

MCKENNA

January 6, 2020

North Village Committee
Northfield Township
8350 Main Street
Whitmore Lake, Michigan 48189

**SUBJECT: NORTH VILLAGE RFQ SCORING MATRIX RESULTS
AND NORTH VILLAGE SUBCOMMITTEE RECOMMENDATION**

Honorable Trustees

Per the Township Board request, the North Village Subcommittee has completed evaluation of the proposals / purchase offers submitted by Livonia Builders and A. R. Brouwer. The results of the evaluation and Committee recommendation are included here for Board Consideration.

North Village Subcommittee Combined Evaluation Results:

- Livonia Builders Average Score 80.13
- A. R. Brouwer Average Score 76.00

All 8 committee participants completed the evaluation.

Evaluation Criteria	Possible Score	Average Score LB	Average Score ARB
1. Demonstrated development experience by the applicant in completing mixed-use projects and/or projects of a similar nature to that which is proposed.	5	4.38	4.88
2. Compatibility and appropriateness of the proposed project scope and design in relation to the Township's stated goals. <i>Note: Points are available for each stated design objective.</i>	65	45.38	43.13
3. Experience in developing projects with creative and innovative approaches.	5	5.00	4.13
4. Experience of principals and team members.	5	4.88	5.00
5. Evidence of financial capability and ability to finance project. Examples of similar project financing experience strongly encouraged.	5	5.00	4.50
6. Demonstrated ability to deliver high quality projects on an established timeline.	5	4.75	4.75
7. Demonstrated ability to enter into a public / private partnership.	5	3.63	3.63
8. References – include up to three public agency references from communities or school districts where developer has successfully completed projects.	5	5.00	4.88
9. Any other criteria deemed important by the Township as important to evaluation of proposals, in its sole discretion. <i>Note: evaluators may optionally award 5 bonus points with justification notes provided.</i>	5	2.13	1.13
Total possible out of 100	105	80.13	76.00

HEADQUARTERS
235 East Main Street
Suite 105
Northville, Michigan 48167

O 248.596.0920
F 248.596.0930
MCKA.COM

Communities for real life.

North Village Subcommittee Additional Discussion Items

1. Both developers made changes to the offer template provided by the Attorney. Example, changing the due diligence period, is this ok? *The general terms are the same so we see no issue moving forward with a counter offer; however, the final offer must be reviewed again by the Attorney prior to acceptance.*
2. How much is each proposal valued at? What would the price per acre be? What would the sales price or rent price be? How much taxes will be generated? *A value-based estimate is the best way to give a sense for answering some of these questions. For the purpose of this estimate we are using an average sales price of \$250 k for all single family and single family attached units – regardless of whether they are owner or rental units.*

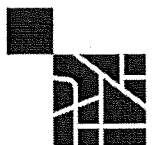
Residential Component Value Estimate

	Livonia Builders	A.R. Brouwer
Number of Taxable Units	90	48
Number of Units proposed for PILOT	0	82
Total Value based on 250,000 per unit	\$ 22,500,000	\$ 12,000,000
Total Net Present Value of Apartments at \$1375 Per Month		\$ 3,220,592
SEV @ 50%	\$ 11,250,000	\$ 6,000,000
PILOT	-	\$ 65,000
Annual Taxes (blended millage 44.975)	\$ 505,969	\$ 269,850
Total Annual Payment	\$ 505,969	\$ 334,850
Land Value at 5% of total Value	\$ 1,125,000.00	\$ 600,004.10
Offer	\$ 765,000	\$850,000

Note: We have not included the "main street" development proposed by A.R. Brouwer in this estimate because Livonia Builders is not proposing to complete this component of the project. This component estimates annually ~ \$125K of taxes paid and offer \$350,000 for the associated land.

Note: We used a blended homestead / non homestead millage rate assuming a 75/25 split. Formula: $((40.43 \times 3) + 58.61) / 4 = 44.975$

Note: We used an inflation rate of 3.5% and 20 years of rent payments to calculate the NPV of the 82 apartments.

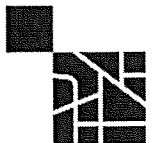


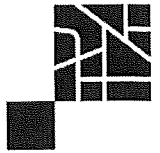
North Village Subcommittee Recommendation:

At this time, the North Village Committee recommends that Livonia Builders, with the development as proposed in the general plan for a counter offer price of one million. The Township will commit to dedicating a minimum of 50% of the sales price to be earmarked for reinvestment in the park area. The acceptance of the final offer is contingent on negotiating a development agreement and all required site approval requirements per the contract.

The North Village subcommittee noted that a refined version of the Livonia Builders plan, that includes access to Barker Road and a nonmotorized path is requested with a revised offer.

We also note that the North Village Committee was impressed by the A. R. Brouwer proposal, and if Livonia Builders should decline the Board's Counter offer, there is no reason not to consider the Brouwer offer.





MCKENNA

December 3, 2019

North Village Committee
Northfield Township
8350 Main Street
Whitmore Lake, Michigan 48189

**SUBJECT: NORTH VILLAGE RFQ SCORING MATRIX
For Livonia Builders and A. R. Brougher**

Committee,

Per the Township Board request, we would like you to score the two submittals from Livonia Builders (score in red and/or place score first in the box) and A. R. Brougher (score in black and/or place score second in the box). Both are high quality proposals from two experienced developers. My summary total score based on the criteria:

Evaluator Name: Jeni Olney

- Livonia Builders Score 94
- A. R. Brougher Score 72

I have included my completed evaluation for an example. Please provide to Jennifer Carlisle ASAP for inclusion in the 12/10/19 Board Packet.

Evaluation Criteria	Possible Score
1. Demonstrated development experience by the applicant in completing mixed-use projects and/or projects of a similar nature to that which is proposed.	5
2. Compatibility and appropriateness of the proposed project scope and design in relation to the Township's stated goals. <i>Note: Points are available for each stated design objective.</i>	65
3. Experience in developing projects with creative and innovative approaches.	5
4. Experience of principals and team members.	5
5. Evidence of financial capability and ability to finance project. Examples of similar project financing experience strongly encouraged.	5
6. Demonstrated ability to deliver high quality projects on an established timeline.	5
7. Demonstrated ability to enter into a public / private partnership.	5
8. References – include up to three public agency references from communities or school districts where developer has successfully completed projects.	5
9. Any other criteria deemed important by the Township as important to evaluation of proposals, in its sole discretion. <i>Note: evaluators may optionally award 5 bonus points with justification notes provided.</i>	5
Total possible out of 100	105

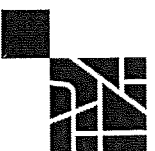
HEADQUARTERS
235 East Main Street
Suite 105
Northville, Michigan 48167

O 248.596.0920
F 248.596.0930
MCKA.COM

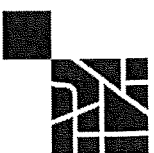
Communities for real life.

NORTH VILLAGE RFP SCORING MATRIX

Evaluation Criteria:	Qualitative Score 1 to 5: <i>1 is lowest and 5 highest, or best.</i>		Notes: <i>Please provide any notes to share with evaluators on your rezoning for your score:</i>
1. Demonstrated development experience by the applicant in completing mixed-use projects and/or projects of a similar nature to that which is proposed.	5,4		<hr/> <hr/> <hr/> <hr/>
2. Compatibility and appropriateness of the proposed project scope and design in relation to the Township's stated goals. <i>Please rank how well you believe the proposal addresses each of the stated design objectives.</i> <i>Required: Green</i> <i>Strongly Recommended: Red</i> <i>Encouraged: Yellow</i>	A small public space / town green (10,000 s. f. or less) fronting the lake and Main Street and framed by retail or mixed-use buildings	5,3	<hr/> <hr/> <hr/> <hr/>
	A two to three story mixed use building (foot print of 10,000 to 15, 000 s. f.) fronting on Main Street with site access to a public parking area on the southeast access point north of the Barker Road intersection.	2,4	<hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/> <hr/>
	A public stage / amphitheater on the north end of the site facing US 23 and sited to complement views of the lake.	5,2	<hr/> <hr/> <hr/>



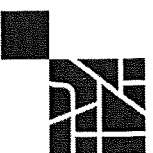
	A central passive recreation area / field, corresponding to the existing glen with a pavilion structure and restroom.	5,2	
	The circulation system should be restricted to the perimeters of the central open space and provide site access to Barker Road on the south, Main Street in two locations on the east and Main Street on the north through the existing US 23 exit ramp.	4,2	
	The four established woodland clusters shall be substantially preserved in the locating of site features and amenities.	5,4	
	A multimodal path on the western edge of the site tying into a circulation system that accesses the town green and central passive recreation area.	4,4	
	The multimodal path should connect to the planned path on the south side of Barker, the athletic fields, and potentially follow the rail right-of-way under US 23.	4,4	



	The passive recreation area should be usable for special event parking.	5,2	
	Housing, of up to four stories, is encouraged to fill gaps between woodlands on the west edge of the site adjacent to US 23 to help create a sound barrier.	3,4	While Brougner offered apartment/loft style housing they were not interested or willing to rearrange this space to make it more accessible for a park and make better use of the land along the north end.
	If additional housing is incorporated it should be of a character compatible with nearby single family homes with front porches, pitched roofs, and limited to 2.5 stories in height.	5,3	
	A new sand beach stabilized by design with dock, fishing, and swimming area to accommodate public access to the waterfront.	5,3	
	A community garden and farmers market event spaces should be integrated into the site design.	3,3	



3. Experience in developing projects with creative and innovative approaches.	5,5	
4. Experience of principals and team members.	5,5	
5. Evidence of financial capability and ability to finance project. Examples of similar project financing experience strongly encouraged.	5,5	
6. Demonstrated ability to deliver high quality projects on an established timeline.	4,5	
7. Demonstrated ability to enter into a public / private partnership.	5,4	Was not impressed with Brougher's interpersonal skills with the committee.



8. References – include up to three public agency references from communities or school districts where developer has successfully completed projects.	5,4	<hr/> <hr/> <hr/>
9. Any other criteria deemed important by the Township as important to evaluation of proposals, in its sole discretion. <i>Optional Bonus Points (1-5)</i>	5,0	Livonia Builders has great examples of existing projects in other communities that fit the environment we are trying to create, ie. Cherry Hill village. <hr/> <hr/> <hr/>

TOTAL SCORE (Out of 100 possible points): _____

Additional Notes to Share with Reviewers:

Brougher does not do single family homes. Given the location of the property and needs of the township it is very important that we provide affordable, single-family homes and not solely rental properties.

