

# Memo

**To:** Falmouth Town Council  
**From:** Councilors Will Armitage and David Libby  
**CC:** Workforce Housing Committee  
**Date:** 11/9/2007  
**Re:** Ad-Hoc Workforce Housing Committee Update

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For the last three years the Ad-Hoc Workforce Housing Committee has been researching the need and demand for Workforce Housing within the Town of Falmouth and the Greater Portland area. The committee has reported to the Council on several occasions for feedback and has continued to work on the issue. At this time, the committee would like to update the Council on its current progress and request the Council's authorization/consent to move forward with a Request for Proposals (RFP) for a Workforce Housing Subdivision.

## Update

At the Committee's meeting with the Council in May of 2006, the Committee was asked to hold a public forum to present the committee's work (see attached report and presentation). The meeting was held on Tuesday, June 6, 2006 at the Falmouth Memorial Library. Approximately 6 individuals attended that meeting, including several employees on the Town who expressed an interest in the concept of a Workforce Housing Subdivision.

In November of 2006, the committee began meeting with John Gallagher from the Westbrook Housing Authority (WHA) to discuss what resources and assistance WHA might be able to provide the Town of Falmouth with a Workforce Housing Subdivision. John's experience and knowledge of Workforce Housing projects has helped the committee develop consensus around the following concept:

- Develop a Workforce Housing Subdivision on Town owned land located off Woods Road behind the new Public Safety Building;
- Homes/Multiplexes should be clustered with smaller setbacks than current zoning, which reduces the development costs of road and utilities;
- Each home should be modest in size;
- The development should preserve ample open space; and,
- Use Tax Increment Financing District to offset future impacts on Town infrastructure.

The creation of a Workforce Housing Subdivision on Falmouth controlled land will:

- Ensure sustainability over a long period of time through deed restrictions and covenants similar to Habitat for Humanity as well as phased in development;
  - Land will be conveyed to the homeowner from the Town of Falmouth through a silent second mortgage for the value of the land.

- Eliminate the developer's need to recoup the cost of land value set aside in open space;
- Empower residents as homeowners versus renters that are fully integrated members of the community versus transient or transitional members of the community as is more typical with rental residents.

At the Committee's last meeting with the Council in January of 2007, the Council was asked to authorize the application for funds through the Cumberland County Community Development Block Grant (CDBG) Program. This program can be used for public infrastructure and housing that benefit Low/Moderate Income persons of Cumberland County. That application was submitted on February 2, 2007 but was declined for funding.

Additionally, the Council discussed the having a referendum question on the June ballot regarding the use of Town owned land for the development of a Workforce Housing Subdivision. This request was withdrawn due to questions about the location and significance of wetlands located on the parcel in question. At this time, the wetlands mapping and determination has been completed and the Committee would again like to request the Council's consideration of the following to items.

### **Next Steps**

At this time, the Committee would like to proceed on two fronts.

1. As recommended in the Committee's initial report and subsequent updates, the Committee would like to proceed with an RFP (see attached DRAFT) for the development of the Woods Road property as a Workforce Housing Subdivision. The Committee has intentionally left the RFP language vague in several areas for flexibility in order to allow respondents to be creative in their approach to the project.

The Committee recommends the Falmouth Town Council:

- *Approve the concept of and RFP for, the establishment of a Workforce Housing Subdivision to be located on the Woods Road property behind the Public Safety Building (see attached Woods Road Parcel description); and,*
- *Authorize the Town of Falmouth to transfer, sell, or otherwise encumber the Woods Road property not used by the Public Safety Building for the purpose of a Workforce Housing Subdivision (see attached Table for Town conveyance examples).*

The authorization of the transfer, sale or encumbrance of the property is necessary in order for development groups or organizations to invest the time and money required to create a detailed proposal and site plan for the property. Final review and authorization of the project will be brought back before the Falmouth Town Council for approval.

2. While Falmouth was not successful in applying for funds under Cumberland County's CDBG Program, there are other federal and State programs that exist which may be able to provide Falmouth with funding for public infrastructure and housing that benefit Low/Moderate Income persons of Cumberland County.

The Committee recommends the Town of Falmouth:

- *Continue to Research and Apply for funding for infrastructure improvements to the property for the Workforce Housing Subdivision.*

WHA has agreed to continue to provide assistance with this process and may require a monetary reimbursement, however no fee is required at this time. Thank you and we look forward to your comments.

## **Ad-Hoc Workforce Housing Committee Report to the Falmouth Town Council**

### **Mandate**

The Town of Falmouth's 2000 Comprehensive Plan Update identified the lack of diversity and affordability in the town's housing stock as a major priority for the future. In the Implementation Strategy section of the plan, the first recommendation reads, "Adopt flexible residential design guidelines, under various master plans in different residential districts." Further recommendations in this strategy address promoting new construction by nonprofit work force housing developers and exempting affordable units from impact fees.

Following the Comprehensive Plan Update, a Diversity in Housing Committee was created by the Town Council in 2001 with the following mandate: "...to endeavor to create at least 10 percent of the new housing in Falmouth which is more affordable, small units and mixed housing...and with consideration of means to minimize any fiscal impact on the community..."

However, the Town of Falmouth Housing Assessment Report found that "...the Falmouth Ordinance emphasizes single-family residences over other types of housing, and encourages the protection of visual character and natural resources. The current regulations do not foster housing diversity."

### **What is the need for Workforce Housing?**

According to Anne Gregory, The average home price in the Town of Falmouth has doubled in the last 10 years from approximately \$200,000 in 1994 to \$400,000 in 2004. Falmouth's current Zoning Ordinance, encouraging large lot (1 acre or greater) subdivisions, has contributed to land values accounting for over 33% of a single-family home's value. The combination of these two factors means a \$400,000 single-family home in Falmouth breaks down as approximately \$266,000 in building value and \$134,000 in land value.

The Maine State Housing Authority estimates that the average household living in Falmouth would need to earn over \$130,000 annually to afford a \$400,000 home in Falmouth. This level of Household Income exceeds Falmouth's Median Household Income (\$77,401.00) by over \$50,000. According to the Maine State Housing Authority, 41% of Falmouth Households can not afford to buy their home at today's value.

The list of occupations that do not pay enough money to afford a single family home in Falmouth includes: Accountants, Bookkeepers and Credit Analysts; Carpenters, Electricians and Plumbers; Dental Hygienists, Medical Assistants and Nurses; Librarians, Teachers and Counselor; and Police, Fire Fighters and Paramedics (see Exhibit A for a list of occupations and their Wage and Salary Levels for 2004).

The Question becomes what can Falmouth do to address this market condition?

## **Ad-Hoc Workforce Housing Committee**

The Workforce Housing Committee (see Exhibit B) reviewed housing strategies implemented in various municipalities including Cape Elizabeth, Cumberland, Yarmouth, as well as the States of New Hampshire and Vermont.

The committee also reviewed the following reports:

- “Diversity in Housing Committee” work, 2001
- “Town of Falmouth Housing Assessment” Report, 2001
- “Housing Solutions for New Hampshire” from the New Hampshire Housing Finance Authority, 2004
- “Deconstructing the Myths: Housing Development Versus School Costs” from the Federal Reserve Bank of Boston, Communities & Banking, Spring 2005
- “Effects of Mixed-Income Multi-Family Rental Housing Development on Single-Family Housing Values” from the MIT Center for Real Estate, Housing Affordability Initiative, 2005

Additionally, the committee has had discussions with local, regional and state authorities on workforce housing including:

- Jack Aceto; Future Builders
- Steve Bolton; Director of Habitat for Humanity
- Albert Farris; Code Officer, Town of Falmouth
- Michael Finnegan; Former Director, Maine State Housing Authority; Senior Loan & Investment Officer, CEI;
- Dana Fisher; Budget Analyst, Town of Falmouth
- Anne Gregory; Assessor, Town of Falmouth
- Dale McCormack; Director, Maine State Housing Authority
- Evan Richert; Former Director, Maine State Planning Office; Associate Research Professor, Muskie School of Public Service, USM; Chair, GrowSmart Maine Board of Directors
- Betsy Sawyer-Manter; Housing Director, Peoples Regional Opportunity Program
- William Shane; Manager, Town of Cumberland

Based on the committee’s research review and interviews during the last 6 months, it is the consensus of the committee that the large lot zoning has contributed to the high land values and is acting as a barrier to workforce housing in Falmouth. Area realtors also identified large lot, high land value as a barrier to housing affordability in Falmouth according to the Town of Falmouth Housing Assessment Report in 2001.

## Approaches to Workforce Housing

During the research review and interviews, the committee looked at a whole host of alternatives and remedies to address Falmouth's workforce housing situation. The committee has focused on two alternatives for the Town of Falmouth to consider as options to address the current situation:

1. Work with existing groups like PROP, Habitat for Humanity and Future Builders to develop Workforce Housing on a lot by lot basis, dispersed throughout Falmouth; and
2. Develop a Workforce Housing sub-division/neighborhood similar to the Town of Cumberland's Small's Brook Crossing (see Exhibit C), utilizing Contract Zoning and deed restrictions and covenants.

Option #1 allows the market to address the issue but is a slow, gradual process that will not address the root cause of the situation or the long-term need of the Town. Option #1 could have no cost to the Town, or could be encouraged through the contribution of small, odd lots currently under the Town of Falmouth's control.

It is worth noting that Option #1 is currently being utilized by the Town and has yielded 6 homes from Habitat for Humanity like the home at the intersection of Winn and Woodville roads. While this option, Accessory Apartments and other initiatives taken by the Town of Falmouth does provide affordable housing, the impact is limited in scope and does not adequately satisfy the underlying cause or demand for workforce housing.

Based on the number of new homes constructed during the last 6 years (351), a total of 35 homes would need to be affordable to comply with the "10 percent of the new housing in Falmouth which is more affordable..." mandate for the Diversity in Housing Committee. While accessory apartments and other initiatives are difficult to quantify, it is telling that of the six (6) Habitat for Humanity homes in Falmouth, only one was constructed between 2000 and 2005. This falls short of the 10% mandate as established by the Falmouth Town Council in October 2001 for the Diversity in Housing Committee.

YEAR	HOMES	TIME PERIOD
2000	86	4/99 to 3/2000
2001	68	4/00 to 3/2001
2002	68	4/01 to 3/2002
2003	70	4/02 to 3/2003
2004	39	4/03 to 3/2004
2005	20	4/04 to 3/2005
<b>Total Homes</b>	<b>351</b>	<b>10% Mandate = 35 Affordable Homes</b>

Option #2 on the other hand, will address the root cause of the situation and the long-term need of the Town through Contract Zoning. However, this option will require a commitment from the Town of Falmouth to incentivize the private sector into addressing the issue. Option #2 will cost the Town of Falmouth time and money through the development of a Contract Zoning Ordinance as well as incentives to the private sector through taxes or land.

## Recommendation

The Workforce Housing Committee recognizes that a comprehensive Workforce Housing Plan does not exist for the Town of Falmouth. However, a solution is needed to remedy the Town's workforce housing situation as indicated above. It is the consensus of the Workforce Housing Committee that the most effective way to solve Falmouth's workforce housing needs is Option

#2 and the development of a Workforce Housing sub-division or neighborhood on a parcel of town controlled land.

The Workforce Housing Committee has studied Cumberland's Small's Brook Crossing development and believes that a similar development in Falmouth would be appropriate and desirable. Cumberland's Small's Brook Crossing development was successful because of the following attributes:

- The land was town owned, which kept land values low;
- Homes are clustered with smaller setbacks than current zoning, which reduced the development costs of road and utilities;
- Each home is modest in size. While garages were not part of the original homes, the homes were sited to allow for a garage to be added by the homeowner at a later date;
- The development preserved ample open space; and
- Residents are homeowners versus renters and are fully integrated members of the community versus transient or transitional members of the community as is more typical with rental residents.

The creation of a Workforce Housing subdivision on Falmouth controlled land will:

- Ensure sustainability over a long period of time through deed restrictions and covenants similar to Habitat for Humanity as well as phased in development;
- Eliminate the developer's need to recoup the cost of land value set aside in open space;
- Provide the developer with a defined framework within which to operate, eliminating NIMBYism and other questions or concerns, and most importantly will;
- Provide the town's employees; Police, Firefighters, Teachers and support staff; with an opportunity to live in the community where they work.

### **Next Steps**

- Seek Council consent of Committee Recommendation to identify several potential sites that would be suitable for a development of this size and character – November 2005;
- Seek Council consent of Committee Recommended target site – Winter 2006;
- Develop Workforce Housing Overlay District or Contract Zoning Ordinance with Deed Restrictions and/or Covenants for Council authorization – Spring 2006; and
- Upon Council authorization, distribute RFP for selection of developer – Summer 2006.

# Exhibit A

11/28/2005

<b>Annual wage or salary Maine Department of Labor Wage Survey Data for 2004 in Cumberland County</b>			
Occupational Title	Mean (average)	% of Falmouth Median HH Income <sup>1</sup>	% of Income for 2004 Avg. Falmouth Home <sup>2</sup>
Architecture and Engineering Occupations	\$54,436.00	70.3%	41.7%
Arts, Design, Entertainment, Sports, and Media Occupations	\$38,609.00	49.9%	29.6%
Building and Grounds Cleaning and Maintenance Occupations	\$22,869.00	29.5%	17.5%
Business and Financial Operations Occupations	\$49,266.00	63.7%	37.8%
Accountants and Auditors	\$49,649.00	64.1%	38.1%
Credit Analysts	\$42,975.00	55.5%	32.9%
Community and Social Services Occupations	\$32,811.00	42.4%	25.1%
Computer and Mathematical Occupations	\$57,852.00	74.7%	44.3%
Construction and Extraction Occupations	\$34,910.00	45.1%	26.8%
Carpenters	\$33,275.00	43.0%	25.5%
Electricians	\$39,810.00	51.4%	30.5%
Plumbers, Pipefitters, and Steamfitters	\$42,972.00	55.5%	32.9%
Education, Training, and Library Occupations	\$36,858.00	47.6%	28.3%
Postsecondary Teachers	\$48,476.61	62.6%	37.2%
Kindergarten Teachers	\$40,927.00	52.9%	31.4%
Elementary School Teachers	\$41,858.00	54.1%	32.1%
Middle School Teachers	\$41,485.00	53.6%	31.8%
Secondary School Teachers	\$44,337.00	57.3%	34.0%
Vocational Education Teachers	\$43,538.50	56.3%	33.4%
Special Education Teachers	\$42,148.33	54.5%	32.3%
Librarians	\$40,904.00	52.8%	31.4%
Farming, Fishing, and Forestry Occupations	\$28,058.00	36.3%	21.5%
Food Preparation and Serving Related Occupations	\$19,167.00	24.8%	14.7%
Healthcare Practitioners and Technical Occupations	\$63,007.00	81.4%	48.3%
Nurses: RN, LPN, LVN	\$45,495.00	70.2%	41.6%
Dental Hygienists	\$53,052.00	68.5%	40.7%
Emergency Medical Technicians and Paramedics	\$23,643.00	30.5%	18.1%
Healthcare Support Occupations	\$22,757.00	29.4%	17.4%
Medical Assistants	\$26,988.00	29.4%	17.4%
Installation, Maintenance, and Repair Occupations	\$37,245.00	48.1%	28.5%
Legal Occupations	\$68,667.00	88.7%	52.6%
Life, Physical, and Social Science Occupations	\$49,695.00	64.2%	38.1%
Management Occupations	\$75,875.00	98.0%	58.2%
Office and Administrative Support Occupations	\$28,913.00	37.4%	22.2%
Bookkeeping, Accounting, and Auditing Clerks	\$30,680.00	39.6%	23.5%
Personal Care and Service Occupations	\$22,420.00	29.0%	17.2%
Production Occupations	\$27,708.00	35.8%	21.2%
Protective Service Occupations	\$29,474.00	34.9%	20.7%
Fire Fighters	\$27,452.00	35.5%	21.0%
Police and Sheriff's Patrol Officers	\$38,387.00	49.6%	29.4%
Sales and Related Occupations	\$30,790.00	39.8%	23.6%
Transportation and Material Moving Occupations	\$27,378.00	35.4%	21.0%

Source: Maine Department of Labor

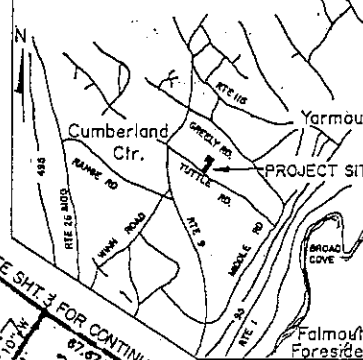
<sup>1</sup> Represents the 2004 Occupational Mean (average) Wage as a percentage of the 2004 Median Household Income (\$77,401) for the Town of Falmouth according to the Maine State Housing Authority.

<sup>2</sup> Represents the 2004 Occupational Mean (average) Wage as a percentage of the Income needed (\$130,469) to finance the 2004 Median Home Value (\$382,500) for the Town of Falmouth according to the Maine State Housing Authority.

**Ad-Hoc Workforce Housing Committee Members**

<i>Name</i>	<i>Address</i>	<i>Profession</i>
William Armitage	74 Brook Road	Economic Development
Willie Audet	41 Merrill Road	Real Estate
Holly Bernstein	PO Box 66754, Falmouth	State Government
Lisa Bousquet	21 Inverness Road	Real Estate
Tim Bryant	7 Patricia's Way	Attorney
Donna Cheney	1 St. Andrew's Circle	Retired, Business Woman
Jan Conley	5 Eureka Road, Topsham	Teacher (Falmouth)
Justin Edwards	16 Inverness Road	
Beth Franklin	11 Goldenrod Lane	
Ward Graffam	7 Bowdoin Drive	Financial Services
Dave Libby	7 Manhattan Way	Wireless Communications
Maura McDermott	97 Mast Road	Teacher
Brian Poulin	4 Manhattan Way	Real Estate
Paul Strout	35 Hardy Road	Construction





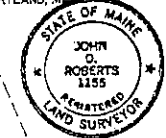
**LEGEND**

- IRON FOUND
- TO BE SET
- NON FOUND
- TO BE SET
- ROAD R.O.W.
- PROPERTY LINE
- BUILDING WINDOW
- SIGHT LINE EASEMENT
- EXISTING RAILROAD TRACK
- WETLAND
- TOWNSHIP OF CUMBERLAND EASEMENT (SEE NOTE 7)

**SURVEYORS STATEMENT**

I HEREBY STATE TO CASCO PARTNERS, INC., EXCLUSIVELY, THAT THIS SUBDIVISION REFLECTS THE RESULTS OF A FIELD SURVEY OF THE PREMISES BY LAND USE CONSULTANTS, THAT THE DIVISIONS DEPICTED HEREON CONFORM TO CATEGORY I, CONDITION III OF THE MAINE BOARD OF LICENSURE FOR LAND SURVEYORS STANDARDS, AND THAT THIS PLAN IS CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

JOHN D. ROBERTS  
MAINE PROFESSIONAL LAND SURVEYOR #1155  
LAND USE CONSULTANTS, INC.  
PORTLAND, MAINE



N/T  
**TOWN OF CUMBERLAND**  
BK. 3710, PG. 377  
BK. 7115, PG. 66



**RECORDING PLAT  
SUBDIVISION OF  
SMALL'S BROOK CROSSING**

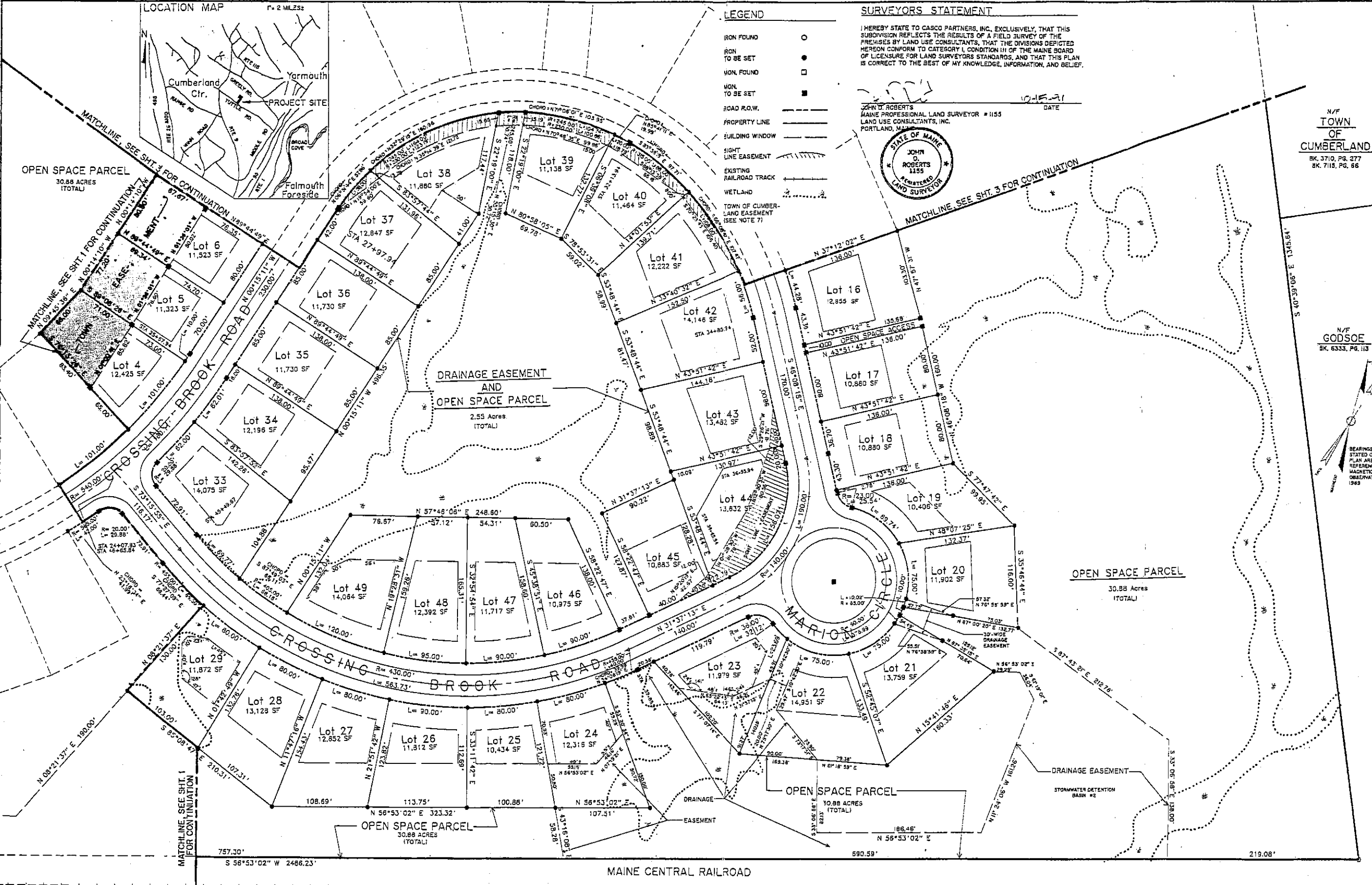
Date	
Revision	
Designed B. HARE	
Drawn K. ZYWIEC	
Checked J. ROBERTS	
Scale 1" = 50' - 0"	
Date OCTOBER 14, 1991	
LUC, INC. FIELD BK. # 2040	
EQUIPMENT USED: LIETZ SET 4	

Job No. 2040
Sheet

Scale 1" = 50' - 0"

Job No. 2040

Sheet



**SITE DATA**

- TOTAL PARCEL ACREAGE IS 51.47 ACRES.
- OPEN SPACE PARCEL TOTALS 33.43 ACRES.
- PROPOSED SINGLE FAMILY LOTS = 46.
- MINIMUM LOT SIZE IS 10,000 SQUARE FEET.
- SETBACKS (MINIMUM):  
FRONT: 25'-0"  
SIDE: 10'-0"  
REAR: 30'-0"  
BUILDING SEPARATION: 20'-0"

AGREEMENT BETWEEN THE TOWN OF CUMBERLAND AND GEORGE R. RICKEY ET AL MAY BE ASSIGNED WITH THE TOWN'S WRITTEN APPROVAL.

**GENERAL NOTES**

SEE SHEET 1 OF 3 FOR GENERAL NOTES.

**PLANNING BOARD SIGNATURE BLOCK**

DATE: 10/15/91  
NAME: Nancy Michalak

**WAIVERS GRANTED**

- REDUCED STREET STANDARDS:  
- R.O.W. WIDTH FROM 60 FT. TO 50 FT.  
- TRAVEL WAY WIDTH FROM 22 FT. TO 20 FT.  
- FROM 4-FT. FREEWALK TO 4-FT. BIKE PATH  
- ROADWAY SHOULDERS FROM 4 FT. WIDE TO 1 FT. WIDE ADJACENT TO THE BIKE PATH AND 3 FT. WIDE ON THE OPPOSITE SIDE OF THE ROAD  
ROADWAY SHOULDERS IN AREAS OF GUARDRAILS TO MEET SHOULDER STANDARDS AS DETERMINED BY THE TOWN ENGINEER.
- REDUCTION IN MINIMUM ROADWAY SIGHT DISTANCE TO 200 FEET IN GENERAL, AND TO 192 FEET FOR THE VERTICAL CURB BETWEEN STATIONS 21+20 AND 23+00.

PLAN: 91-280  
BOOK: 191  
PAGE: 150/151  
DATE: 10/23/91

**SURVEYORS STATEMENT**

I HEREBY STATE TO CASCO PARTNERS, INC., EXCLUSIVELY, THAT THIS SUBDIVISION REFLECTS THE RESULTS OF A FIELD SURVEY OF THE PREMISES BY LAND USE CONSULTANTS, THAT THE DIVISIONS DEPICTED HEREON CONFORM TO CATEGORY I, CONDITION III OF THE MAINE BOARD OF LICENSURE FOR LAND SURVEYORS STANDARDS, AND THAT THIS PLAN IS CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

EXCEPTIONS: NO REPORT, DESCRIPTIONS OR MONUMENTATION SET TO DATE.

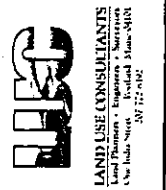
*John D. Roberts*  
 JOHN D. ROBERTS  
 MAINE PROFESSIONAL LAND SURVEYOR # 1155  
 LAND USE CONSULTANTS, INC.  
 PORTLAND, MAINE  
 DATE  
 10-14-92

**WAIVERS GRANTED**

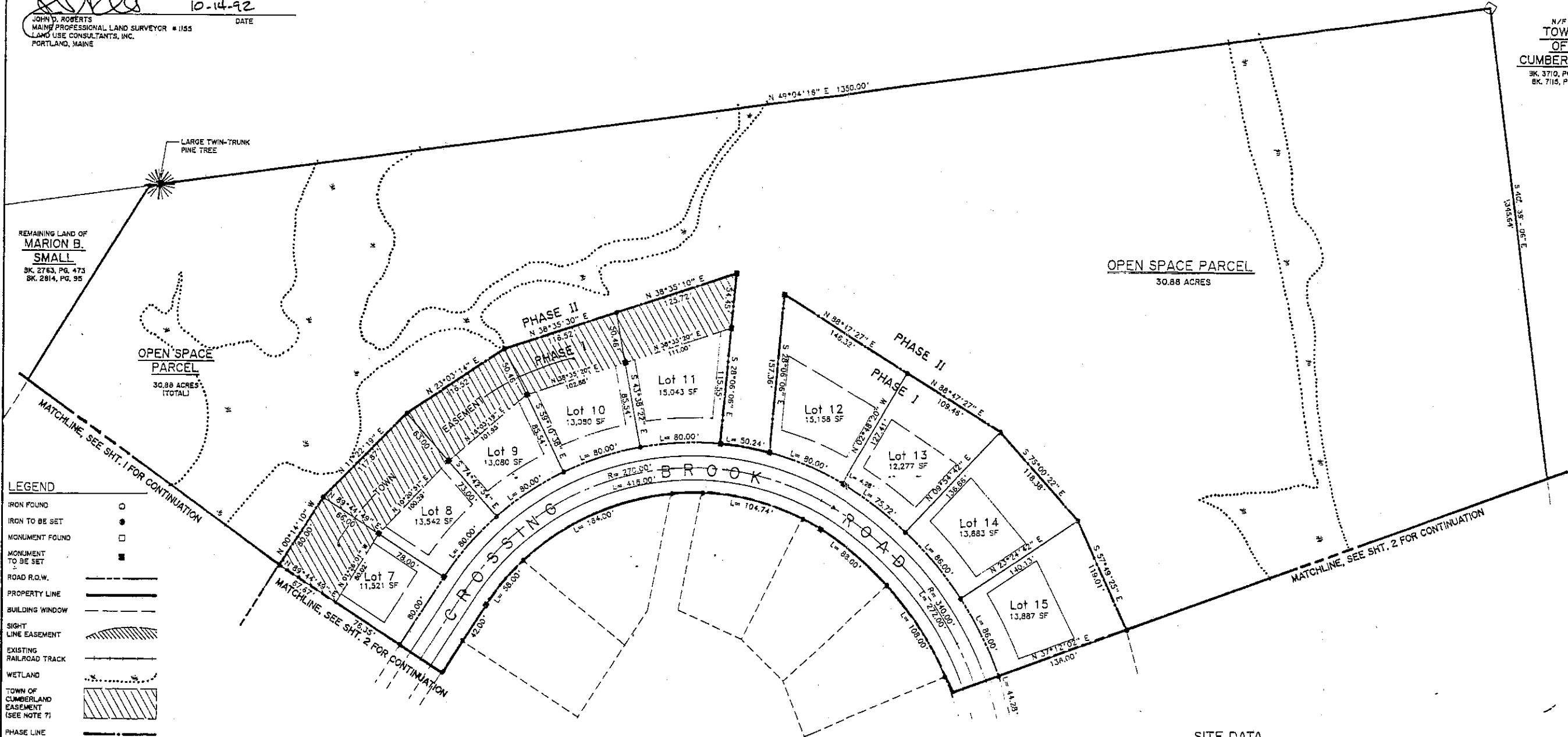
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  - ROADWAY-SHOULDERS FROM 4 FT. WIDE TO 1 FT. WIDE ADJACENT TO THE BIKE PATH, AND 3 FT. WIDE ON THE OPPOSITE SIDE OF THE ROAD
  - ROADWAY SHOULDER IN AREAS OF GUARDRAILS TO MEET SHOULDER STANDARDS AS DETERMINED BY THE TOWN ENGINEER.
- REDUCTION IN MINIMUM ROADWAY SIGHT DISTANCE TO 200 FEET IN GENERAL, AND TO 192 FEET FOR THE VERTICAL CURB BETWEEN STATIONS 21+20 AND 23+00.

N/F  
 DOANE  
 BK. 2851, PG. 184

N/F  
 TOWN  
 OF  
 CUMBERLAND  
 BK. 3710, PG. 277  
 BK. 7115, PG. 66



RECORDING PLAT  
 SUBDIVISION OF  
**SMALL'S BROOK CROSSING**  
 ON TUTTLE ROAD IN CUMBERLAND, MAINE FOR:  
 CASCO PARTNERS, INC.  
 37 FORESIDE DRIVE  
 CUMBERLAND FORESIDE, MAINE 04110



- LEGEND**
- IRON FOUND: ○
  - IRON TO BE SET: ●
  - MONUMENT FOUND: □
  - MONUMENT TO BE SET: ■
  - ROAD R.O.W.: ———
  - PROPERTY LINE: ———
  - BUILDING WINDOW: ———
  - SIGHT LINE EASEMENT: ———
  - EXISTING RAILROAD TRACK: ———
  - WETLAND: ———
  - TOWN OF CUMBERLAND EASEMENT (SEE NOTE 7): ———
  - PHASE LINE: ———

**SITE DATA**

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- SETBACKS (MINIMUM):
  - FRONT: 25'-0"
  - SIDE: 10'-0"
  - REAR: 50'-0"
  - BUILDING SEPARATION: 20'-0"
 NOTE: REFERENCE IS MADE TO CUMBERLAND ZONING ORDINANCE SECTION 406A(2)(1) AND TO THE SECOND AMENDED CONTRACT ZONING AGREEMENT BETWEEN THE TOWN OF CUMBERLAND AND GEORGE F. RICKLEY AS IT MAY BE ASSIGNED WITH THE TOWN'S WRITTEN APPROVAL.
- ROADWAY:
  - 4000 L.F. TOTAL LENGTH
  - 20'-0"-WIDE TRAVEL LANE
  - 4'-0"-WIDE PAVED BIKE PATH
  - 50'-0"-WIDE RIGHT OF WAY

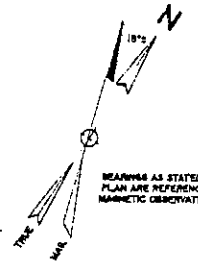
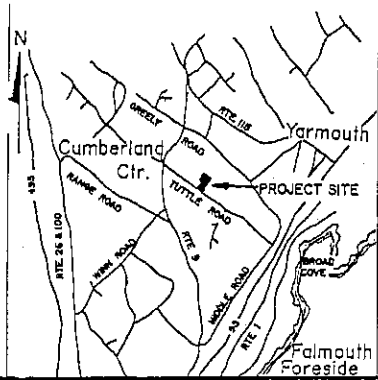
**GENERAL NOTES**

SEE SHEET 1 OF 3 FOR GENERAL NOTES.

**PLANNING BOARD SIGNATURE BLOCK**

NAME	DATE
<i>Nancy Michalec</i>	

**LOCATION MAP**



Date	Revision	Designed	Drawn	Checked	Scale	Date
5-9-92	Phase I and Management Plan	B. HARE	K. TWIEC	J. ROBERTS	1" = 50'-0"	OCTOBER 14, 1991
10-7-92	NO. 2040					

FOR REGISTRY USE

Job No. 2040  
 Sheet

3 of 3

**Town of Falmouth**

**REQUEST FOR PROPOSALS**

**WORKFORCE HOUSING  
DEVELOPMENT:  
HOMEOWNERSHIP**

**Town of Falmouth  
Workforce Housing Committee  
271 Falmouth Road,  
Falmouth, Maine 04105  
207-781-5253**

# Workforce Housing Development Program Description

## **PURPOSE**

The Town of Falmouth, ME is making available up to \_\_\_\_\_ acres, for housing development within the Town of Falmouth that is moderately-priced and offers ownership opportunities to moderate-income families. The Town of Falmouth is making the property available through a zero percent 30 year term deferred mortgage to qualified homebuyers.

The homes to be built may be in the form of single-family homes, town homes or condominiums.

The Town is seeking creative proposals from qualified developers, including nonprofit developers, for this purpose.

This RFP is based on the goals of the Town of Falmouth's Workforce Housing Committee Report to increase the supply of workforce ownership opportunities in the Town of Falmouth. **The final selection is contingent on the approval of Falmouth Town Council.**

## **ELIGIBLE APPLICANTS**

The RFP is available to for-profit and non-profit developers of Workforce single family homes, town homes, or condominiums.

## **ELIGIBLE PROJECTS**

To be eligible, a project must involve the new construction of single family homes, townhouses, or condominiums that are targeted to owner-occupancy by individuals and families that are certified by the Town of Falmouth Workforce Housing Land Trust as low- or moderate-income. Sales prices must be in conformance with the Town of Falmouth definition of affordability included in Appendix A.

Assistance **may** be available for some development costs through Cumberland County Community Development Block Grants. Examples of eligible development costs include, but are not limited to:

1. On-site improvements (water, sewer, etc) or land acquisition;

2. Construction of single family homes, town houses or condominiums;
3. Reimbursement of Town fees (only Town funding for this option); and
4. Down payment assistance/second mortgages.

## **PROGRAM OBJECTIVES**

The objectives by which proposals will be judged include:

1. Providing attractive Workforce housing that is consistent with the goals and objectives of the Town of Falmouth Workforce Committee Report  
;
2. Encourage the integration of new residences and linked to adjacent or nearby amenities (schools, shopping, parks, greenways) and/or places of employment;  
and
3. Architectural interest, construction quality, energy efficiency, incorporation of green building standards and creative land planning.

Note: Participation in the program may require the execution of an agreement among the developer, Town, and County guaranteeing sale of units to pre-qualified individuals and families, resale restrictions to assure occupancy by buyer and long-term affordability, compliance by developer, etc. Appropriate legal instruments (deed of trust, promissory notes, etc.) will be used as needed.

## **PROPOSAL SUBMISSION**

Please submit proposals by using the attached application. Please submit ten (10) copies of the application. Only one copy of large-format attachments (such as site plan or concept plan) is needed.

## **EVALUATION OF PROPOSALS**

The proposals will be evaluated by a Town Workforce Housing Committee review team which will make funding recommendations to the Town of Falmouth Council, as needed. The review team will use criteria listed in the program guidelines below to evaluate each application.

## **RIGHT TO REJECT PROPOSALS**

The Town of Falmouth reserve the right to reject any or all applications received, and to negotiate development features and funding terms in order to best serve the interests of the future residents. Any funding recommendation is contingent upon final approval by the Falmouth Town Council.

## DEADLINE FOR SUBMISSION

All responses to this Request for Proposals must be submitted (postmarked or hand delivered) to Town of Falmouth no later than 3:00 p.m. on Friday, \_\_\_\_\_, 2007. Late proposals will be rejected. Deliver proposals:

By Mail or In-Person:

Town of Falmouth Attn: Nathan Poore, Falmouth Town Manager,  
271 Falmouth Road, Falmouth, Maine 04105

Any questions or comments regarding this request for proposals should be directed to Nathan Poore, Falmouth Town Manager, at 207-781-5253.

### Threshold Criteria

Proposals to develop Workforce housing must meet the minimum threshold criteria listed below:

1. No developments will be considered if they consist of fewer than 20 units;
2. No sales price (house and land) may exceed the standards shown in Appendix B (which are based on a 5.6% mortgage interest rate and a year 2006 definition of moderate income);
3. No more than 50% of the units should be priced as affordable to households earning 80% or less than the most recent HUD area median income (AMI) levels and the balance at or below 120% AMI. 2006 figures are provided by household size below:

Household Size Maximum Income

	80%	120%
1	\$38,200	\$57,300
2	\$43,650	\$65,475
3	\$49,100	\$73,650
4	\$54,550	\$81,825
5	\$58,900	\$88,350

A mix of sizes (number of bedrooms) and types (patio homes and townhouses included with single-family detached units) is welcome. Inclusion of one or more handicapped accessible or adaptable unit is encouraged.

### **Evaluation Criteria:**

- **Affordability (Maximum 25 points):** 15 points will be given incrementally to the developer who targets a maximum of 50% of the units available to families at or below 80% of the area median income. 5 points for supplying units above 80% but below 120%. All calculations should be based of AMI at the time of application. The expectation is that families should pay no more than 30% of their monthly gross income on mortgage, insurance, and real property taxes. The sales prices should reflect this standard, which is suggested in Appendix A for different household sizes. Guaranteeing affordability beyond the first sale will receive preference.
- **Design and construction quality (Maximum 25 points):** Proposals will be evaluated on how well the units blend into the existing community as attractive additions in relation to architectural interest (10 points), environmental sensitivity (10 points), connections (pedestrian and vehicular) to adjacent amenities (schools, shopping, parks, greenways) and/or places of employment (5 points). Representative floor plans and elevations and conceptual site plans are sufficient for the proposal. **Additionally up to 5 bonus points will be awarded for designs that implement best practices for green building design features.**
- **Developer experience (Maximum 20 points):** Town of Falmouth will only select proposals by development teams who have a proven track record of building and selling their units. The developer should provide evidence of well thought out design (5 points), construction management and financing in the proposal (5 points). The review team will also consider the developer's experience and track record for developing well-built (especially Workforce) housing (10 points).
- **Innovation (Maximum 20 points):** Proposals that guarantee long-term affordability (beyond the initial sale) (10 points), involve partnerships with lenders with special mortgage or downpayment assistance for moderate income borrowers (or nonprofit organizations with Workforce housing focus) (5 points), provide training for first-time homebuyers, pre-qualify income-eligible buyers, provide credit counseling, etc. (5 points).
- **Financial feasibility and leveraging (Maximum 10 points):** Developers must demonstrate that the project is financially feasible with proposed funding sources (5 points). Proposals with evidence of commitments from

other funding sources will be preferred to those with no such commitments (5 points).

**NOTES ABOUT THE APPLICATION:**

1. Applicants must attach a preliminary site plan that shows entranceways, street layouts, utilities and drainage, placement of units, plantings, and elevations or architectural sketches of the proposed units and floor plans.

2. Applicants must submit ten (10) complete applications (see below), site plan or sketch and preliminary architectural plans to the Town of Falmouth. Please provide all necessary information (including attached letters from financing sources) when submitting your application. Only one copy of large-format attachments (such as site plan or concept plan) is needed.

3. No application fee is required.

4. Letters of interest must be provided for all permanent and construction financing sources. The letter of interest must identify the loan amount, term, and estimated interest rate for the construction and sell out period.

Ten copies of a complete application must be received by Town of Falmouth or postmarked no later than 3:00 p.m. on Friday, \_\_\_\_\_, 2007.



## **Appendix A:**

### Town of Falmouth Definition of affordable Work Force Housing

Ultimately whether a house is affordable to family or household hinges on the following three "affordability variables":

- 1) Family/household size,
- 2) Their total income, and
- 3) The sales price of the dwelling.

Consistent with federal assistance programs, the Town of Falmouth uses a definition of affordable workforce housing as housing that costs no more than 30% of the monthly income of moderate income persons and families, adjusted for household size. For homebuyers, moderate income is defined as 80% of area median income, by household size (see chart below). Several Local, State and Federal homeownership programs also identify persons and families whose income is at or below 120% of area median income.

### 2006 Definition of affordability for Work Force Homeowners: House Price Range Affordable to Moderate Income Buyers

Household size and total income determine income status, and housing costs determine affordability. Affordability Variables 1 and 2 above--the standards for moderate-income status and housing costs that are affordable to different household sizes with different income levels--can be established in advance and variable 3 can at least be projected, with assumptions about household size given number of bedrooms.

The chart below provides income ranges for home-buying households of different sizes and the corresponding affordable house price ranges.

**2006 DEFINITION OF WORKFORCE HOMEBUYERS:** The following definition of "Targeted Workforce Homebuyers" will be used for purposes of the Town of Falmouth's workforce housing program, using 80-120% of area median income by household size:

Total family (or household) income is calculated from all sources by all family (or household) members over age 17 (unless a full-time student). On an annual basis the following are the upper income limits for Town of Falmouth families (or households) of various sizes:

Size:		1	2	3	4	5
Income Limit:	80%	\$38,200	\$43,650	\$49,100	\$54,550	\$58,900
	120%	\$57,000	\$65,475	\$73,650	\$81,825	\$88,350

Family House Size Range**	Size	Income Range	PITI* Range	House Price
Two BRs \$256,504	1 person	\$38,200 - \$57,300	\$955 - \$1,433	\$191,003 -
Two BRs \$284,540	2 persons	\$43,600 - \$65,475	\$1,091 - \$1,637	\$209,693 -
Two BRs \$312,575	3 persons	\$49,100 - \$73,650	\$1,228 - \$1,841	\$228,383 -
Three BRs \$340,611	4 persons	\$37,700 - \$49,850	\$1,364 - \$2,046	\$247,074 -
Four BRs \$362,988	5 persons	\$40,400 - \$53,850	\$1473 - \$2,209	\$261,992 -

\*PITI= principal, interest, taxes, and insurance--or the full monthly payment associated with ownership.

\*\*5.6% interest, 30-year term, 5% down payment; taxes and insurance = 25% of principal & interest.

# Open Space Inventory and Evaluation Form

PDF to WFH members

Woods Road Spur

Identifying Information		General Physical Characteristics	
Map and lot number	R01-001	Developed land (acres)	0
Size in acres	25	Undeveloped land (acres)	25
Approximate market value	\$150,000	Number of buildings	0
Date of valuation or assessment	2000	Typical upland vegetation	Mixed forest
Underlying zone	MUC	Typical upland soils	Glacial till sandy loam
Overlay zone (if any)	none	Topography most characteristic of site	Uneven with rock outcrops
Documented historic building or site	None known	Date of preparation or last revision	9/30/03
Legal and Ownership Characteristics			
Type of Ownership (private, public, or quasi-public) and present use	town		
Encumbrances (liens, easements, utility lines, etc.)	None known		
Hazardous materials storage, dumpsite, or other pollutants present, if known	None known		
Owner's objectives for property, if known	undecided		
Is this property under development or an option to purchase? (explain)	no		
Are any adjacent parcels potentially available for acquisition?	no		
Development Potential			
Land suitable for development (deduct wetlands, steep slopes, floodplains, buffers, dumpsites and restricted areas)	21		
Number of ball fields possible (units of relatively level land within buildable area that are 300' wide by 350' long)	2		
Major factors affecting development cost (number and type, eg: depth to bedrock, length of access, wetlands, etc.)	1	ledge	
Recreation Potential			
Contains a trail shown in the 2000 Townwide Trail Inventory (yes/no)	no		
Provides access to the Townwide Trail System through a parking area or a feeder trail, or has this potential (yes/no)	no		
Provides the opportunity for a reroute of a trail threatened by development (yes/no)	no		
Existing or proposed neighborhood park (yes/no)	no		
Existing or proposed municipal park (yes/no)	no		
Provides water access for swimming, fishing, or boating through a boat ramp, beach, or shore frontage (yes/no)	no		

**Scenic Quality**

Scenic vista as identified in the 1989 Open Space Plan (yes/no)	no	
Rural Road Corridor as identified in the 1989 Open Space Plan (yes/no)	no	
Viewshed as shown on the Resource Conservation Overlay Map (yes/no)	no	
Visually significant features not identified on Town Plans (yes/no – if yes, please explain)	no	

**Wildlife Habitat** (for species most at risk due to development)

Interior habitat (continuous forested area in acres more than 270 feet from development or other cover types)	7	
Old field habitat (largest area in acres dominated by old field species of trees and shrubs)	0	
Grassland habitat (an area approximately round or square in shape that is a minimum of 5 acres in size – yes/no)	no	
Vernal pool depressions (number)	0	
Wetlands that are not vernal pools (number)	2	
Vernal pool critical upland habitat (acres of undeveloped land within 750 feet of the vernal pool depression)	0	
Streams as defined by the Maine DEP (linear feet)	400	
Species at risk from development, as listed by Maine Audubon, observed on site (number, species)		

**Evaluation**

Category	Rating (high, medium, low)	Explanation
41. Recreation Potential		
42. Development Potential		
43. Scenic Quality		
44. Wildlife Habitat		
45. Overall value of parcel		

**Recommendations** (Please explain)

46. How can this parcel best serve the Town?	
47. Should the Town acquire this parcel?	
48. Should this holding be increased in size?	

**Management Issues**

**Field Notes**

**Evaluators**

1. Gary W. Fogg, prepared inventory data from remote sensing on 9/30/03

**TOWN OF FALMOUTH  
Parcels Conveyed by Town**

MAP LOT #	TX SHT	GRANTOR	GRANTEE	LOCATION	DATE	ACRES	AMT	COMMENTS
U04-12	402	Town of Falmouth	Habitat for Humanity	55 Hartford Ave	2007?	5,500sf	\$-0-	ZBA apprvl 4/06; Cert of Occupancy 3/07; deed to be recorded.
R03-39-1	231	Town of Falmouth	Falmouth Historical Society	60 Woods Rd	12/14/04	4.82ac	\$-0-	Conveyed portion of lot next to transfer station for museum.
U65-46	50	Town of Falmouth	Habitat for Humanity	190 Winn Rd	10/10/03	1ac	\$39,850	10/13/04 Habitat conveyed to Fahray Bk21885/Pg278 @ \$206,140.
R06-53-1	30	Town of Falmouth	Habitat for Humanity	59 Hadlock Rd	7/19/00	2ac	\$-0-	7/24/00 Habitat conveyed to Konkel Bk15610/pg69 @ \$164,000.
U52-5-1	320	Town of Falmouth	Family Ice	Hat Trick Dr	8/12/98	4ac	\$-0-	40 yr lease; Memorandum of Lease (Bk14059 Pg132) has no extension, option to purchase or amount terms but does refer to "Lease" that is not recorded according to online search of Registry documents.