North 40 and Rollins: Process and Progress

Campus Update
December 3, 2014

Trustee Real Estate Revenue Task Force
Agenda

• North 40
• Rollins
• Your questions and comments
North 40 RFP Process

• College received 13 proposals in October: 12 proposals from private developers (some for profit, some non-profit), and one from the Town of Wellesley

• Variety of proposed uses including:
  – Single family homes
  – Multi-family housing (apartments)
  – Age-restricted housing
  – Continuing Care Retirement Community (CCRC), including assisted living
  – Various possible municipal uses
Lack of Interest from Conservancies

• The College solicited interest from a number of conservancy agencies and received little response.

• Conservancy agencies do not consider this property a high priority:
  – town bylaws already protect 50% of the land.
  – the North 40 doesn’t have significant wetlands or rare species.
  – the property is not contiguous with other conservation-owned land.

• Additionally, due to Wellesley’s high land value some agencies felt a much greater impact was made by deploying those dollars elsewhere.
RFP Process (continued)

Respondents submitted information about their proposed plans:

- Economics and deal structure, including sources of funds
- Background on team/participants, track record (working in communities like Wellesley, as well as sustainability/ green building) and reference projects
- Project vision, type of development, and plan for permitting and approvals
- Proposed site plan, including development footprint and open space
- Contingencies, timeline and risks
Criteria for Review of Proposals

The Trustee Real Estate Revenue Task Force considered the following in addition to deal economics:

- Strong preference for “a development which embraces sustainability as a core value. The College considers sustainability as a factor in all institutional decisions and expects any development will represent that commitment.”
- Sustainable design and thoughtful consideration of landscape and open space
- Opportunity for retained ownership by the College (e.g. long term lease rather than outright sale)
- Track record of working well with neighbors and the local community
- Uses that would be attractive to, and synergistic with, the Town
- Impact on the neighborhood and on Town services
- Consideration of permitting and other project risks
First Round Review

• The Task Force eliminated eight proposals from further consideration based on a number of factors including:
  – inadequate value to the College
  – lack of open space
  – the potential for high impact to Town services or traffic

• Some proposals would have generated up to 20% more revenue, but were eliminated because they were not found to be as responsive to the Task Force’s selection criteria as the leading proposals

• Final remaining proposals are responsive to open-space requirements and to the community’s desire for gardens, trails and educational opportunities, among other elements
Second Round Review

• Task Force met in person with each of the five selected bidders (including the Town of Wellesley) during October

• Opportunity to meet the bidders, “look them in the eye,” discuss their plans in detail, and ask follow-up questions to clarify each proposal

• Each participant invited to submit a “best and final” offer by early November; all five chose to do so
Current Status

• Proposals still under consideration include:
  – Continuing Care Retirement Community (CCRC) facilities
  – Age restricted housing
  – Multi-family housing
  – The Town proposal. Actual uses are unspecified, but there is a commitment to maintaining significant open space

• All plans under consideration provide for open-space ranging from 20 – 30 acres
Process and Timeline for Decision Making

• Continue to review finalist proposals and due diligence analysis
• Compare offers using prior criteria, both financial and non-financial, quantitative and qualitative
• Make recommendation to the Executive Committee of the Board on December 10th
• Make a recommendation to full Board of Trustees for their approval in mid-December
• Negotiate final agreement with selected bidder
• Announce outcome
Rollins Lot

• Trustees approved sale for $3.5 million to Northland Development at their October meeting
• Local firm with strong track record for:
  – working well with neighbors
  – pursuing sensitive architectural designs
  – preserving trees
  – building LEED certified and ENERGY STAR rated homes
• College established design standards and review process, and obtained construction management agreement to minimize impact on neighbors
• Northland will develop five single family homes in keeping with the neighborhood
More Information

Members of the RERTF:

Ellen R. Marram, Chair
Ken Bartels
Debora de Hoyos
Laura Daignault Gates, *ex officio*
Kathy Stone Kaufmann

Steve Kidder
Tim Peltason
Adam Van Arsdale
Marianne Brons Cooley, staff
Ben Hammond, staff

http://www.wellesley.edu/administration/real estate
Questions or Comments?