



MEMORANDUM

TO : Board of Selectmen
FROM: Henry T. Wing School Review Team
RE : Wing School Proposal Recommendation
DATE : November 4, 2019

The Henry T. Wing School review team was established to analyze the proposals received on August 5, 2019 for the disposition of the Wing School, and to forward a recommendation to the Sandwich Board of Selectmen to advance to Town Meeting.

Team members include:

- Charles Holden, member, Board of Selectmen
- Susan James, former member, Board of Selectmen
- Robert Jensen, member, Board of Appeals
- Charlie Ritch, member, SEIC
- Tobin Wirt, member, Sandwich Housing Authority
- Heather Harper, Assistant Town Manager
- Ed Childs, Town Assessor
- Ralph Vitacco, Town Planner

After several internal sessions and an interview with the two proposers, the review team recommends the SCG Development/CHOICE proposal, which was deemed by the Committee to be advantageous in all categories.

If the Board of Selectmen chooses to accept this recommendation, the Town will begin to engage in negotiation with SCG Development/CHOICE to create a development agreement that is mutually beneficial to both the Town and the developer. With acceptance of this recommendation, the Board of Selectmen is adhering to the timeline

articulated in the RFP to bring a satisfactory proposal to Town Meeting for final approval prior to the expiration of the current occupant's lease agreement.

SCG proposes a 128 unit affordable senior housing development on the site of the Wing School. The developer intends to retain the 1927 building and demolish the remaining structures to create the 62 years and older restricted housing. The plan identifies the age restriction as being preferred by DHCD and, as a result of this constraint, tenants would not be allowed to house any individuals younger than that age without facing action by management. The project is geared towards seniors who want to stay in Sandwich. The developer intends to institute a lottery plan, where a majority of local preference tenants will be from Sandwich and the surrounding towns.

It is the intent of the developer to construct the project in three phases as follows:

Phase I will consist of a total of 43 units. Ten units will be in the 1927 Wing School building, and the remaining 33 units will be a part of new construction. These units will consist of residential apartments and a Senior Service Center. The developer intends to employ a Resident Services Coordinator, and is proposing allocation of 5,800 sq. ft. within Phase I for Residential Senior Services. Upon completion, the greater Sandwich community will have access to the existing HTW School's 3,600 sq. ft. auditorium. Construction is anticipated to begin October 2022 and be completed October 2023.

Phase II will consist of a total of 41 units within a new three story building. Construction is anticipated to begin July 2023 and be completed July 2024.

Phase III will be a new three story building containing the remaining 44 units. Construction is anticipated to begin July 2024 and be completed July 2025.

The project is divided into three phases in order to maximize the developer's affordable state and federal tax credits. Completion of the total project will take 5 – 7 years, and SCG will institute measures to minimize disruption to abutters. Additionally, the phasing method provides the opportunity for the Town to re-evaluate its needs at the completion of each phase. Prior to commencement of work, SCG has expressed a commitment to work with Town boards, committees and professional staff, and conduct outreach programs to solicit design ideas to ensure a project that is complementary and in keeping with the Town of Sandwich character as a whole, and historic downtown specifically.

The developer is offering a total of \$1.265 million in payments to be distributed over the three phases of projected development: \$215K for Phase I, \$450K for Phase II and \$600K for Phase III. SCG is also requesting \$2.65 million in CPA funding over the course of the three phases. For Phase I they are seeking \$2.250 million, primarily for demolition and site prep work. They will be requesting \$200K each for Phases II and III. SCG will pay the Town \$25K per year toward operating costs, until they take over the property. Said payments will be applied toward the purchase price.

The current wastewater configuration can accommodate 12,000 gpd. Build-out of Phase I requires 5,170 gpd; Phase II requires 4,730 gpd; and Phase III requires 5,060 gpd, for a total project flow of 14,960 gpd. Because of the maximum gpd load at completion, the project will need to connect to Town sewer in order to complete the final phase.

The SCG Development/CHOICE proposal was found to be responsive to the RFP. The review team compared the proposal to the six parameters prescribed within the RFP: 1. Proposed use of Property; 2. Preservation of Building; 3. Impact Analysis; 4. Financial Capacity; 5. Project Team; and 6. Purchase Price or Lease Rent Price. The team assigned a rating system to each with Highly Advantageous equal to three points, Advantageous equal to two points and Not Advantageous equal to one point. The proposal received an overall average of 2.6. Comparatively, the second proposal scored an overall average of 1.4.

The review team recognizes that the SCG proposal represents a significant change to the long established Water Street neighborhood and a substantial commitment of CPA funds. As previously described, however, there are several advantages to this proposal. SCG Development is planning to retain the exterior façade of the 1927 building and to work with the Town in planning the additional construction compatible with the neighborhood. In addition, the plan calls for 128 badly needed age-restricted affordable units.

A review of the proposer's financials indicates strong balance sheets. The CPC funding represents a local commitment to affordable housing necessary to navigate DHCD approval and be eligible for other funding. It is important to note that the \$2.65 million CPC commitment represents a \$20,500 per unit contribution. In comparison, the Town of Holliston's per unit contribution for the Andrew's School was \$37,000, and Sandwich's per unit contribution to Terrapin Ridge is \$47,000. The request appears to be well within the range of a typical affordable development.

The review team would also like to acknowledge the responsiveness of the SCG Development/CHOICE team. Prior to the interview, each applicant was given a list of questions to help facilitate the process and address concerns expressed by the review team. The SCG group provided a written response to all 23 questions, which is attached to this memo, and representatives from SCG, CHOICE, ICON and Dellbrook were present at the interview.

Team members have contacted the Town of Bourne (Coady School project) and the Town of Yarmouth (Simpkins School project) to ascertain their experiences working with the developer, and both gave favorable reviews.

Submitted for your consideration.