

City of Ann Arbor
Library Lot RFP Advisory Committee
March 8, 2011 3-4:30pm City Hall, 4th floor conference room

Prepared for informational purposes only

Present: Eric Mahler, Sam Offen, Stephen Rapundalo, John Splitt, Margie Teall
Absent: none
Staff Present: Roger Fraser, Susan Pollay
Consultant Present: David Di Rita, Roxbury Group

Call to Order

Chairperson Rapundalo called the meeting to order at 3:00pm. A quorum of Committee members were present. A member of the audience asked to speak, and was informed that the format of the meeting would not allow for public comment. Mr. Rapundalo noted that there would be opportunities in the future for members of the public to present their thoughts.

Matters Discussed

1. The minutes to the November 2010 meeting were reviewed. The RFP Committee had supported the selection of Valiant Partners and had directed Roxbury Group to get a Letter of Intent (LOI) that would outline the framework of a future agreement between Valiant and the City of Ann Arbor. This LOI would be presented to City Council at the time the name of the Committee's recommended developer would be presented.
2. David Di Rita reviewed the Roxbury report, as some of the Committee members had not been present at the last Committee meeting where it had been presented (a copy of the full report and an executive summary are available on the City website). Of particular note was that Valiant had revised its proposal so that any financial involvement or obligation on the part of the City had been eliminated. Mr. Offen asked if a feasibility study had been part of Roxbury's assignment; Mr. Di Rita said no, and that a feasibility study could be done now that the project scale has been established. Mr. Rapundalo reviewed the tasks set forward in the City's RFP #758 used to hire Roxbury.
3. Mr. Di Rita said that the purpose of today's meeting was to review the LOI to ensure that it encapsulated the "four corners" of the agreement. He walked the group through the document, noting the reduced conference space (26,000sf versus 32,000sf in the original proposal), and the mix of potential uses that may be included depending on the strength of the marketplace (large office and residential condominiums). Mr. Di Rita noted that Eric Larsson of the Larsson Group has been added to the development team to address the Roxbury report concern that a developer be named that would manage

the entitlement and construction processes. It was noted that the public plaza is a central element in the project and Valiant anticipated a public process would be used to design the plaza to maximize its attractiveness to the public. Mr. Di Rita pointed to the section of the LOI in which Valiant committed itself to working with the Library to find mutually beneficial synergies. There were several places in the document where there was language stating that Valiant was completely responsible for financing the project with no financial involvement on the part of the City. If City Council approved the LOI, work would immediately begin on a Development Agreement that would flesh out remaining details, such as purchase price and how parking would be paid for.

4. The Committee members asked a number of questions which Mr. Di Rita answered. Mr. Fraser noted that the schedule shown in the LOI was aggressive, but indicated the interest that the developer was bringing to the project. To meet this schedule the \$75,000 reimbursement would be used by the City to hire outside consulting assistance. Mr. Di Rita said that the LOI indicates a commitment on both sides to try to come to agreement, but if agreement cannot be found, both sides can walk away. The Committee asked for the following changes to the LOI before the document is presented to City Council for approval:
 - The City design and zoning that Valiant would use to design its building needed to be moved from March 8, 2011 to at least six months from today when the Development Agreement was assumed to be completed and site plan design would begin.
 - It needed to be stated in the document yet again that the City will not be responsible for any financing associated with this project.
5. A City Council work session will be held Monday, March 14th at 7pm at Washtenaw County Commission Chambers to review the RFP Committee recommendation. All were invited.

Action Taken: A motion was made by Mr. Splitt, seconded by Mr. Mahler to recommend that City Council consider this LOI as amended by their RFP Committee. A vote on this motion was unanimous.

Meeting minutes secretary: Susan Pollay