



**COMMUNITY DEVELOPMENT  
DEPARTMENT**

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Agenda Item #9

**TO:** Mountain Village Town Council  
**FROM:** Michelle Haynes, Assistant Town Manager & Amy Ward, Community Development Director  
**FOR:** December 12, 2024  
**DATE:** December 5, 2024  
**RE:** A recommendation to Town Council regarding the Ilium Housing Request for Qualifications Development Team

Executive Summary: The Ilium Housing Review Committee recommends to the Town Council we pause the RFQ award and work through additional predevelopment questions so that we are more informed regarding infrastructure costs, gap funding needed, and unit mix. Once these questions are better satisfied we can dial in how best to address gap funding to develop affordable housing in Ilium Valley.

**BACKGROUND**

The Town of Mountain Village Housing Authority (TMVHA) purchased approximately 56.5 acres from the Alexander family in Ilium Valley in the fall of 2023. The property is zoned Community Housing and located within San Miguel County, outside of the Town of Mountain Village municipal boundary.

In October of 2024, the MVHA issued a Request for Qualifications (RFQ) from development teams to submit qualifications and concepts for the north side (phase I) of the Ilium Housing Parcel, with a deadline for submittal on November 13, 2024.

**PUBLIC NOTICE**

The RFQ was properly noticed in the newspaper of record.

**MANDATORY SITE WALK**

We held two mandatory site walks on October 7 and October 10, 2024, with a total attendance of 15 interested development people and representation from 12 development firms of various iterations.

**PROPOSALS CONSIDERED**

We received two proposals from [Triumph Development](#) West and the [NHP Foundation](#).

**REVIEWING TEAM**

Our review team consisted of the following members:

- Michelle Haynes
- Amy Ward
- Scott Pittenger
- Lizbeth Lemley

Anna Wilson  
David Averill  
Pete Duprey  
Tucker Magid

Ex officio

Scott Pearson – not in attendance at the interviews but on the infrastructure subcommittee

### **INTERVIEW SCHEDULE**

We held interviews between December 5<sup>th</sup> and December 6<sup>th</sup> with both development teams.

### **ANALYSIS**

We appreciated all the work each team put into their proposals. Overall, Triumph provided a detailed site plan that included addressing county code requirements, cost per square foot for construction, and a timeline. Triumph recognized that we have a funding gap and indicated that our finance team member, Midwest Housing Equity Group, would assist us but felt details were too soon to be provided.

NHPF provided many financial details related to possible grant and finance opportunities and included a local architect and contractor. More emphasis on financing, and less on the details of development and constructability.

In both scenarios, the developers, at this time, did not want to own or operate the resulting housing developments. This was primarily due to projected cash flows with limited predevelopment information available to the teams.

### **PRE-DEVELOPMENT**

The conversations with the team and developers were constructive. We recognize that there are more pre-development steps to occur that would help us better understand infrastructure costs, site constraints and opportunities and then we could also build a more accurate development proforma. Outstanding predevelopment issues are including and not limited to:

- Intersection Improvements – civil design, costs and partners
- Fundraising efforts and gap funding –
- Geotechnical data
- Utilities and infrastructure tie in and capacities determined
- Final mix of types of units but build the proforma scenarios
- Conceptual Renderings to share with the public and possible funders
- Forest Service Trade

### **TOWN MANAGER'S ROLE IN AN RFQ**

The Town Manager does not weigh in during the RFQ/RFP process but is charged with providing a letter of intent to the awarded development team and negotiating a contract with the awarded development team. Out of an abundance of caution, staff likes to bring this type of RFQ to the Council with a recommendation so that the Council makes the final decision.

### **STAFF RECOMMENDATION**

The review committee recommends not awarding a contract but pausing the process. Staff will continue working on the predevelopment work and meet the outstanding issues listed above; then we will re-issue a Request for Proposal that would provide more certainty an assurance for Mountain Village and our future development partners.

**PROPOSED MOTION**

I recommend pausing the RFQ process and asking staff to complete the list that includes and is not limited to the predevelopment items listed in the staff memo. Staff would then reissue a Request for Proposal after having a work session with the Town Council regarding how we best achieve the goal of constructing affordable and attainable housing in Ilium Valley.

/mh