



OFFICE OF THE TOWN MANAGER
455 Mountain Village Blvd.
Mountain Village, CO 81435
(970) 417-6976

October 25, 2024

ILIUH HOUSING RFQ ADDENDUM #1

QUESTIONS AND ANSWERS

1. **Is the wastewater solution moving along faster than what was noted in the RFQ?**
We are working on a Memorandum of Understanding for water and waste within the Ilium Property Owners Association, with an execution goal by year end of 2024 – to accommodate 70 units of housing on the Ilium housing parcel. All of Ilium Valley would then connect to the regional wastewater plant down valley (about ½ a mile) by an estimate of 2028.
2. **Does the Town have funding identified to help with gaps/subsidy? If so – how much and at what timeline?** We would likely look to fundraise and work with the school district and/or fire district or medical center for additional funds in exchange for buildings or units. This isn't perfected right now – we know we have willing partners, but need the development team onboard to work through the deal. A local Foundation also indicated a willingness to help us fundraise capital.
3. **Is the Town expecting the chosen developer firm to fund predevelopment work?**
Currently we are funding the geotechnical field work and report, and the 1' contour topographic map. **Outside of these studies, which the Town is currently covering, we do expect the developer to fund any additional pre-development costs.**
4. **Does the Town have identified an ideal Area Median Income for rent levels or incomes?** We are relying on the market study which generally suggested between 80%-100% for rental and between 100%-150% for sale units.
5. **Does the Town have an ideal unit mix of bedroom sizes?** From our experience, cost to construct is driving demand rather than ideal unit mix in a for sale scenario. Rents over 100% AMI make more than a one bedroom unit out of reach for many. Sales pricing over \$400 a square foot irrespective of cost, is available to a much smaller demographic.
6. **The RFQ notes:**
CDOT will require the intersection at 63L and Highway 145 to be improved as a result of the additional housing proposed in the Ilium Valley. The Town of Mountain Village intends to issue an RFP for design and civil engineering for the intersection in cooperation with CDOT and the County. Design and planning coordination will be critical to integrate solid land planning specifically as it affects the western portion of the housing parcel.

Will this highway improvement access impact the density of the Ilium site? I think it could impact the western most development pod's access. I would focus development on the other two pods with a TBD for the western most pod. Our RFP for the

intersection design and engineering will go out in early 2025 and we'd have a better understanding in the fall of 2025 what remains developable and how it is accessed.

Is the current roadway able to handle Phase I of the planned development at the Ilium site? The intersection will be required to be improved with a development application for this housing development project. We would enter into an agreement through the development review process for intersection improvements with a timeline for construction. Essentially CDOT indicated one density of development would have triggered the intersection improvements. So, to answer the question, technically no. We are working collectively towards having design, engineering approvals and funding concurrently with development of the property.

Has this occurred?

7. Water and sewer for Phase I is in the process of being negotiated with the adjacent Ilium Property Owners Association. We expect the MOU to be executed by year end of 2024. The upward threshold everyone is comfortable with is 70 units. With the development application we'll need to prove it up with our engineer for the purposes of the application with San Miguel County.
8. **The RFP discusses a mix of for sale (25%) and for rent (75%) – is the Town open to for-sale happening in Phase 2 or later versus a 25%/75% split for Phase I?** The town is open to the developer's more experienced view of this and how it could work for them.
9. **We have reviewed the EPS Market Study and have the following questions about any Town preferences or goals for the Ilium Valley Development:**

Does the Town have specific income levels it wants to prioritize in this development (either in Phase 1 or Phase 2)? Our sense was that income levels were between 80%-100% AMI for rental and 80%-150% for sale. To be clear, we want to step into the development with the costs to construct being affordable. We don't intend (upload county deed restriction) to price cap or limit incomes, but do want to keep rents and ownership affordable for purchasers and renters.

10. **Does the Town have preferences for unit sizes (# of bedrooms) for the rental or for-sale units?** Addressed above.

I also uploaded the San Miguel County Covenant Template approved July 2023 which is the deed restriction this property would carry for each unit.

The town's goal is to build affordably so that we can offer affordable rental and sale pricing. We would like to maintain as much flexibility to owners and renters and not tie their hands to asset or income limitations if possible.

Electronic submissions are required to be uploaded to our electronic portal <https://mtnvillage.files.com/f/b228ebba685cfa6e> by 5:00 pm on November 13, 2024.

We will schedule interviews on December 5 & 6 in the Fire House conference room located at 411 Mountain Village Blvd, 3rd floor which is near Town Hall but to the west.