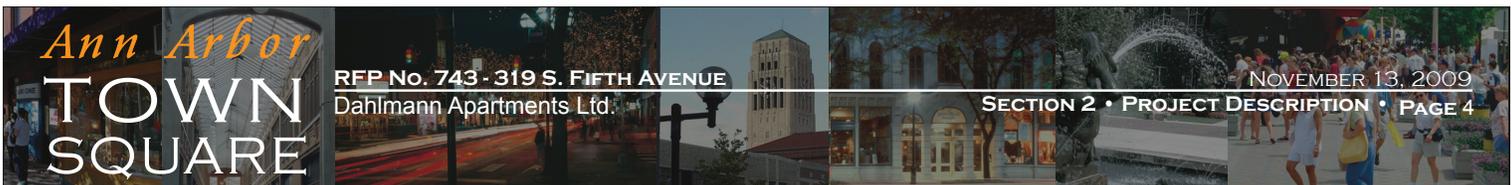
- **“The City must also consider downtown open space objectives in the course of making decisions on the future development of publicly owned parcels. Of particular importance are the opportunities for (1) using a portion of the strategically located “Library” parking lot as an open space and activity focus; ...Recommended Action Strategies (1) Encourage the creation of active, accessible and programmed public spaces within the downtown.”⁶**
- **“Encourage the creation of new public spaces within the Downtown and rehabilitation of existing spaces. Pursue and design a Town Square or central civic area that incorporates an outdoor meeting place, an art center, underground parking, an indoor facility, and mixed-use buildings.”⁷**
- **“the need for additional public gathering space increases, especially considering possible future plans to substantially increase residential density downtown. Public gathering space in the Central Business District can take many forms including urban plazas, pocket parks (also called vest parks), both green and paved, and town squares. These spaces are essential to creating and sustaining the vitality necessary for a healthy city.”⁸**

Objective Two: Environmental Benefit

The Town Square will incorporate many sustainable design and energy efficiency components including:

- Targeted LEED Certification of the City Pavilion.
- Use of LED lighting.
- Utilizing recycled materials.
- Vegetated roof strategies on the parking deck to limit storm water storage.

6 Pedestrian and Open Space System, City of Ann Arbor Downtown Plan , May 2009, Page 39
 7 Recommended Vision & Policy Framework for Downtown Ann Arbor, Downtown Development Strategies Project, Prepared By Calthorpe Associates and Strategic Economics Final revision Feb. 17, 2006, Page 44
 8 Open Space Plan 2006-2011, City of Ann Arbor Parks and Recreation



- Artistic sculptural wind turbines on the City Pavilion roof.
- Recycled storm water for the water feature.
- Exploration of geothermal heat/cooling source for the mechanical systems.
- Green space/plants reduce urban heat island effect and minimizes carbon production.

Objective Three: Financial Return

In addition to the direct financial support proposed in this proposal, the Town Square, like other urban parks throughout the United States, will improve quality of life and have a positive economic impact in the downtown and the community. These impacts include: additional development in and around the Town Square, increased area property values and municipal property tax revenue, and new residents, more visitors and workers. The following examples/statistics demonstrate these benefits:

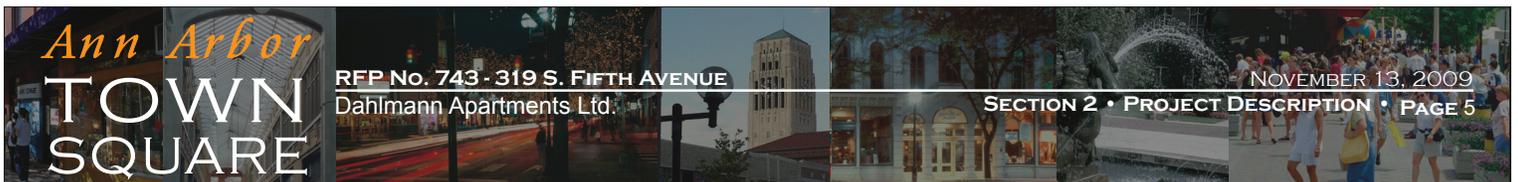
- Post Office Square Park in Boston, MA: For years, a two-acre parcel in the midst of Boston’s business district was occupied by an unsightly concrete parking garage. But in the early 1980s, at the urging of surrounding businesses, the city joined a unique public-private partnership to demolish the structure and create a privately funded underground garage covered by a graceful park. Today, the Park at Post Office Square features a spreading lawn, polished granite walls, teak benches, a 143-foot formal garden, a walk-through sculpture fountain, and a café.

“Post Office Square Park has changed Boston forever,” wrote Boston Globe architecture critic Robert Campbell. “The business district used to be an unfathomable maze of street and building without a center. The park provides that center, and all around it, as if by magic or magnetism, the whole downtown suddenly seems gathered in an orderly array.”

With the parking relocated below ground and the park created on top, it has become a popular gathering spot. “There’s a café there. You can sit in the park. It has become an attractive place where people want to be. And now that people want to be in the park, businesses want to be near it and the value of their property goes up.”

- San Antonio, TX: Riverwalk Park, lined with outdoor cafes, shops, bars, art galleries and hotels, is the most popular attraction for the city’s tourism industry.⁹
- Chattanooga, TN: To lure middle-class residents back to the city, local government, businesses and community groups decided to improve the quality of life by cleaning the air, acquiring open space and creating parks. As a result property values rose more than \$11 million, an increase of 127.5%.⁹
- By 2050, according to the U.S. Census Bureau, approximately 1 in every 4 Americans will be 65 or older, creating an affluent groups of retirees. They are also moving to places as diverse as Wisconsin and Michigan, Colorado and Montana.⁹
- Retirees bring expendable income to their communities, they increase the tax base and are “positive” taxpayers, using fewer services than they pay for through taxes.⁹
- Retirees want communities that provide culture, leisure and recreation amenities in close proximity to their residence.⁹
- Knowledge Workers: “Studies have been conducted to determine what factors are important to talent (knowledge workers) when they are making employment decisions. A survey of 1,200 high

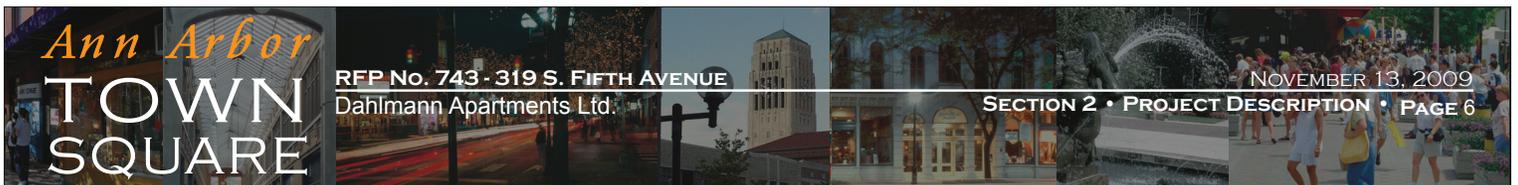
⁹ Article “How Cities Use Parks for Economic Development,” American Planning Association



technology workers found that the quality of life in a community increases attractiveness of a job by 33%. Knowledge workers prefer places with a diverse range of outdoor recreational opportunities. Workers attracted to an area are then positioned to put money back into the local economy through jobs, housing and taxes, which then contribute to parks.”¹⁰

- A survey by the National Association of Realtors revealed that 57% of voters would choose a residence near a park and open space over one that was not.¹⁰
- In addition, the survey found the 50% of voters would be willing to pay 10% more for a residence located near a park with open space.¹⁰
- The National Association of Home Builders found that 65% of purchasers surveyed felt that parks seriously influence them to move to a community.¹⁰

¹⁰ Article “How Cities Use Parks for Economic Development,” American Planning Association



Section 3 Target Population

As an urban open space in the downtown of our city, the Town Square will respond to the general recreational and cultural needs of residents living in the Central Business District, will attract city residents from numerous neighborhoods and will draw from the metropolitan Ann Arbor and regional market areas for special events during peak user times – weekends, holidays, evenings, and the summer months.

DOWNTOWN RESIDENTS

The Central Area Planning District has a population of 33,550 (2000 Census) which is 29% of the city's population and in units per acre is the most dense area of the city. However, the Central Area Planning District contains only 6% of the city's total parkland.

Consequently, a new Town Square will increase park area and recreational opportunities for the currently underserved residents living downtown.

DOWNTOWN WORKERS

Approximately 48,000¹¹ employees work in the downtown area and will be able to enjoy the Town Square on a daily basis.

ANN ARBOR RESIDENTS

Downtown Ann Arbor is already a destination for many residents (114,024 population per the 2000 Census) for shopping, dining, entertainment, education and attending cultural activities. The Town Square will add to the experience of coming downtown and provide them another reason to stay longer.

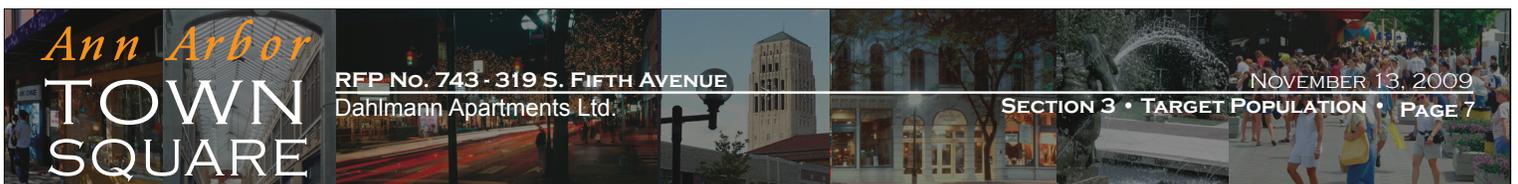
REGIONAL VISITORS

Active, vibrant, well-programmed urban spaces are able to attract visitors from a broad regional market. With downtown Ann Arbor's reputation as a cultural and entertainment destination, the Town Square will attract visitors from throughout Washtenaw County.

DIVERSITY OF USERS

With a wide range of passive and active opportunities, designed in an accessible setting, the Town Square will appeal to users of all ages.

11 Ann Arbor Downtown Parking Study, Phase One Final Report, Downtown Development Authority, Page 2



Section 4 Impact Analysis

The vision of developing a central gathering place within downtown Ann Arbor meets the site development objectives stated in the RFP by providing significant public benefit for the site and demonstrating Ann Arbor's environmental commitment¹².

The Town Square site, currently used as a public surface parking lot, is a 1.2-acre parcel strategically located within the:

- Central Area Planning District
- Central Business District
- Downtown Development Authority District
- Midtown Character Area Overlay Zone

SURROUNDING LAND USE

A variety of land uses exist within the block occupied by the site. To the north, within the East Liberty Historic District, there is a mix of residential and commercial buildings. These include one- and two-story buildings, housing, restaurants, and shops (i.e. Jerusalem Garden and Seva), as well as the new multi-story Loft 322 condominiums. To the east, partially within the East William Historic District, the adjacent land uses are historic houses including the Kempf House. There is also an existing surface parking lot. To the south, the parcel frontage sits next to the Downtown Library.

The adjacent land uses of the Town Square will not be adversely impacted or overshadowed by the proposed height or scale of the proposed park development. Adjacent retail uses will benefit from the proximity of the new open space by drawing more users into the area. Residents will be able to enjoy the view from their residents and use the park regularly. Library visitors will be able to walk through the park from the parking structure and enjoy the active and passive opportunities of the various space.

PUBLIC UTILITIES

Public utility infrastructure will in place to support the Pavilion and Town Square components.

TRAFFIC IMPACT

It is presumed that traffic impact related to the underground public parking structure has already been reviewed and accepted by the City of Ann Arbor. Town Square events and activities will be supported by the location of this on-site parking.

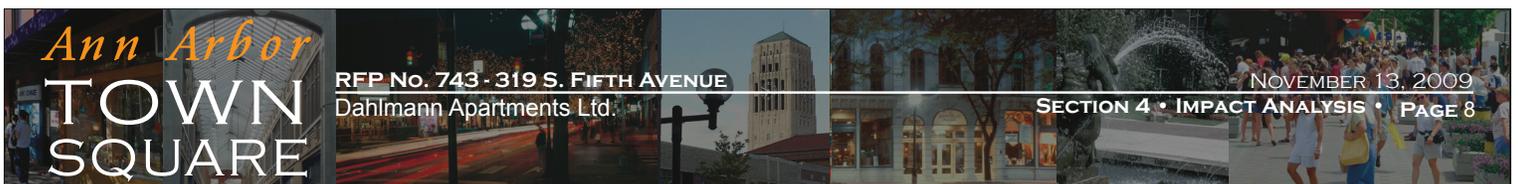
TRANSPORTATION OPTIONS

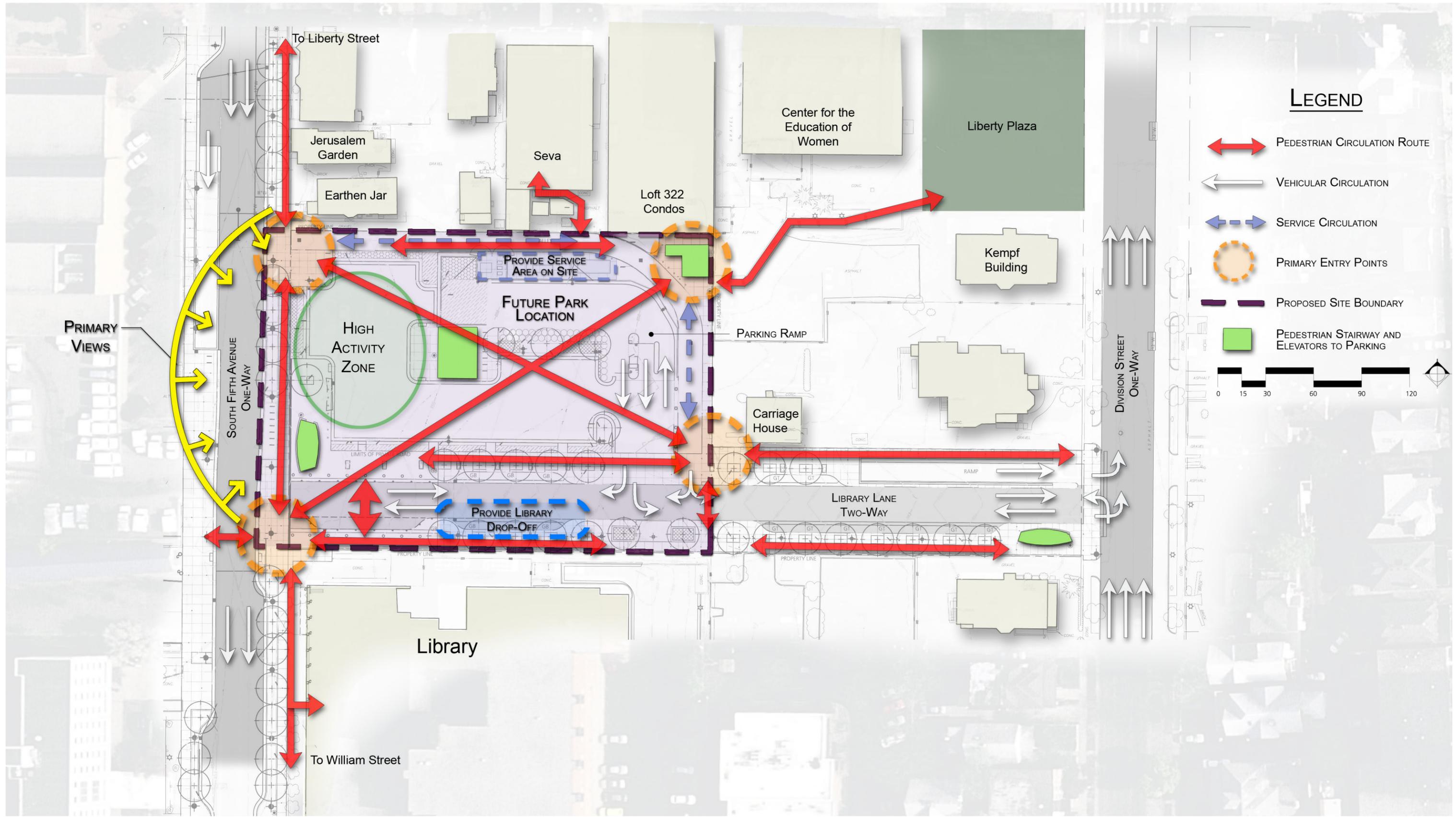
The Town Square is strategically located within walking and bicycling distance of all of downtown's employment, shopping and entertainment opportunities, as well as the University of Michigan's Central Campus and Medical Center. AATA's Blake Transit Center is directly west across Fifth Avenue. As a result, the proposed project is easily accessible by pedestrians, cyclists and transit users.

IMPACT ON PUBLIC SCHOOLS

There will be no impact on public schools.

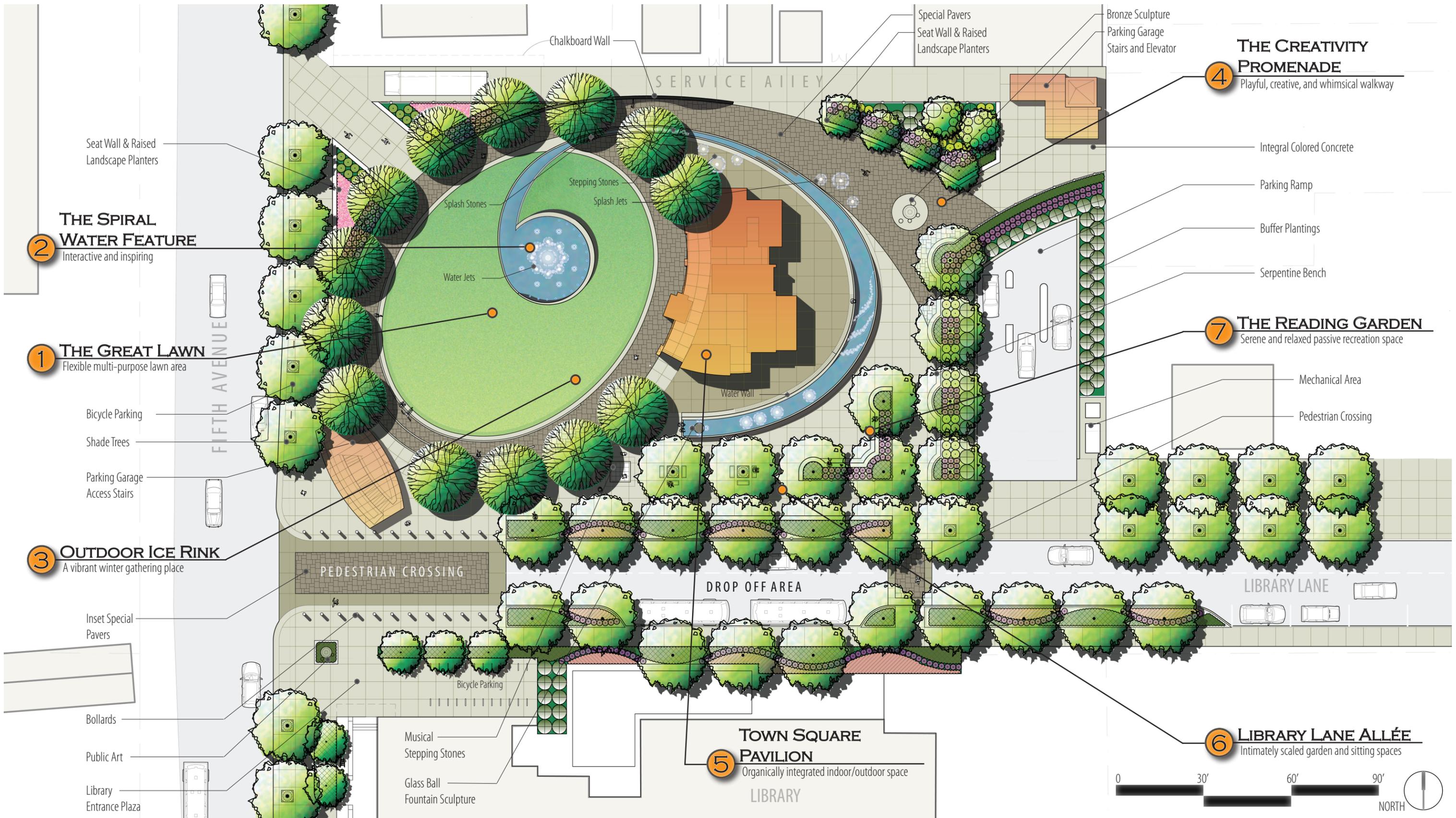
¹² See Section 2 Project Need and Benefit





LEGEND

- PEDESTRIAN CIRCULATION ROUTE
 - VEHICULAR CIRCULATION
 - SERVICE CIRCULATION
 - PRIMARY ENTRY POINTS
 - PROPOSED SITE BOUNDARY
 - PEDESTRIAN STAIRWAY AND ELEVATORS TO PARKING
- 0 15 30 60 90 120

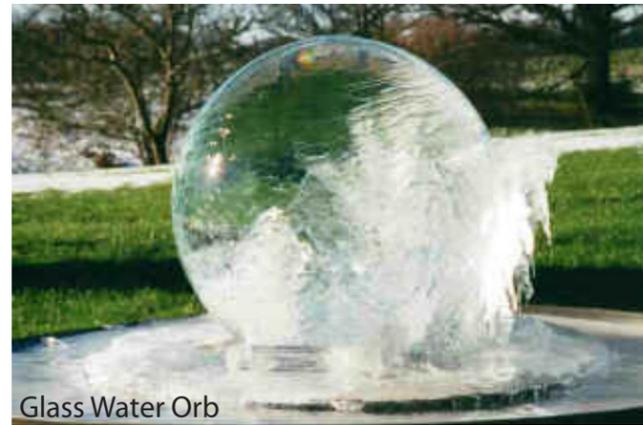




Bryant Park, NYC



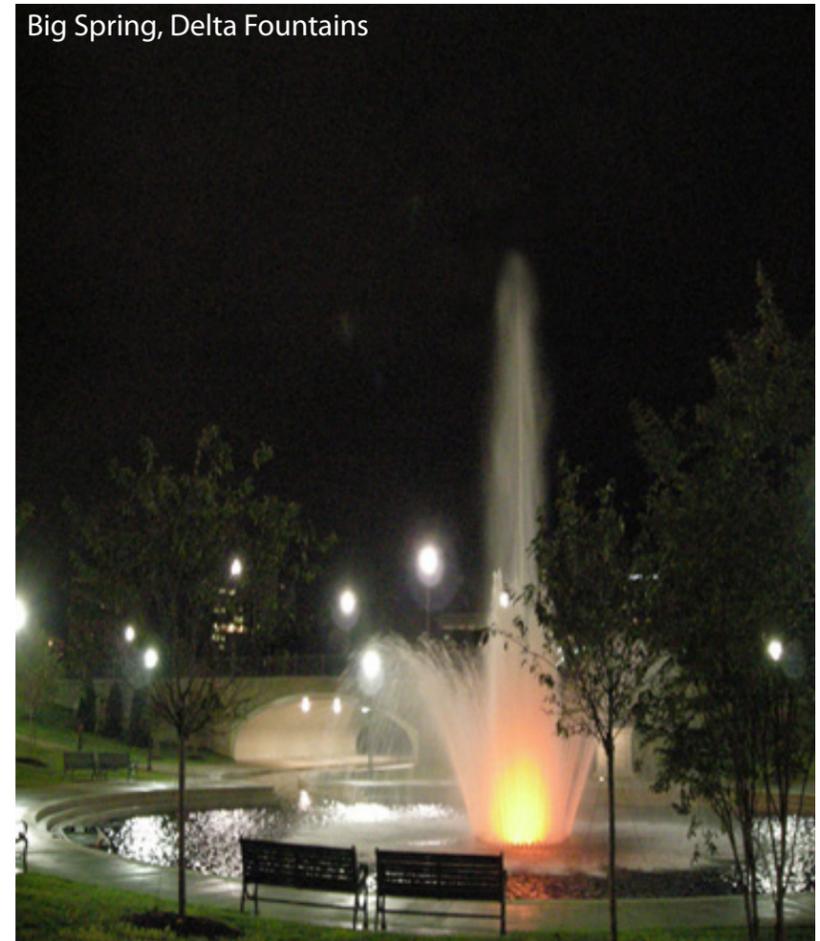
Boston Post Office Square



Glass Water Orb



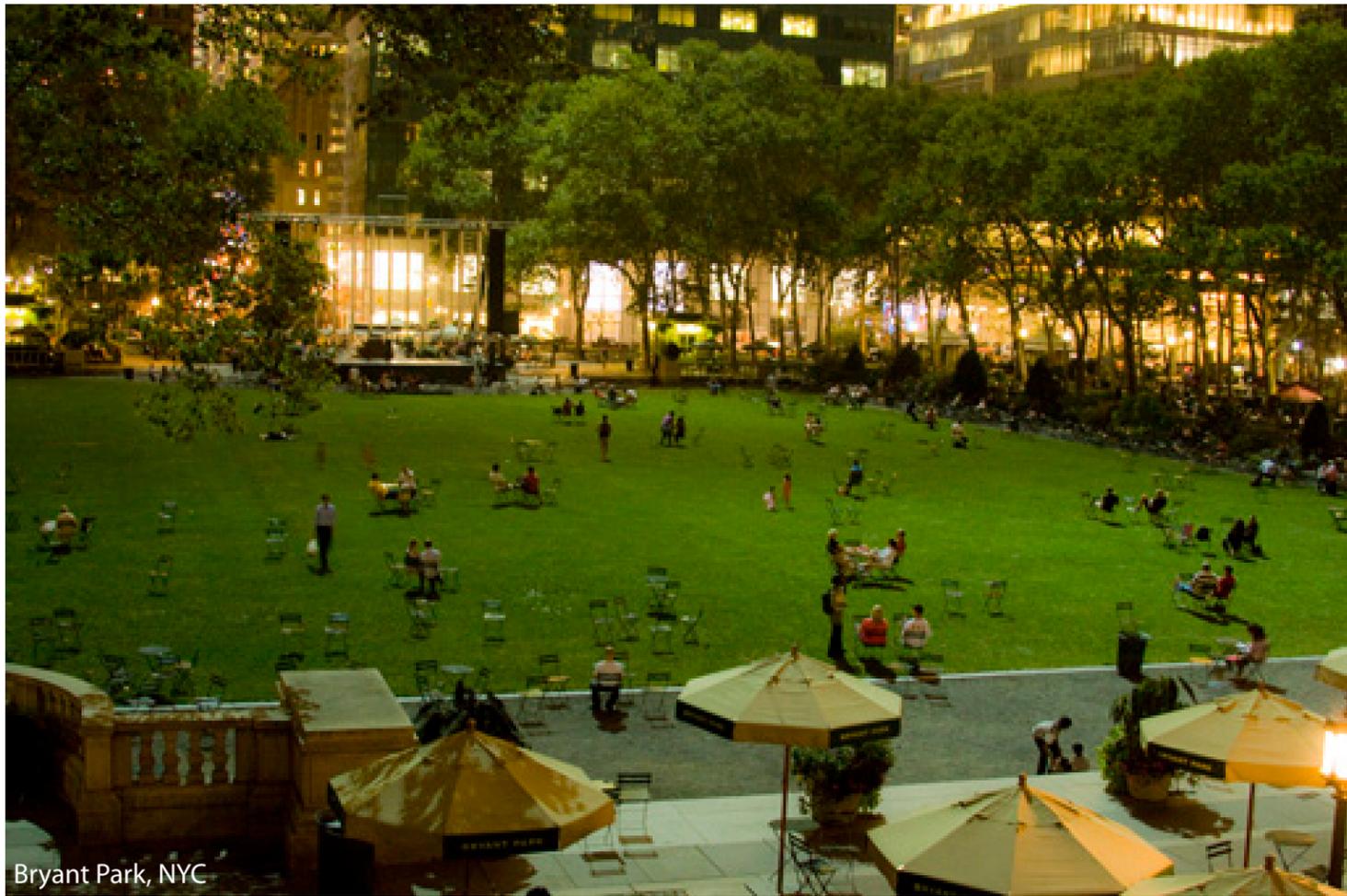
Interactive water feature, Vermont



Big Spring, Delta Fountains

1. THE GREAT LAWN

Imagine a large flexible multi-purpose lawn area for hosting concert, informal activities, picnics, celebrations, etc.



Bryant Park, NYC

2. THE SPIRAL WATER FEATURE

Springing from a sculptural glass orb that includes art, interactive jets, cascading water, wading areas and an elegant granite water wall, the water feature will wind through the square and culminate in a spectacular display of dancing jets in the central fountain.



Diana Memorial Fountain



Diana Memorial Fountain



Winter Skate

3. OUTDOOR ICE RINK

Picture a fun winter activity in the heart of downtown where city dwellers and visitors can see and be seen on a new ice rink. Similar to the one in Detroit's Campus Martius Park, the approximately 7,000 SF rink will sit on top of the Great Lawn and provide an informal, intimate skating opportunity. This rink, with its unique downtown location, will draw users in the afternoons and evenings from Thanksgiving to late March. As experienced in many other urban outdoor ice rinks throughout the country, visits to the rink will become part of an afternoon or evening in town.



Holiday Tree in Center of Rink



Vibrant, colorful plantings



Alice in Wonderland Sculpture, Central Park, NYC



Broadgate Ice Rink, London, UK

4. THE CREATIVITY PROMENADE

Surrounding the Great Lawn the promenade spins its way north from the southwest corner of the Town Square and terminates at the northeast corner where a climbable, playful, life-size bronze Alice in Wonderland sculpture draws your attention. Lining the north side of the promenade – the innovative outdoor “chalkboard” wall provides a unique opportunity for artists of varying ages and skills to display their creativity.



Chalkboard Writing Wall

5. THE CITY PAVILION

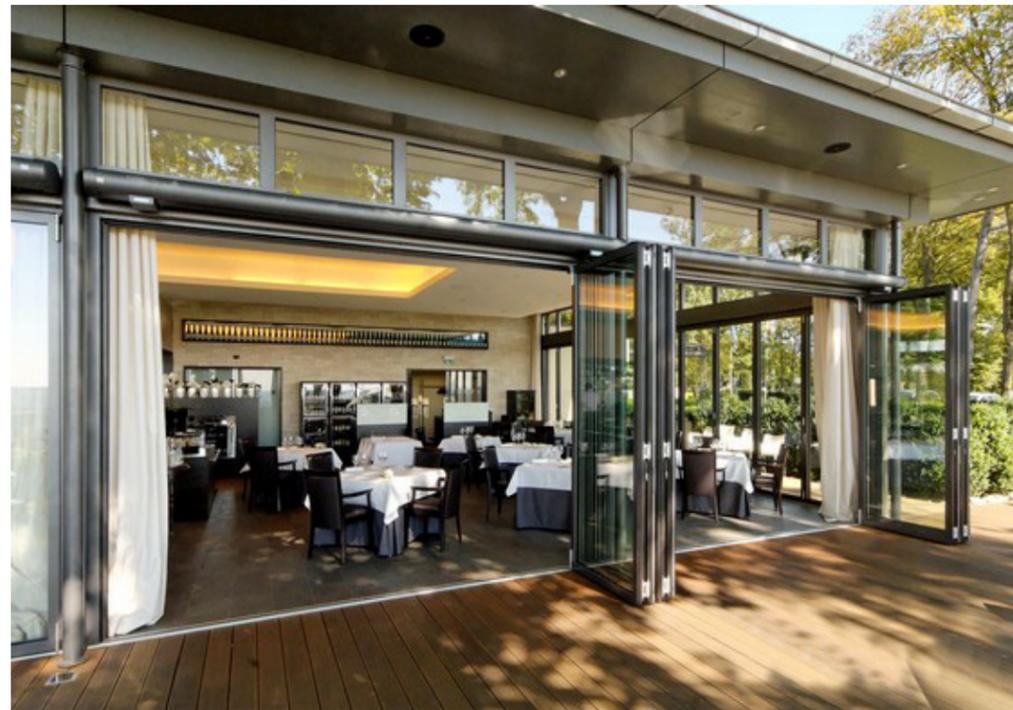
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Conceptual Elevation



CONCEPTUAL DESIGN



Byrant Park, NYC



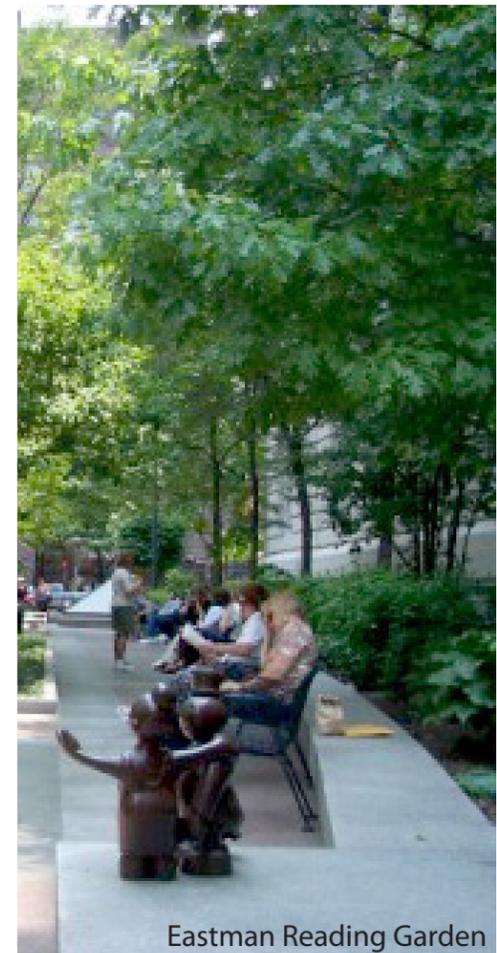
Stately Tree Allée



Musical Stepping Stones



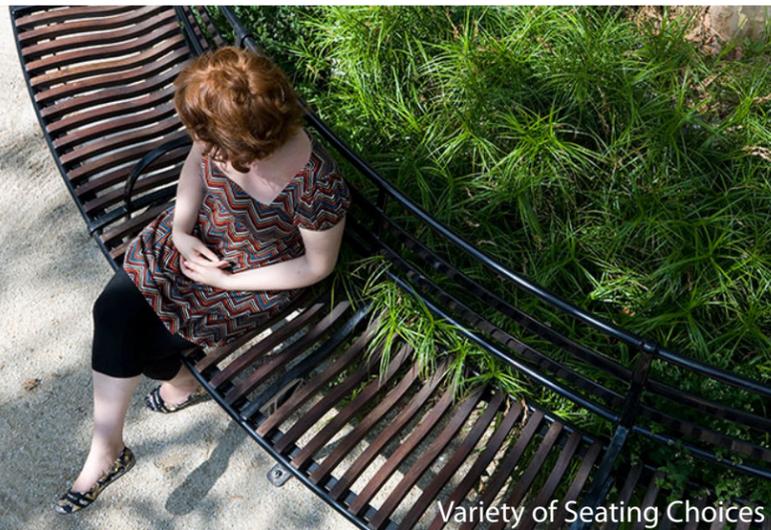
Intimate Reading Spaces



Eastman Reading Garden

6. LIBRARY LANE ALLÉE

Ann Arbor Town Square has been designed to encourage a variety of passive uses. The double row of trees along the walkway provides shade for the benches and seating areas along the south side of the Town Square creating a setting for quiet lunches, reading, meeting and conversation among friends.



Variety of Seating Choices



Detroit Campus Martius

7. THE READING GARDEN

Imagine a new outdoor central gathering place adjacent to the library, that complements the library's mission and strengthens the library's community interaction. The proposed reading garden is one of the ways the integration will occur. Designed to be a flexible space, the reading garden, can be used by individual visitors and for small group (5- 20) programs.



Colorful Border Plants