



CITY OF SOMERVILLE, MASSACHUSETTS
MAYOR'S OFFICE OF STRATEGIC PLANNING & COMMUNITY DEVELOPMENT
KATJANA BALLANTYNE
MAYOR

THOMAS GALLIGANI
ACTING EXECUTIVE DIRECTOR

MEMORANDUM

To: City Council
From: Ted Fields, Senior Economic Development Planner,
OSPCD – Economic Development Division
Date: January 26, 2023
RE: 90 Washington Street– Proposed procurement procedures

90 Washington Street is a four-acre property acquired by the Somerville Redevelopment Authority by eminent domain in 2019 as the site for a new public safety building and complementary community and transit-oriented development, including retail, residential, commercial, and civic space. Since acquisition, the site has been cleared of the vacant Cobble Hill shopping plaza and used for temporary municipal storage. Preliminary design funding for a new public safety building was approved in 2020, and the Department of Infrastructure & Asset Management (IAM) engaged architects to develop a program and schematic design for a new public safety facility with assistance from a Public Safety Building Committee. The Office of Strategic Planning & Community Development (OSPCD) started analyzing scenarios for building transit-oriented development with uses desired by local residents: shops, restaurants, service businesses, housing, medical facilities, recreation centers, offices/labs and civic space. In December of 2021, the City started engaging residents about redeveloping the property with public meetings, public surveys, listening sessions and a LEGO design workshop.

Nine months of public outreach about the future of 90 Washington Street culminated with a final public meeting on October 6th, 2022. Extensive input about proposed redevelopment of the site was reviewed by staff of the Economic Development and Capital Projects Divisions. This public feedback period did not reveal a clear vision for redeveloping the site. However, it did provide critical feedback from the community including that most residents favored buildings with new shops, services and apartments on the site along with new public green space on Washington Street. The public also raised crucial technical questions that require the unique technical knowledge of professional developers to adequately answer before the City can proceed to select a development partner. These questions involve the feasibility and project coordination, community-oriented space, and site preservation:

Public-Private Collaboration:

- ♦ Can a new Safety Building be part of a larger commercial structure built by a private development partner?

- ♦ Can Safety Building functions be split up and built on different parts of the site?
- ♦ Can a Public Safety Building and other uses be built at the same time?

Community Spaces:

- ♦ What types of community-oriented uses can be incorporated into a redevelopment of the site?
- ♦ How affordable can “affordable housing” built on the site be?
- ♦ Can the City’s property be combined with abutting properties on the western property lines to accommodate more redevelopment?

Site Preservation Questions:

- ♦ Can existing trees on site be feasibly preserved during redevelopment?
- ♦ Can new development be feasibly located on the property with minimal impact to the existing landscaping berm in the middle of the site?
- ♦ Can this berm be replaced with buildings that provide better protection for neighbors?

These questions require the specialized perspective and experience in real-world construction of complex projects in urban sites that the development community can bring as the City prepares a redevelopment vision for the site.

To answer these questions, the Economic Development Division and Capital Projects are pursuing a two-step developer selection process to select development partners for 90 Washington Street.

- **First**, the SRA will issue a Request for Qualifications (RFQ) in January of 2023 to experienced developers for detailed answers to vital technical questions raised from public feedback and to be able to assess if the responding teams can take on a complex project like this. After reviewing RFQ submittals and follow-up interviews, this first step will conclude with compiling a shortlist of RFQ respondents, based on qualifications and their responses to the RFQ solicitation, who will then be invited to advance to the second step in the process.
- **Second**, a Request for Proposals (RFP) will be released in approximately May 2023 to shortlisted RFQ respondents. After technical reviews, feedback from the Civic Advisory Committee, interviews and City Council engagement, the SRA will select one or more chosen partner(s). The SRA will approve RFP solicitation material in consultation with the City Council before they are released.

A novel element of this process is the direct involvement of local stakeholders through a new 90 Washington Street Civic Advisory Committee. The role of the Civic Advisory Committee is to provide diverse local neighborhood feedback to the SRA and City Council throughout this next phase of the developer selection process. At each step, they will be gathering the range of local neighborhood perspectives and making recommendations about where there is and is not consensus among local stakeholders to the SRA and the City Council. Recruitment is currently underway from neighborhood residents, businesses, and non-profit organizations. The Committee will be convened in January 2023, while the RFQ is released, and will advise the SRA during the review of RFQ responses, shortlisting respondents, and the decision about a partner and RFP submittal. This process is shown graphically in Tables One and Two on the last page of this memo.

Why an RFQ? (What don't we know?)

- ♦ Public input on the future of 90 Washington Street has yielded technical questions about how the site can be feasibly redeveloped
- ♦ These questions need to be answered before the City can select a development partner(s) for 90 Washington Street
- ♦ Answering these questions will improve selection for a development partner(s) for 90 Washington Street that meets community needs

Invitees (Who do we want to respond?)

- ♦ We need professional developers experienced with urban sites to tell us how the type of development desired by residents can be feasibly accommodated on 90 Washington Street
- ♦ Economic Development developed a list of 60 firms with its real estate consultant to invite to respond to the 90 Washington Street Request for Qualifications (RFQ)
- ♦ Invitees include BIPOC-owned companies, community development corporations and non-profit organizations

Process (How are we running this RFQ?)

Required Materials: Respondents must describe their corporate structure, financial resources, project experience, development approach and answer all the City's RFQ questions.

Complete submittals must include answers to all RFQ questions, proof of development of at least 3 urban mixed-use projects worth \$100 million or spanning 200,000+ sf and proof of capacity to secure capital and pre-development funds

Evaluation Criteria: Complete submittals will be evaluated based on the following criteria:

- ♦ Relevant Project Experience (Very Advantageous, Advantageous, Minimal)
- ♦ Financial Capacity (Very Advantageous, Advantageous, Minimal)
- ♦ Development Approach (Very Advantageous, Advantageous, Minimal)

Following evaluation, the selection committee will identify, or "short-list," applicants with the highest ratings. The committee may choose to interview short-listed applicants.

Table One: STEP ONE, Two-Step Developer Selection Process for 90 Washington Street

<u>October '22</u>	<u>Nov '22</u>	<u>Dec '22</u>	<u>January '23</u>	<u>February '23</u>	<u>March '23</u>
Start CAC recruitment	CAC interviews Develop RFQ	± SRA reviews draft RFQ CAC appointed	± SRA approves RFQ Release RFQ Convene CAC	Site meeting CAC meeting RFQ respondent Q&A briefings	RFQ deadline Review RFQ submittals - CAC review - RFQ technical interviews Draft RFP w. CAC input

Table Two: STEP TWO, Two-Step Developer Selection Process for 90 Washington Street

<u>April-May '23</u>	<u>June '23</u>	<u>July '23</u>	<u>Aug.-Oct. '23</u>	<u>Nov. '23</u>	<u>Dec. '23</u>
± SRA reviews draft RFP City Council provides feedback on RFP to SRA ± SRA approves RFP CAC meetings (2) Release RFP	CAC meeting RFP respondent Q&A briefings	RFP deadline Review RFP submittals w. CAC Release RFP proposals	Review RFP responses - Technical reviews - CAC feedback - Interviews	Review proposals, shortlist, and recommend selection City Council engagement	± SRA selects development partner(s)