

REQUEST FOR QUALIFICATIONS/PROPOSALS
Development Services for Town of Mt. Crested Butte – Homestead Affordable Housing
RFP Issued: July 7, 2023
RFP Proposals Due: August 4, 2023, at 3:00 PM (MST)

TO: Workforce Housing Builders/Developers
FROM: Carlos Velado, Town Manager, Town of Mt. Crested Butte, Colorado
RE: Request for Qualifications/Proposals
Homestead Affordable Workforce Housing Construction

1. INTRODUCTION

Project:

The Town of Mt. Crested Butte (Town) is requesting proposals from qualified builders/developers (Contractor) to complete a workforce affordable housing development in the Homestead Subdivision (Project) located along 101 Dry Basin through 119 Deer Creek Circle in Mt. Crested Butte, Colorado.

The Project includes eight (8) individual buildings totaling twenty-two (22) residential units as depicted in the exhibit below. There are six (6) different architectural unit types (B, C, E, F, J, and H) ranging in size from approximately 1,300 to 1,500 square feet per unit under a two or three-bedroom layout configuration with an enclosed garage. All lots are owned by the Town.

Exhibit 1: Homestead Building & Unit Layout / Prior Construction (As of June 30, 2023)



Project Background:

Housing affordability is a critical issue in the Gunnison Valley, and Mt. Crested Butte is committed to increasing affordable housing options for our community and local workforce. The Homestead units are subject to a residential deed restriction, which includes provisions for local employment, income and asset eligibility requirements, and a resale restriction, per the Town's [Community Housing Guidelines](#).

Project History:

Homestead underwent an unsuccessful construction attempt by an Oklahoma firm starting in 2020, in which construction ceased with three buildings being constructed with slab foundations (#1, #2, and #3), three buildings framed (#4, #5, and #6), and two buildings (#7 and #8) not yet started. Due to construction practices, the Homestead development process resulted in a settlement agreement, in which the Town took ownership of the Homestead property on June 30, 2023. Bringing the Homestead project to successful completion is a high priority for the Town.

Based on initial engineering and geotechnical assessments, along with other due-diligence evaluations, some of the existing Homestead structures (foundations/framing) may involve various levels of demolition. The Town expects the result of the demolition effort to be 'construction-ready' building sites and anticipates receiving signed engineer's letters with recommendation(s) regarding the integrity of the existing foundations, framing (buildings #1, #2, #3, #4, #5, and #6), and the extent of repairs and demolition required. The letters are expected to become an addendum to this RFP.

2. RFP PROJECT OBJECTIVES:

The Town has established the following overarching Project completion goals:

- Contract with an experienced building/developer.
- Contract with a building/developer having previous affordable housing experience.
- Complete Homestead under an efficient, high-quality, and cost-effective construction process.
- Secure long-term Homestead housing affordability based on current market conditions.
- Honor the existing Homestead deed restrictions. Coordinate with the Town and Gunnison Valley Regional Housing Authority (GVRHA) and work with the prior Homestead buyers to offer a preference process in the purchase of new units, provided these buyers are still eligibly employed within the Valley.
- Consider options for employer-owned Homestead rental units.

3. PROJECT ROLES AND RESPONSIBILITIES

The following outlines the overarching roles and responsibilities for this RFP:

Contractor

The Town is seeking a Contractor (builder/developer partnership) to successfully complete the Homestead housing construction. The Contractor shall be responsible for all Project coordination and

implementation of construction trades, activities, and processes leading to the certificate of occupancy for each Homestead residential unit.

The Contractor must demonstrate and provide evidence as part of the RFP submittal in terms of securing the needed construction finance, providing a guarantee of project completion in the form of a letter of credit, adhering to performance and payment bonds (or other instruments acceptable to the Town), and any responsibility associated with the sales and/or lease (as applicable) ownership of the residential units.

Town of Mt. Crested Butte

The Town of Mt. Crested Butte is a local home-rule municipality with an elected seven-member Town Council. While the Town anticipates having an active role in the completion of the Homestead project, the Town does not have dedicated staff to commit to workforce housing projects, however, would commit and prioritize Town staffing required for permitting and building inspections.

Town Implementation

The Town will provide construction permit-ready architectural and engineering drawings for each of the eight Homestead buildings (22 residential units). Utility tap fees have already been paid, with the clean-up deposits waived. Depending upon the Town's participation as a sponsor, the Town may cover the building permit fees, and the Town's tax-exempt status may be used to exempt the Project from use tax. Horizontal infrastructure is already installed.

Town Project Funding and Financing:

The Town has dedicated funding for workforce housing through a short-term lodging tax, mitigation fees on new development, and an inclusionary housing ordinance. The Town is also considering supporting the long-term viability of Homestead affordability through some form of possible gap financing and/or down payment assistance. The Town is open to considering all innovative and viable Homestead arrangements consistent with successfully completing the objectives of this RFP. As such, describe your project approach and considerations regarding Homestead ownership, funding, financing, phased project scheduling, and construction delivery methods.

Regional Housing

The Town is a representative member in the Gunnison Valley Regional Housing Authority (GVRHA), as the GVRHA would likely serve as a party of interest in the completion of Homestead. GVRHA is available to support eligibility screening and lottery processes for potential Homestead buyers and will provide ongoing deed restriction compliance services. GVRHA may be available for an expanded scope of work during the sales process, pending their staff capacity. Inquiries regarding specific GVRHA participation and involvement shall be directed to Andy Kadlec, Executive Director (email: akadlec@gvrha.org | phone: 970-649-7900).

4. RFP SUBMISSION REQUIREMENTS

Interested parties should review the contents and requirements of this RFP and submit their responses no later than Friday, August 4, 2023, at 3:00 pm (MST).

RFP Contents:

The RFP submittal must include the following components:

1.1 Cover Letter: A letter of transmittal signed by the authorized project team representative indicating project interest along with key project team members and assigned roles.

1.2 Project Understanding/Approach: Describe your technical understanding of the Project, including team structure, approach, implementation, and project coordination. Describe specific Project methods as appropriate to accomplish the Project objectives, including innovative suggestions which might enhance the results or usefulness of Project outcomes.

1.3 Qualifications: Describe the company and key personnel experience assigned to this project, including professional talents, certifications, and accomplishments relevant to similar projects completed by the company or project team. A summary of qualifications should include at a minimum:

- Project team organizational profile including identification of principals, partners, or co-venturers that would participate, the nature of each participant's interest in the proposed project, and a summary of relevant experience of all key individuals.
- Previous project experience and outcomes, including contact information for a minimum of three (3) relevant projects of similar scope and scale.
- Knowledge of local building standards, codes, and practices.
- Experience with construction in mountain resort communities.
- Experience with workforce/affordable housing development and construction.
- Location of company office and key personnel.

1.4 Financial Capabilities and Strategy: Indicate your financial strategy for the Project, and the resources at your disposal – including but not limited to:

- A project sources and uses tables, showing your anticipated costs to complete the project, anticipated sales and rental proceeds, any needed contributions from the Town, and any other outside funding anticipated, including long-term construction finance.
- Include number of units for sale and for rent, and proposed price points for each unit.
- Describe your strategy for providing assurances to the Town for project completion. This may be a letter of credit, performance and payment bond, or other strategy that is deemed satisfactory to the Town.
- Provide your expectation of the Town regarding successful Project financial participation.
- Submit recent company financial statements including profit and loss, balance sheet, and cash flow to support your financial strategy (see note below).
- Credit references, preferably from lending institutions.
- Annual reports or other financial summary, if available.

Note: Company financial documents can be provided to the Town under separate cover and marked as confidential. Financial statements or other materials submitted and marked confidential will be held in strict confidence. Upon request, they can be returned after our private examination.

1.5 Schedule: Provide a schedule/phased timeline that includes major Project milestones for administrative, financial, and construction delivery activities.

1.6 References: Provide contact information for three (3) similar Project references.

Town RFP Questions / Site Visit:

Questions regarding the RFP content or process can be directed to Jeffrey Smith, Capital Projects Manager, Town of Mt. Crested Butte, email: jsmith@mtcb.colorado.gov | phone: (970) 349-6632 Ext. #108.

Town RFP Submittal:

Responses should be provided electronically in Adobe Acrobat PDF format to Tiffany O’Connell, Town Clerk, Town of Mt. Crested Butte, email: toconnell@mtcrestedbuttecolorado.us | phone: (970) 349-6632.

REVIEW PROCESS AND SELECTION CRITERIA

The Town anticipates the following Project schedule:

July 7, 2023	RFP issued
July 7 - 17, 2023	Optional site visits with Town staff (please contact Jeffrey Smith to schedule site visit)
August 1, 2023	RFP deadline for request of information and questions – changed date from July 17, 2023 to August 1, 2023.
August 2, 2023	RFP questions and responses posted on Town website – changed date from July 21, 2023 to August 2, 2023.
August 4, 2023	Proposals due by Friday, August 4 2023 at 3:00 pm (MST).
August 8, 2023	Teams notified of finalists and possible interview scheduled
August 14 - 18, 2023	Interviews
September 5, 2023	Town Council selection

Note: No questions were received by the Town as of July 17, 2023.

Selection Criteria

The RFP submittal will be evaluated based on the following factors:

- Qualifications
- Project Approach
- Similar Demonstrated Ability
- Financial Strategy
- Company Financial Capabilities
- Project Schedule/Timeline - Town Assurances for Project Completion
- References

RFP Selection Committee

The selection committee for this Project will include Town Staff, GVHRA staff, and one or more Town Council members. Williford LLC will support the selection process, but not vote.

RFP Attachments

The following resource documents are available at

<https://www.dropbox.com/scl/fo/zou6qw4xt7kcsud99rado/h?rlkey=aim9km67wi9qkrkpqfidxb0npt&dl=0>

and made a part of this RFP:

- Homestead Deed Restriction
- Project address list, unit mix, and sales price form
- Letter regarding building framing repair/demolition conditions (to follow when available)
- Letter regarding foundation repair/demolition conditions (to follow when available)
- Project drawings (civil, structural, architectural)
- GVRHA 2023 AMI – Income and Sales Price Matrix – note: these are not definitive maximum sales prices. Mt. Crested Butte is seeking to price units at lower, more affordable prices, if possible.

ADDITIONAL RFP PROVISIONS

Reserved Rights:

The Town reserves the right to:

- Amend, modify, or cancel the Project selection schedule or process at any time.
- Waive minor RFP submittal irregularities.
- Reject any and/or all RFP responses and submittals.
- Seek new RFP proposals as deemed appropriate by the Town.
- Request clarification or seek additional information, 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 parcel including seeking and evaluating independent information on any development team.
- Incorporate this RFP document and the selected Contractor's RFP submitted proposal as a part of the formal agreement between the Town and the Contractor.
- An Applicant who is in the opinion of the Town, not in a position to perform the Project or who has previously failed to perform similar projects may also be disqualified.

- Modify the development opportunity available to potential development teams.
- First Right of Refusal to purchase any units upon completion.

RFP Expenses: All expenses related to any development of the RFP response and submittal, or other expenses incurred while the selection process is underway, are the sole obligation and responsibility of the RFP Project Team applicant.

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

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