



# Workforce Housing Commission

c/o Falmouth Town Hall, 271 Falmouth Road, Falmouth, ME 04105, 207-781-5253  
[http://www.town.falmouth.me.us/Pages/FalmouthME\\_BComm/Work\\_Force](http://www.town.falmouth.me.us/Pages/FalmouthME_BComm/Work_Force)

## WORKFORCE HOUSING COMMISSION RECOMMENDS DEVELOPERS COLLABORATIVE AND PORTLAND BUILDERS FOR THE WOODS ROAD WORKFORCE HOUSING PROJECT

### Falmouth Workforce Housing Commissioners

*Tim Bryant*  
Chair

September 16, 2008

*Ward Graffam*  
Vice Chair

*Willie Audet*

*Lisa Bousquet*

*Donna Cheney*

*Paul Strout*

This report contains two parts. First, it details the process that the Workforce Housing Commission has undertaken to evaluate six (6) proposals that were received by the Town for a workforce housing development project at the Town-owned site on Woods Road. Second, it explains the reasoning supporting the Commission's recommendation for a "Preferred Developer" and "Preferred Builder."

### PROCESS FOLLOWED

### Falmouth Town Council Liaisons

*Councilor Armitage*

*Councilor Libby*

In November 2007, the Ad Hoc Workforce Housing Committee presented a progress update to the Town Council and requested authorization to move forward with a Request for Proposals (RFP) for a Workforce Housing Subdivision.

In January 2008, the Town Council voted (5-1, 1 abstention) to authorize the Town Manager to advertise and solicit an RFP related to a workforce housing development on the Woods Road site.

### Commission Advisor

*John Gallagher,*  
*Executive Director,*  
*Westbrook Housing*

A draft RFP was developed by the Committee, revised by staff, and commented on by affordable housing developers. A final RFP was distributed to developers on February 27<sup>th</sup> (**ATTACHMENT A**). It was also posted on the Town's website and a legal advertisement was placed in the Portland Press Herald.

### Commission Staff

*Theo Holtwijk*  
*Director of Long-range*  
*Planning*  
[tholtwijk@town.falmouth.me.us](mailto:tholtwijk@town.falmouth.me.us)  
781-5253 ext. 5340

A mandatory pre-bid was held by the workforce housing committee for prospective developers on March 13, where all present had an opportunity to ask questions of the committee. Roughly 20 people attended this meeting. A distribution list was created and distributed among participants to facilitate the formation of developer teams (**ATTACHMENT B**). A summary of pre-bid questions was also prepared (**ATTACHMENT C**).

On March 24, the Town Council unanimously adopted an order which established an ad hoc workforce housing commission, whose purpose

The Council specifically charged the Commission to:

1. Review proposals from developers for Woods Road Workforce Housing Project, and make a recommendation to Town Council for a preferred developer.
2. Work with the preferred developer selected by the Town Council to prepare final proposal for review by Town Council;
3. Make a recommendation to the Town Council regarding the ongoing management of the Woods Road Workforce Housing Project.

This report completes task 1 of the Commission's charge.

At the same meeting, the Council unanimously appointed the present members of the workforce housing committee to the Workforce Housing Commission.

In an effort to be responsive to developers, between March 25<sup>th</sup> and April 17<sup>th</sup> five (5) Question and Answer (Q&A) Updates were issued, distributed to all pre-bid attendees, and posted on the Town's website (**ATTACHMENT D**). The original deadline was extended from April 9<sup>th</sup> to April 23<sup>rd</sup> to allow feedback by the U.S. Army Corps of Engineers to be received and to allow developers sufficient time to respond to the RFP. A total of eight weeks was allotted for proposal preparation.

By the April 23<sup>rd</sup> deadline six (6) proposals were received and distributed to Commission members at their first meeting the same day (**ATTACHMENT E**). This meeting served as an organizational meeting where the Commission outlined its evaluation process.

On May 7<sup>th</sup> the Commission met again and reviewed a summary chart prepared by staff which compared all proposal against the submission requirements as stated in the RFP (**ATTACHMENT F**). The Commission decided to interview all six developer teams. It crafted three specific interview questions to be answered in each developer presentations. These questions were:

1. How did you arrive at the site layout, number of units, unit types, and unit design that you are proposing?
2. How can the level of affordability that you are proposing be achieved?
3. What does it take to make this project a success and meet the Town's mission?

In addition it crafted several other questions to be used in the Q+A part of each interview, where appropriate. These questions were:

- The present mortgage market is a concern. Can you elaborate how that might affect your ability to secure financing?
- Can you tell us how the present market conditions will affect your design and target pricing?
- Can you describe your approach in making the unit affordable? What funding sources do you plan on utilizing?
- Understanding that your final budget is not fully developed, can you talk to us about the relationship between budget, number of units and your pricing structure? What flexibility exists in your planning?
- Can you talk to us about how you would approach marketing to assure that Town employees, residents and employees at Falmouth businesses have the first opportunity to purchase in the development?

- Did you visit the project site? What important site features or issues do you see regarding preparation and approval of an appropriate site plan? How do you propose to address or tackle these?
- Do you anticipate requesting a “contract zone” approval for this project from the Town Council? If so, how do you suggest that should be approached?
- Assuming that you would be selected by the Town Council as the “preferred developer,” what questions do you believe should have been answered by completion of the end of “Round Two” and before executing a legal agreement/commitment between you and the Town?

Interviews were one hour each with max. 20 minutes for presentation and 40 minutes for Q+A. The six interviews were held on June 4<sup>th</sup> and 5<sup>th</sup>. Three worksheets were developed by staff: worksheet A with presentation questions, worksheet B with Q+A questions, and worksheet C with evaluation criteria (**ATTACHMENT G**). Most developers used PowerPoint presentations. Copies of these presentations were retained.

The Commission met again on June 12<sup>th</sup> to discuss each developer’s proposal, presentation, and other relevant information. The Commission members did an individual ranking of each developer’s proposal and presented their impressions (**ATTACHMENT H**). Following this ranking additional discussion ensued. The Commission decided to select Portland Builders/Greater Brunswick Housing Corporation and Developers Collaborative as the two developer finalists (**ATTACHMENTS I, J, K, L, and M**).

The Commission reconvened on June 24<sup>th</sup> to outline four steps it wanted to take to gather additional information in order to make a final recommendation. First, it determined what type of people it wanted to have references for each developer. The Commission settled on:

- banker/lender
- homeowner in an affordable housing project
- Code Enforcement Officer in affordable housing municipality
- Town or City Manager in affordable housing municipality
- Planning Chairman at time of review of affordable housing project

Second, the Commission wanted to conduct a group site visit of an affordable housing project by each developer (“site A”), interior and exterior, and it wanted to be able to individually tour the exterior of a second project by the developer (“site B”).

Third, the Commission determined to ask a set of specific questions for each developer and request written responses.

Fourth, the Commission reserved the right to schedule an optional second interview with each developer to clarify any remaining issues.

On July 15<sup>th</sup> the Commission visited site A, the Harriet Way project, a 14 unit single family development in Brunswick developed by the Greater Brunswick Housing Corporation (GBHC) and built by Portland Builders and toured one of the homes (**ATTACHMENT N**). Site B for this developer was the Tidewater Project in Falmouth. (Note: GBHC had no involvement in that project.)

On July 16<sup>th</sup> the Commission met and determined the sets of questions for the developers as well as the questions for each type of reference. It also assigned which Commissioner was going to call which reference. It set a deadline for written reports of July 22<sup>nd</sup>.

On July 23<sup>rd</sup> the Commission visited site A, Brick Hill, a mixed use development in South Portland developed by Richard Berman and Richard Hatch of the Developers Collaborative and toured two units in Heron Cove Condominium section of the project (**ATTACHMENT O**). Site B for this developer was the Two Echo Co-Housing project in Brunswick (**ATTACHMENT P**).

On July 29<sup>th</sup> the Commission met to review information gathered from the first three steps (reference reports prepared by Commissioners – **ATTACHMENTS Q and R**, site visits, and developer responses – **ATTACHMENTS S and T**) and determined it did/did not need to schedule second interviews with each developer.

On August 26<sup>th</sup>, the Commission met to continue its evaluation of Developers Collaborative and Portland Builders/GBHC as the workforce housing finalists with the intention of selecting one candidate as the “Preferred Developer” and the other as the runner up or back up developer.

On September 15<sup>th</sup>, the Commission met again to finalize this report and voted unanimously to submit it to the Town Council.

In conclusion, upon submission of the proposals to the Town, the Commission has met a total of twelve (12) times in order to render a complete and thorough recommendation to the Town Council. At each meeting, including the developer interviews and site visits, members of the public had ample opportunity to participate in the process, and did so or simply observed. Meeting notes were prepared for each meeting and have been posted on the Town’s website. All written proposals have been available for public inspection. The Commission received and greatly appreciated the expert advice from John Gallagher, Executive Director of Westbrook Housing, who participated throughout the process. In addition, the Commission wants to thank Councilor Libby who participated actively as Council Liaison to the Commission and drove the Community Programs van to Brunswick and South Portland.

## **RECOMMENDATION**

The RFP stated that Town will select its “preferred developer” based on the following criteria:

1. Qualifications and experience to develop workforce, home-ownership housing;
2. Experience working with, and obtaining input from, the public
3. Approximate number and type of units and level and longevity of affordability that are being proposed;
4. Conceptual site layout and architectural design sketches;
5. Financial feasibility, anticipated sources of financing and assistance requested from Town.

To score the respective presentations and proposals, the commission utilized a grid comprised of the above 5 questions plus two additional questions (6. Perception of Developer & Team by Falmouth Residents and 7. Overall Presentation (detail, people, thought process, understanding, ability to answer questions, etc.)).

While all of the presenters are clearly qualified and competent to work with the Town of Falmouth on this workforce housing project, Developers Collaborative and Portland Builders/GBHC stood out as top candidates. During Commission discussions about these two top candidates, it became clear that each group has similar strengths, but also has strengths that are separate and distinctive including:

#### Developers Collaborative

- Extensive experience in developing workforce housing in numerous municipalities;
- Extensive experience in working with respective municipalities to ensure that projects are guided by public input to best serve the community;
- A site plan that was designed with a detailed understanding of the Woods Road site characteristics and challenges. This site plan thoughtfully complemented the existing landscape to minimize environmental impact while creating a natural and attractive neighborhood setting.

#### Portland Builders/GBHC

- A solid track record of building homes in Falmouth;
- As a builder, Portland Builders is appropriately focused on quality construction standards and the aesthetics that are necessary to make this project attractive for Falmouth;
- A collaborative and open approach to working as a team.

Relative to the criteria and the aforementioned distinctive strengths, the Commission felt that “Developers Collaborative was a developer without a builder and that Portland Builders was a builder without a developer”. The Commission agreed (5 in favor and 1 opposed) that the best team to lead Falmouth’s Workforce Housing project on Woods Road is the Developers Collaborative team as the project developer and Portland Builders as the designated builder. It should be noted that the Commission is recommending Portland Builders without its project submission partner of GBHC since Developers Collaborative already has this expertise on its team. The one dissenting commissioner remained more comfortable with Portland Builders/GBHC and was worried that breaking up that team would produce higher priced housing that might not sell.

#### **NEXT STEPS**

Upon selection by the Town Council of the development team, the Commission stands ready to work cooperatively with that development team, the community, and the Council to prepare the submission requirements of Round Two as spelled out in the RFP. Approval by the Town Council of the Round Two submission is intended to be followed by the signing of a contractual agreement between the Town and the Developer.

The Commission is pleased to answer any questions the Council may have regarding this project.

Respectfully submitted,

Timothy Bryant, Chairman  
Workforce Housing Commission  
Town of Falmouth, Maine

## **ATTACHMENTS**

- A Request for Proposals Workforce Housing Home Ownership Development
- B Contact List for Attendees of March 13<sup>th</sup> Pre-Bid Meeting
- C Summary of Pre-Bid Questions
- D Q+A Updates #1-5 Issued by the Town
- E Proposals Received on April 23, 2008
- F Proposal Summary Chart, draft dated April 30, 2008
- G Developer Selection Worksheets A-C
- H Summary Ranking of all proposals by Commissioners
- I Portland Builders-GBHC Proposal
- J Developers Collaborative Proposal
- K Portland Builders PowerPoint Presentation
- L Developers Collaborative PowerPoint Presentation
- M Additional Information from Developers Collaborative
- N Harriet Way Information Packet, Portland Builders-GBHC
- O Brick Hill Information packet, Developers Collaborative
- P Two Echo Co-Housing Information Packet, Developers Collaborative
- Q References Lists Provided
- R Reference Reports from Commissioners
- S Response from Portland Builders-GBHC to Commission Follow-Up Questions
- T Response from Developers Collaborative to Commission Follow-Up Questions