



## **REQUEST FOR PROPOSALS– Community Housing Build Development**

**Issued: November 12, 2021**

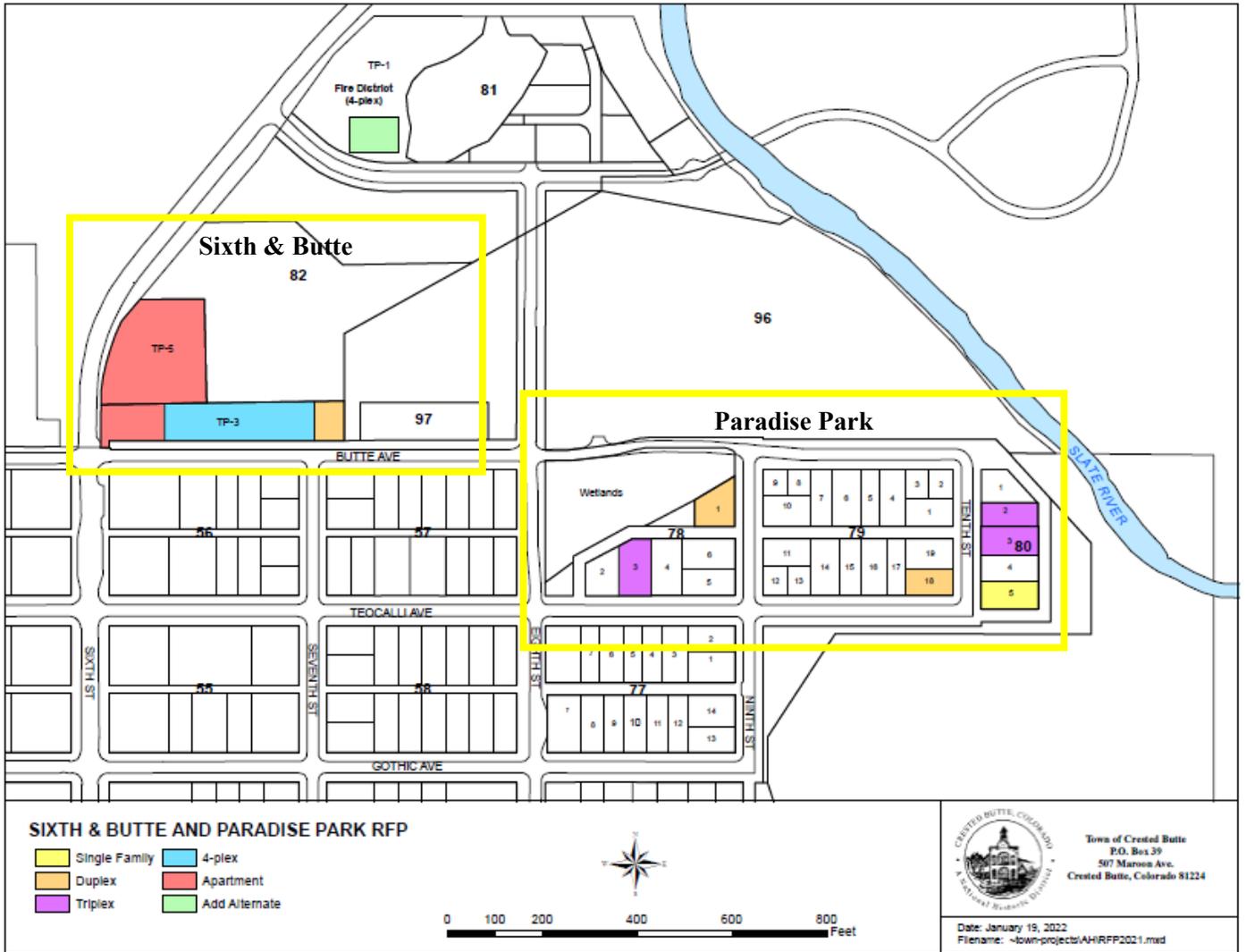
### **Introduction**

The Town of Crested Butte is seeking a qualified developer or developers to design, entitle, finance, and construct affordable homes that are deed restricted for local residents and workers on Town-owned land. The development of these affordable units is a critical step in helping the Town achieve the goals put forth in its Five-Year Affordable Housing Plan. Specifically, the Plan’s goals are:

- To ensure our community’s residents are successful in attaining long-term safe and energy efficient housing
- To ensure that the residents residing in deed restricted housing are active year-round members of our community
- To build an additional 75 units of housing in the next 5-7 years and to achieve deed restrictions that required occupancy by year-round residents on 30% of the Town’s housing stock by 2023
- Foster public/private partnerships to build homes for rent and ownership
- Provide 15 units for Town Employees (the Town currently owns 11 units and anticipates that it would purchase three of the for-sale units that are included in the scope of this RFP)
- Work on regional collaboration for future housing projects

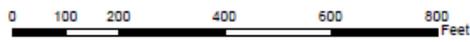
The Town is issuing this request for proposals to build approximately 35-45 apartments for rent, and 29-33 units for homeownership. Rental units are proposed on a portion of Town Parcel 3 (TP3) and Town Parcel 5 (TP5) of the Slate River Subdivision, consistent with the Sixth and Butte Housing Workforce Housing Master Plan. Ownership units are proposed on the balance of TP3 in the Slate River Subdivision and scattered sites in the nearby Paradise Park subdivision. The Town owns all the development parcels outright. There is one additional “ad/alternate” component to the project, which includes the construction of a fourplex for the Crested Butte Fire Protection District (CBFPD) on TP1 in the Slate River Subdivision. Proposals may focus on just the rental aspect, just the for-sale aspect, or both. Proposals may also include the “ad/alternate” component.

# Project Map



## SIXTH & BUTTE AND PARADISE PARK RFP

- Single Family
- 4-plex
- Duplex
- Apartment
- Triplex
- Add Alternate



Town of Crested Butte  
 P.O. Box 39  
 507 Maroon Ave.  
 Crested Butte, Colorado 81224

Date: January 19, 2022  
 Filename: ~town-projects\AH\IRFP2021.mxd

## Potential Building and Unit Counts

Unit Type	# Buildings	# Units	# Rent	# Own
<b>Sixth &amp; Butte</b>				
Apartments	3	41 - 43	41 - 43	
Quads	4	16		16
Duplex	1	2		2
<b>Paradise Park</b>				
Triplexes	3	9		9*
Duplexes	2	4		4
Single Family (with potential for Accessory Dwelling Unit)	1-2	1-2		1-2
<b>Total</b>		<b>72 - 74</b>	<b>41 - 43</b>	<b>32-33</b>
<b>Add Alternate</b>				
Fire District		4		4

\*(1 triplex (3 units) to be purchased by Town)

## Potential Bedroom Mix

### Sixth & Butte

Unit Type	# Units
<b>Apartments</b>	<b>41 - 43*</b>
1 Bedroom*	28
2 Bedroom	12
3 Bedroom*	1
<b>Quads</b>	<b>16</b>
2 Bedroom	15
3 Bedroom	1
<b>Duplex</b>	<b>2</b>
3 Bedroom	2
<b>Total (anticipated)</b>	<b>94</b>

### Paradise Park

Unit Type	# Units
<b>Duplexes</b>	<b>4</b>
2 Bedroom	2
3 Bedroom	2
<b>Triplexes</b>	<b>9</b>
1 Bedroom	3
2 Bedroom	4
3 Bedroom	1
<b>Single Family</b>	<b>1</b>
3 Bedroom	1
Potential for ADU	1
<b>Total (anticipated)</b>	<b>34</b>

\*This unit range reflects the potential of converting the 3-bedroom apartment into 3 1-bedroom apartments. Town seeks a diversity of unit types and bedroom sizes to address a variety of housing needs. These potential unit mixes are a starting point reflected in the conceptual sketches, but the Town welcomes revisions based on what proposers feel will be most economical to build and be most marketable.

## **Project Goals**

### **Community Values**

Town's goal is to create workforce housing that:

- Fosters a sense of community
- Is connected to our surroundings
- Enhances our authentic quality of life
- Is driven by our vibrant and quirky character
- Makes our community feel at home
- Provides opportunity to thrive
- Embodies environmental stewardship that is consistent with a deep respect for our surroundings

### **Affordability**

Per the *Gunnison Valley Housing Market Update 2021*, the greatest need for rental housing is for households below 80% AMI, and for sale housing for households below 140% AMI. However, Town is open to serving some higher income households (up to 200% AMI for for-sale, 120% AMI for rent) to achieve economic diversity and to support financial feasibility. Priority consideration will be given to projects that incorporate a significant number of units meeting the greatest community need.

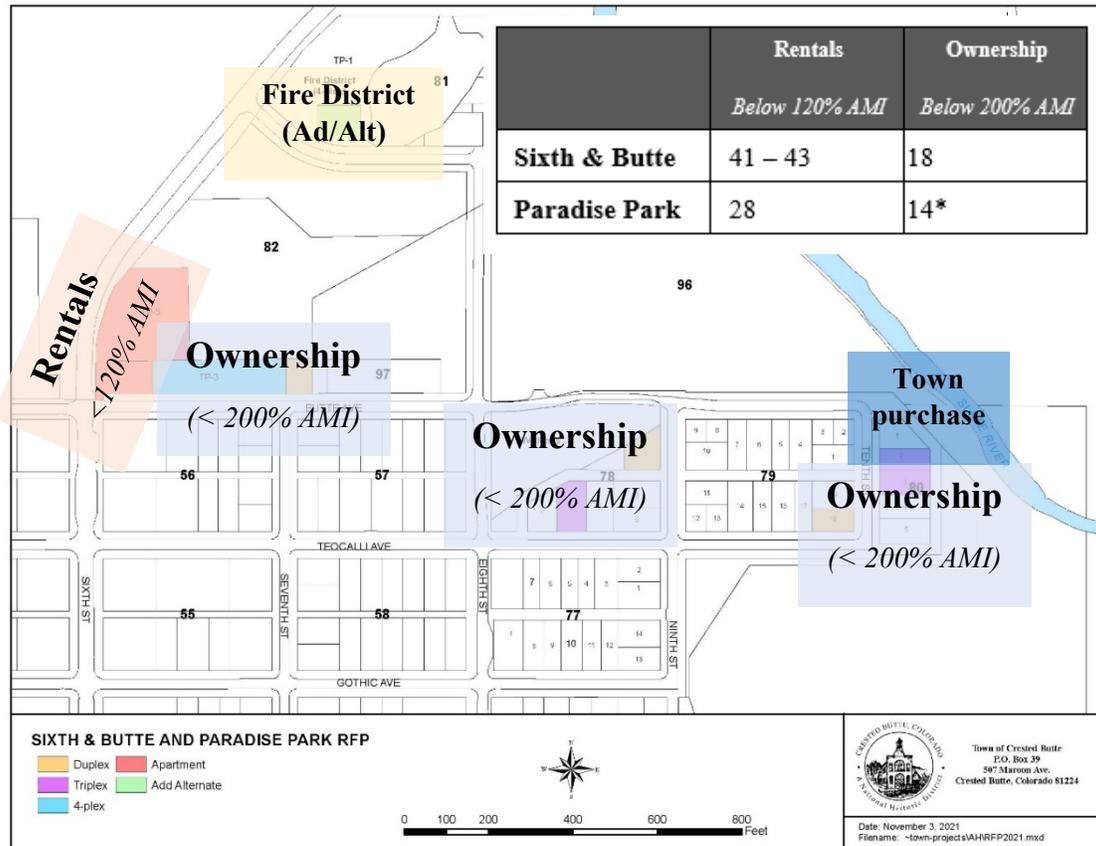
### **Sustainability**

The Town prioritizes Climate Action and has a goal to reduce greenhouse gas emissions of Town operations by 50% and the community at-large by 25% by 2023. The overall goal for this project is to develop buildings with as little environmental impact as possible and practical. A comprehensive sustainability program will be necessary for the successful bidder of this project.

### **Livability**

In addition, the Town seeks the project being highly livable with shared community spaces and amenities placed throughout the site. Proposals that include formal and informal community spaces and amenities for the enjoyment of the future residents of the project will be viewed favorably in the selection process.

## Project Components



\*(1 triplex (3 units) to be purchased by Town)

## For Rent Component

The Town has conducted initial site feasibility work for the TP3 and TP5 parcels through the Sixth and Butte Workforce Housing Master Plan and has extensive background documents available (see attachments). The development concept presented in the Sixth and Butte Workforce Housing Master Plan adheres to traditional design features of the Town of Crested Butte. Potential developers are expected to propose a development that is generally consistent with the concept illustrated in the Sixth and Butte Workforce Housing Master Plan, the requirements of the Town’s R-4 Residential Zone District (attached) and the restrictive covenants outlined in the Slate River Subdivision’s Annexation Agreement for lots TP3 and TP5, in the Slate River Subdivision (attached).

During initial project feasibility, the Town of Crested Butte has established that three apartment buildings with a total of 41-43 units could meet the parking and zoning requirements of the area designated for rental housing. The Town of Crested Butte desires rental housing for local workers and residents making less than 120% of Area Median Income. The Town is open to, but not requiring, use of Low Income Housing Tax Credits as part of the project finance in an effort to achieve deeper affordability. Also to that end, the Town has applied to the Colorado Department of Local Affairs (DOLA) for the Catalytic Round of the Innovative Housing Incentives Grant Program (IHOI) as stipulated in Colorado House Bill 21-1271. If awarded, the

Town anticipates that these funds could help the development achieve deeper affordability. That funding source supports rental units affordable below 80% AMI.

### **For-Sale Component**

Town is seeking to provide permanently affordable housing for-sale to eligible households on a portion of the Sixth and Butte site, and on the scattered sites in the Paradise Park subdivision nearby. The for-sale housing component can serve households up to 200% of area median income but serving a range of household incomes and creating deeper affordability is desired. As previously mentioned, Town is considering purchasing three for sale units from the developer, specifically Block 80, lot 2 of the Paradise Park subdivision. The quad-plex ad/alternate portion of the RFP for the CBFPD on TP1 would be purchased by the fire protection district. Purchase of homes by other employers to house employees could also be part of the development strategy. The Town has applied to the Colorado Department of Local Affairs (DOLA) for the Catalytic Round of the Innovative Housing Incentives Grant Program (IHOI) as stipulated in Colorado House Bill 21-1271. The Town's grant application to DOLA is intended to use funding to lower the AMI expectations of some of the for-sale units. That funding sources supports for sale units below 140% AMI.

All of the homes produced are to have a deed restriction for occupancy/ownership by local households per Town of Crested Butte Affordable Housing Guidelines (attached). A diversity of unit sizes and home types are desired. Developers may consider condominiums as well.

### **Ad/Alternate - Fire District Employee Housing**

Local voters recently approved a sales tax increase that will support a new fire station and construction of employee housing. This aspect of the RFP has not been vetted in the same manner as Sixth and Butte and Paradise Park. Respondents may choose to include it or not.

The Crested Butte Fire Protection District (CBFPD) is seeking to build four employee housing units in conjunction with construction of new fire and ambulance headquarters and search and rescue station on 3.4 acres located at the corner of Pyramid Ave and CD-317. The CBFPD is required to build at least eight bedrooms across the four units but would prefer up to 10 total bedrooms in two or three bedroom configurations. Fire District employee housing on this site must conform to the architectural and design requirements of the Town of Crested Butte for the P-Zone District (attached) and comply with and the restrictive covenants outlined in the Slate River Subdivision's Annexation Agreement for TP1. Exterior porches, covered entryways and garages, and/or storage sheds are desired. The current site plan allows for approximately 70' x 55' of available space for all of the units. The CBFPD generally hires mid-career professionals with families, children, and pets. CBFPD is looking for housing commensurate with the requirements of this demographic.

The timing of the ad/alternate maybe delayed when compared to the sixth and Butte/Paradise Park portion of the project as the CBFPD is seeking annexation and zoning approval from the Town for the portion of their larger project (not TP1) located in unincorporated Gunnison County.

## **Project Roles and Expectations**

**The Developer(s)** - The Town of Crested Butte is seeking a development team or teams that will work collaboratively with the Town and neighbors to bring to fruition high quality affordable housing for year-round residents. The selected developer(s) will be responsible for securing entitlements and financing, and constructing the deed restricted housing units. The developer will be required to provide bonding per Town of Crested Butte requirements, including a performance bond and payment of the labor and materials bond for 100% to 125%, excluding developer fee, as well as any guarantees required to secure construction finance at the time of contracting. The final bond requirements will be outlined in the Town's contract release scheduled for December 6, 2021. \_\_

**The Town** - The Town of Crested Butte is deeply committed to providing affordable housing for local employees and residents. The Town of Crested Butte is proposing to participate extensively in making these developments financially feasible:

- Town has already completed the majority of horizontal construction and owns the land free of debt.
- The Town of Crested Butte is in the process of completing a Voluntary Clean-up of a former landfill on TP5. This work is anticipated to be completed in Summer 2022.
- The Town will provide funding for 100% of tap and building permit fees.
- The Town seeks to enter a 99 year lease for the land associated with the rental housing component.
- The Town will provide the land to be used as collateral for a construction loan by the successful development team for the for-sale housing component.
- The Town will purchase a finished triplex to use as employee housing, located at Block 80, lot 2 in Paradise Park.
- Town is committed to providing \$800,000 for the for-sale developments to facilitate green building measures that exceed current code requirements.
- The Town has applied to DOLA for the IHOI to use funding to increase the affordability of the for-sale and rentals. If successful, the Town will release the specifics of the Grant in a supplemental release to this RFP
- In an effort to expedite entitlements, the Town will retain additional development review assistance and reserve a minimum of two development review agenda slots on the Town's Board of Zoning and Architectural Review schedule every month beginning as early as June 2022.

***It is important to note, the Town will be adopting the 2021 version of the International Code Council's (ICC) family of Building Codes, effective January 2023. Development permits submitted after January 1, 2023 will be subject to these building codes.***

**The Housing Authority** – The Gunnison Valley Regional Housing Authority (GVRHA) is an important local partner in the implementation of the community's housing programs.

With regard to for-sale housing, GVRHA will be responsible for homebuyer outreach and education, and conducting income eligibility, lottery processes, and sales per the [Town of Crested Butte Affordable Housing Guidelines](#).

For rental housing, GVRHA has a track record of participating as a special limited partner in the ownership structure in order to secure tax exemption and provide passthrough funding. Their participation would be viewed favorably in a proposal. Opportunities for long term ownership by GVRHA are highly desirable, including a right of first refusal and option agreement. GVRHA also has property management expertise, although having GVHRA manage the property is not a requirement of this RFP.

***Real Estate Transfer Tax: Chapter 4, Article 4 of the Crested Butte Municipal Code outlines the requirements Town's Land Transfer Excise Tax. This 3% tax applies to all transfers of land, including affordable housing, within the Town of Crested Butte. This tax is not negotiable and shall be split 50%/50% between of buyer and the seller of the properties. As such 1.5% of the tax shall be paid by the developer when the property is transferred to the future buyer.***

## **Submission Requirements**

The Town of Crested Butte is open to consideration of all creative, viable concepts that are consistent with the objectives of this RFP. **Interested parties should review the contents and requirements of this RFP and submit their responses no later than 5:00 p.m. on Friday, February 28, 2022.** *(Please note, the deadline has been extended to February, 28, 2022)*

Responses should be provided electronically in Adobe Acrobat PDF format to Willa Williford [willa@willifordhousing.com](mailto:willa@willifordhousing.com) and Mel Yemma [at melyemma@crestedbutte-co.gov](mailto:melyemma@crestedbutte-co.gov).

The Town has scheduled an optional pre proposal meeting on site on December 6, 2021 at 1 p.m., as well as two time windows for one-on-one preparation meetings (December 1<sup>st</sup> – 9<sup>th</sup>, 2021 and January 3<sup>rd</sup> – 14<sup>th</sup>, 2022). **No other contact between prospective bidders and Town of Crested Butte staff, BOZAR Members, or Elected Officials is permitted between November 12, 2021 and final selection of the preferred developer in spring of 2022. Evidence of contact could be grounds for disqualification of a prospective bidder.**

All questions can be directed to Willa Williford 303-818-0096, [willa@willifordhousing.com](mailto:willa@willifordhousing.com).

**RFP responses should contain the following elements:**

**1. Interest**

Provide a brief statement regarding why the team is interested in building affordable housing in the Town of Crested Butte, and whether the team is proposing on the rental housing, the for-sale housing, or both, and whether the ad/alternate component is included.

**2. Project Approach**

Describe the team's proposed approach to public engagement, working through BOZAR approvals, and managing this project to ensure that it is completed on time, on budget, and in alignment with *Sixth and Butte Workforce Housing Plan* and the Town of Crested Butte Affordable Housing Goals. Describe successful strategies building deed restricted housing in Crested Butte or other communities.

**3. Financial Capabilities and Strategy**

Describe the proposed financial structure for each development component, including proposed sources and uses and any anticipated problems or hurdles in securing the proposed financing. Describe the financial strength of the Team, including the ability to provide guarantees and secure bonding and construction financing.

**a. Project Sources and Uses**

Share your estimated total development costs. Please use the attached Development Proforma Summary Template. Describe your strategy for controlling costs over the course of the project and ensuring an affordable and profitable project.

**b. Unit and AMI Mix and For Sale Price Points**

Share your proposed unit mix (bedrooms/bathrooms) and what prices units will be rented and/or sold for, and corresponding AMIs. Town is seeking to serve a variety of households sizes, types, and income levels. Projects will receive favorable scoring for achieving diversity of price points, unit types, and deep affordability. Please note affordability goals above. Please use the attached Development Proforma Summary Template.

**4. Neighborhood Design, Compatibility and Community Spaces**

The Town has a requirement that the new developments meet our historic preservation guidelines and a desire for the projects to include quality community spaces in this development for the enjoyment and livability of the future residents. Proposals that incorporate outdoor spaces, such as decks/porches and roof top patios, as well as community spaces and amenities as shown on the attached conceptual site plan will receive additional favorable scoring during selection when compared to proposals that do not.

## 5. Green Building and Energy Efficiency Strategy

Proposals must include a sustainability program narrative describing how the buildings will achieve a maximum HERS 50 rating, as well as approaches for reducing the embodied carbon of construction materials. The narrative should be specific and reference intended approach and materials. Approaches to consider include:

- Heating equipment annual operating efficiency greater than 200%.
- Energy star rated appliances.
- Energy Star windows for the appropriate climate zone. Fiberglass frame, simulated double hung, with a maximum of one operable pane. Casement windows are preferred.
- LED lighting throughout.
- EC motors for fans and pumps.
- Air sealing to achieve HERS certification.

Aside from meeting HERS 50, the Town requires inclusion of the following elements in the sustainability program:

- All electric buildings.
- Maximizing solar PV on all available W, S, E and flat roofs.
  - Creating maximum available PV roof area will be a consideration during Architectural design, while keeping within BOZAR guidelines.
  - Provide HERS rating that includes the anticipated PV output. Lower HERS scores will be scored higher.
- Eliminating use of foam insulation where possible to reduce embodied carbon of building assemblies. Examples: vented roof cavities using cellulose insulation, rockwool foundation insulation, wall assemblies utilizing double studs and dense pack cellulose rather than foam.
- To reduce the environmental and human health impacts of materials, including resource conservation, reduced life-cycle impacts of building materials, impacts on the atmosphere, product transparency, and waste management, the project will comply with 2021 IGCC Chapter 9: Materials and Resources.
- To reduce Indoor Air Quality (IAQ) impacts on occupants, the project will comply with 2021 IGCC Chapter 8, Section 801.4.2 (8.4.2) Materials.
- To reduce water consumption the project will comply with 2021 IGCC Chapter 6 Water Use Efficiency, except for section 601.3.5 (6.3.5) water consumption measurement.
- Ventilation with Heat Recovery Ventilators (per Town Code).
- EV Charging requirements (*All EV installed, ready, and capable spaces are expected to accommodate a Level 2, 40 A, 240V charger*):
  - 1 EV charger per apartment buildings (3 total).

- EV ready parking for 10% of apartment building parking spaces . EV ready is defined as having the circuit breaker installed in the electrical panel, conduit and wire run to the parking space, but no charger installed.
- EV capable parking for all for sale unit parking spaces. EV capable is defined as having a conduit from an electrical panel to a parking space, and room to install an electrical circuit in the associated electrical panel. No circuit breaker, wire, or charger is installed.

## **6. Project schedule**

Provide a timeline for major project milestones and how phasing (if proposed) will occur. A Town goal is for some portion of the proposed developments to be under construction by the end of 2022. As stated earlier, to expedite the entitlement process, the Town will retain additional development review assistance and reserve a minimum of two development review agenda slots on the BOZAR schedule every month beginning as early as June 2022. Efficient and realistic project schedules will receive favorable scoring.

## **7. Town Contract Review**

Provide a statement of agreement or requested modifications to the Town’s base contract for the project. The Town’s base contract will be presented at the project pre-proposal meeting and incorporated into a scheduled supplemental release of this RFP.

## **8. Developer Contact**

Please identify the person who will serve as primary point of contact for the project.

## **9. Experience and Professional Qualifications**

Provide a description of the lead organization(s), summary of principals, partners, or collaborators that would participate in the development, the nature of each participant's interest in the proposed project, and organizational structure of the team. Please include developer, architect(s), general contractor(s), and major subcontractors.

Provide a summary of past relevant experience for all key individuals/organizations including roles and responsibilities, location, gross square footage, number of units, total project budget, date completed, and local references of completed developments (where available). For previous experience with affordable housing, please describe the types of development completed--for rent or sale, deed-restricted, AMI mix, and experience developing in small mountain communities.

## **Evaluation Criteria and Review Process**

The RFP selection will be made by the Town Council of Crested Butte. The Selection Advisory Committee made up of Town staff, GVRHA representative, Williford LLC, and a green building/energy efficiency advisor.

Selection criteria will include:

1. Qualifications of proposed project team.
2. Successful history of navigating intensive public design review and approval processes. Track record creating projects with compatibility in existing neighborhoods and Historic Districts.
3. Demonstrated ability to complete high quality residential construction in high-cost mountain communities on time and on budget, preferably in the Gunnison Valley.
4. Ability to serve community needs with regard to deepest affordability, diversity of unit mix and amenities.
5. Neighborhood design and provision of Community Spaces per the criteria defined in Section 4 above.
6. Green building and energy efficiency per criteria defined in Section 5 above.
7. Financial strategy and ability to leverage project sources to achieve Town of Crested Butte goals.
8. Ability to provide permanent deed restrictions on for sale component. Ability to provide options for long-term stewardship by GVRHA and/or Town of Crested Butte on rental component.
9. Schedule. Efficient but realistic timelines are preferred. The Town has a goal of achieving certificates of occupancy for initial units by Fall 2023.
10. References.

## **Timeline**

November 12	Request for Proposals issued
December 1 - 9	<i>Window 1:</i> One on one preparation meetings with development teams and town staff. <a href="#"><i>Sign up at this link.</i></a>
December 6, 1:00 p.m.	Pre-proposal meeting and site visit ( <i>Optional</i> ). Additionally, the Town will provide a supplemental release to this RFP that will include the Town's proposed base contract for the project.
January 3 - 14	<i>Window 2:</i> One on one preparation meetings with development teams and town staff. <a href="#"><i>Sign up at this link.</i></a>
January 21	Questions deadline
January 28	Answers distributed
February 4	Base Construction Template Distributed
<b>February 28</b>	<b>Request for Proposals due by 5:00 p.m.</b>
February 28	Town Council Work Session, outlining Town Council priorities within the established criteria outlined in the RFP
March 1	Opening of submitted proposals
March 1 - 7	Selection Advisory Committee review proposals and determine finalists
March 14 - 15	Finalist Interviews and Public Open House and/or Presentation with Finalists
March 21	Selection of development partner by Town Council

## **Tentative Project Timeline**

We invite development teams to submit your proposed timing. The timing we have considered might be reasonable is as follows. Moving more expeditiously is desirable and would benefit the community; realistic timelines are appreciated.

March - April 2022	Contract negotiations with selected partner
May - September 2022	Initial design window
Fall 2022	Break Ground
Fall 2022-2024	Phased Construction
Fall 2023	First units achieve C.O.
Fall 2023 - Summer 2024	Homes sales/Lease up**

## **Finalists may be asked for financial documents. These do not need to be provided at the time of initial RFP submission.**

### **a. Financial Documents of Team Lead/Guarantor**

To demonstrate the financial resources of the team, provide supporting documents such as:

- i. Total dollar volumes of business by type, number of employees, etc.
- ii. Credit references, preferably from lending institutions
- iii. Last three years of Annual reports, audits, or other financial statements.

NOTE: If/when requested, financial documents submitted will be held in confidence and returned after our private examination.

## **General Conditions**

### **Reserved Rights:**

The Town of Crested Butte reserves the right to:

- Modify or cancel the selection process or schedule at any time;
- Waive minor irregularities;
- Reject any and/or all responses to this RFP and to seek new proposals when it is in the best interest of the Town to do so;
- Seek clarification or additional information from respondents as it deems necessary to the evaluation of the response;
- Request any additional information or evidence from individual respondents, including but not limited to financial status;
- Judge the respondent's written or oral representations as to their veracity, substance and relevance to development of the Property, including seeking and evaluating independent information on any development team;
- Incorporate this RFP and the selected team's response to this RFP as a part of any formal agreement between the Town and the respondent;
- Modify the development opportunity available to potential development teams.

**Hold Harmless:** By participation in this RFP process, responders agree to hold harmless the Town of Crested Butte, their officers and employees, and consultants, from all claims, liabilities and costs related to all aspects of the responder selection process.

**Public Information:** All documents, conversations, correspondence, etc. between the Town of Crested Butte and respondents are public information subject to the laws and regulations that govern the Town of Crested Butte, unless specifically identified otherwise.

**Expenses:** All expenses related to any development team's response to this RFP, or other expenses incurred while the selection process is underway, are the sole obligation and responsibility of that development team.

**Agents:** The Town of Crested Butte will not be liable for payment of any sales commissions. A 2% broker commission for Gunnison Valley Regional Housing Authority will be added to the sale price. Buyers' desiring additional representation will be required to cover that cost. Agents may participate in this process only if principals are disclosed.

We appreciate your interest and look forward to hearing from you.

## **Attachments**

### **Available on Dropbox**

- A.** Site Map
  - a. Site map with water, sewer tap information
- B.** Sixth and Butte – feasibility assessment materials
  - a. Site plan
  - b. Rendering
  - c. Sketch up models
  - d. Estimated Unit and Bedroom count tables
- C.** Building Cost Estimate for Sixth and Butte
- D.** Annexation Agreement and Amendment for Sixth and Butte
- E.** Geotech report
- F.** TP3 – VCUP
- G.** Fire District Specifications
  - a. P Zoning Requirements
- H.** R2A and R4 Zoning Requirements
- I.** Town of Crested Butte Design Guidelines
- J.** Town of Crested Butte Housing Guidelines
- K.** Gunnison Valley Housing Market Update - 2021
- L.** **Town of Crested Butte Base Construction Contract** *(supplemental release on 2/4/22)*
- M.** Development Proforma Summary Template